

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN-AT-HAMPSTEAD

England & Wales · Charity number 1129264

Details

Other names	HAMPSTEAD PARISH CHURCH, HAMPSTEAD PCC
Status	Registered
Legal form	Previously excepted
Registered	2009-04-22
Register	View on the Charity Commission register

Contact

Address	Church Row London NW3 6UU
Phone	020 7794 5808
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Website	www.hampsteadparishchurch.org.uk

Activities

Objects: Promoting in the ecclesiastical parish the whole mission of the Church.

Activities: Regular public worship. Teaching of Christianity. Sunday schools. Provision of religious assemblies at and for schools. Pastoral work including visiting sick and bereaved. Provision of space for personal prayer and contemplation, and for public performance of literary, musical and dramatic works of a predominantly Christian character. Supporting other UK and overseas charities.

Classification

- **How:** Makes Grants To Organisations, Provides Buildings/facilities/open Space, Provides Services, Other Charitable Activities
- **What:** Religious Activities
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, LOCAL.
- Camden

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£477,334	£755,164	-	-
2023-12-31	£404,565	£466,690	-	-
2022-12-31	£387,035	£379,963	-	-
2021-12-31	£386,525	£387,025	-	-
2020-12-31	£513,034	£470,554	£2,090,361	6

Trustees

Name	Role	Appointed
Carol Mary Ford	Chair	2024-01-21
ANGELA MARY GARDNER		
Alice Elizabeth Reynolds		2025-06-30
Dr HANDLEY MICHAEL GAMBRELL STEVENS MA, PhD		
Dr Jessica Harland		2022-05-23
ELIZABETH JANE BEESLEY		2011-04-06
Helen Taylor		2024-05-20
Inigo Rodney Milman Woolf		
James Poletyllo		2023-07-17
Jonathan Michael Davey		2013-10-15
Jules Lubbock		2023-04-24
Martin Wigley Evans		2019-04-29
Nicholas Martin Walser		2011-04-06
Nicholas White		2023-04-24
ROSEMARY ANNE LOYD		
Sarah Cheriton-Jones		2020-10-20
Toba Fatimilehin		2024-05-20

Accounts

The Parish Church of St John at Hampstead

Annual Report for 2024

To comply with the reporting requirements of both
the Church Representation Rules 2020, Rule M5(1) and
the Charity Commission guidelines for small non-company charities

The Parish Church of St John at Hampstead

Reference and Administrative Details

Full Name: The Parochial Church Council of the Ecclesiastical Parish of St John-at-Hampstead ("the PCC").

Charity Registration Number: 1129264

Address and Website: Church Row, London NW3 6UU / www.hampsteadparishchurch.org.uk

Trustees under an Act of Parliament of 1827

Ex Officio

The Revd Carol Barrett Ford	Vicar (from 21 January 2024)
Sheena Ginnings	Churchwarden
Martin Evans	Churchwarden (until 20 May 2024)
Angela Gardner	Churchwarden (from 20 May 2024)
The Revd Graham Dunn	Assistant Curate (until 29 September 2024)
The Revd Yin-An Chen	Assistant Curate (from 6 November 2024)

Membership of the PCC

Ex Officio

The Revd Carol Barrett Ford	Vicar and PCC Chair (from 21 January 2024)
Martin Evans *	Churchwarden and PCC Vice Chair (until 20 May 2024) (Deputy Churchwarden and an elected PCC member from 20 May 2024)
Sheena Ginnings*	Churchwarden (PCC Vice Chair from 20 May 2024)
Angela Gardner*	Churchwarden (from 20 May 2024)
The Revd Graham Dunn	Assistant Curate (until 29 September 2024)
The Revd Yin-An Chen	Assistant Curate (from 6 November 2024)

As a lay member of the London Diocesan Synod

Inigo Woolf *	Treasurer (also an elected member of the Camden Deanery Synod)
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As lay members of the Camden Deanery Synod

John Barker
Angela Gardner
Rosemary Loyd

Elected Members

Gaynor Bassey-Fish	Electoral Roll Officer
Elizabeth Beesley	
Sarah Cheriton-Jones	
Hagar Cliff *	Deputy Churchwarden
Jonathan Davey	
Toba Fatimilehin	(from 20 May 2024)
Jean Harrison	(until 20 May 2024)
Jules Lubbock	
Jessica Mathur	
James Poletylo	(from 20 May 2024) Parish Safeguarding Officer
Jon Siddall *	Deputy Churchwarden (until 20 May 2024)
Handley Stevens	
Nicholas Walser *	PCC Secretary
Nicholas White	

Co-opted Members

Peter Ginnings	(until 20 May 2024)
Helen Taylor	(from 20 May 2024)

(Those marked with an asterisk * served as members of the Standing Committee for all or part of 2024)

Foreword from the Vicar

'When Jesus enters into the home of his disciples it becomes his home. The guest becomes the host. He who was invited now invites'

In his book *'With Burning Hearts: A Meditation on the Eucharistic Life'*, Henri Nouwen ponders the nature of our relationship with God, the one who feeds and sustains us in our earthly life. It's a beautiful little book, richly decorated with simple yet profound observations on the story of the Road to Emmaus. It reminds us that we are nourished in word and in sacrament, and in community with each other.

Last year I asked us all to contemplate being a 'gift' to each other in 2024. The reports that follow not only demonstrate the hard work and dedication of so many people, but also how we have 'been a gift' to each other this year in the interconnectedness of our life of worship, prayer, praise and good works here at St John-at-Hampstead. Our common life is blessed with active and vibrant projects and events.

With the help of dedicated volunteers, we have wonderful children's work and a range of parish activities including stimulating music and drama. The weekly assemblies at the parish school and regular services are a delight, reminding me that our children are often the ones to lead us in thoughtful encounter with God. Our liturgy is enriched by beautiful music; we have welcomed guest preachers and explored our faith through learning together. Together we have seen children and adults baptised, celebrated with those who have married and mourned with those who have lost their loved ones. In all of this we also seek to develop a spirit that takes us beyond the beautiful walls of our church. We are committed to life in all its fullness - in our deanery, episcopal area and the wider diocese.

In all of this we rely on God's grace and love to support us, and we pray to be able to discern his will and his way, working together as a team. I remain hugely grateful to everyone at this parish church for their support, wisdom and skills: the many volunteers, the Churchwardens Sheena and Angela, the Parochial Church Council ("the PCC"), the Finance Committee, Huw and Courtney in the Parish Office, Andrew, Handley, Fr Yin-An, Geoffrey and the music department.

In closing I want to leave you with a meditation from Henri Nouwen. *'Communion creates community. Communion makes us look at each other and speak to each other, not about the latest news, but about him who walked with us. We discover each other as people who belong together because each of us now belongs to him'*. I look forward to the coming year of sharing in the breaking of bread, prayer, praise and song.

With my best wishes and prayers,
Mthr Carol

Structure and Management

The church of St John-at-Hampstead, commonly known as Hampstead Parish Church, was consecrated in 1747 as the latest in a series of buildings on this site believed to go back to 986. The present parish covers part of central Hampstead, and forms part of the Camden Deanery in the Edmonton Episcopal Area within the Diocese of London. The church buildings and churchyards are vested in the Vicar.

The Churchwardens and PCC

The church is part of the wider Church of England and is governed by Canon Law – most notably expressed in the Parochial Church Council Powers Measure 1956 (as amended), the Churchwardens Measure 2001 (“CM”), and the Church Representation Rules 2020 (“CRR”). These establish the governance arrangements for the PCC as trustees of a corporate body within the Church of England and as a registered charity.

Two churchwardens are elected each year (CM Rule 2) at the Meeting of Parishioners immediately preceding the Annual Parochial Church Meeting (“the APCM”). In the past the custom has been for each one to serve a maximum of four years consecutively, although there have been exceptions (eg during a clergy vacancy). They serve as conduits for the flow of information between the Vicar and the congregation and as principal advisers to her.

The appointment of PCC members is governed by the CRR (Rule M15(1)). Membership of the PCC comprises: the clergy licensed to the parish, the two churchwardens, lay members elected to the diocesan and deanery synods (*ex officio*), and 15 lay members elected at the APCM for a term of up to 3 years. In addition, the PCC may co-opt up to 3 members to serve annually. All members must be communicants of sixteen years of age or over, and on the Electoral Roll of the parish. (*See inside cover page for more details.*)

The PCC has the duty of co-operating with the Incumbent on all aspects of the church’s mission within the parish – pastoral, evangelistic, educational, social and ecumenical - and is responsible for the financial affairs of the church and for the care and maintenance of the church fabric and its contents.

Trustees under an Act of Parliament

Under an Act of Parliament of 14 June 1827 (“the Act”) a group of trustees was established in whom were vested the organ, fixtures and furnishings of the church, and who had the responsibility of maintaining the church in good repair. Since the qualification for election (relating to the poor relief rate) and the source of funding (the income from pew rents) are now obsolete it was decided in 2013 to elect no new trustees. Since April 2019, the sole trustees under the Act are the Vicar, churchwardens and any licensed assistant curate *ex officio*.

Since the responsibilities of the trustees under the Act relating to the fabric of the building and those of the PCC overlap, it has long been the custom to agree, at the first meeting of the PCC after the APCM, that both sets of trustees should meet jointly.

PCC Committees

As required by the CRR (Rule M31), a Standing Committee is appointed annually by the PCC. It has power to transact the business of the PCC between its meetings, subject to such directions as the PCC may give, or in an emergency. Its role is to support the Vicar in her role as the promoter and “guardian” of the parish’s Mission Action Plan, and it also monitors and encourages the implementation of agreed plans by the PCC’s committees and other groups.

During the year under review significant consolidation of committees and working parties has taken place, resulting in a simpler structure. Reporting directly to the PCC, these meet regularly to take forward work on matters relating to:

- Finance and Fund-raising
- Buildings and Capital Projects
- Children and Young People
- Mission Strategy

and, in addition, other groups exist to oversee on a more *ad hoc* basis our activities on:

- Pastoral Care
- Racial Justice and Inclusion.

Governance Reports

Proceedings of the PCC

The PCC held five full meetings during 2024, as well as an additional meeting immediately following the APCM, at which Officers and Standing Committee members were elected. At the first main meeting of the year an introduction was given on the responsibilities of the members and the rules which govern the conduct of business.

All meetings included a report from the Treasurer on the parish finances, generally including review of the latest management accounts. At its meeting in February 2024 the PCC approved the Annual Report and Financial Statements for the year ended 31 December 2023.

A number of Policies were reviewed and updated during the year, including a new Legacy policy (see *Financial Review* below), and a revised policy for hiring the Church and parish rooms to external users. In this we re-affirmed our commitment to enabling use of our spaces by charitable and community groups, whilst actively marketing the rooms to commercial users to maximise revenue. The PCC also reviewed and updated the terms of reference of its Committees and Working Parties.

The PCC received regular updates on the Junior Church and other activities involving children and young people, including reports on the impact of improved resources funded by a legacy from a long-standing member of the congregation.

During 2024 the church completed a major building project involving full replacement of the roof of the choir vestry, originally constructed in 1911. The PCC approved expenditure related to this project and received regular reports on progress from the Treasurer and the Buildings Working Party.

The Parish Safeguarding Officer provided regular reports to the PCC and members undertook online safeguarding training courses provided by the Church of England.
Nick Walser, PCC Secretary

Annual Report on Fabric, Goods and Ornaments

It is the annual duty of the churchwardens to carry out, or cause to be carried out, an inspection of the fabric, fixtures, fittings and furniture of the church, and to report their findings to the APCM. We duly carried out the inventory which was completed on 2 March, and are pleased to report that no items were missing. The silver gilt Steeple Cup continues to be on loan to the Victoria and Albert Museum, and a new long-term Agreement was signed in February 2024.

Sheena Ginnings, Angela Gardner, Churchwardens

Compliance with Guidance on Safeguarding

The PCC has complied with its duty under section 5 of the Safeguarding and Clergy Discipline Measure 2016 to have regard to the House of Bishops' guidance on safeguarding children and vulnerable adults.

As a Church community we are committed to embedding the National Safeguarding Standards into all our activities. Our approach is to use the tools and guidance available to ensure that our processes are sustainable and drive awareness and action.

Using the Safeguarding Dashboard and Safeguarding Hub we are targeting our activities to ensure we are progressing through the levels of compliance and building approaches which will enable us to provide a safe environment.

At a PCC awayday after the end of the year, significant time was given to discussing Safeguarding and our Approach for 2025. We are currently working at Level 1 on the Dashboard and will soon be working at Level 2 – the only requirement we are not meeting is that one member of the PCC is outstanding in completing and evidencing their training.

Safeguarding Leads

To help focus and drive our Safeguarding efforts we have identified leadership roles in each area of the church to support our Safeguarding and Deputy Safeguarding Officers. The leads for each area are as follows:

Area/Department	Person/People Responsible
Music	Sheena Ginnings & Angela Gardner
Young People	Jess Mathur
Leadership	Nick Walser
Worship	Gaynor Bassey Fish
Other Roles	Sarah Cheriton-Jones

Current Areas of Focus

The following actions are underway in conjunction with our leads:

- Ensure outstanding training is completed
- Ensure all members of the PCC hold a valid DBS certificate
- Map all our roles for each department into the Safeguarding Hub
- Map all our people to roles
- Target training and DBS checks for any individual who requires these for our role
- Proactively prompt refresher training and DBS renewals
- Map all Church activities into the Dashboard
- Conduct Risk Assessments and other required actions for each Church based Activity
- Review Our Safeguarding and other associated policies and procedures such as lone working

We will continue to review and evolve our focus areas. This will allow us to make progress and identify additional areas of focus in line with the Dashboard and Areas identified through our Risk Analysis and other processes.

Reportable Incidents

We have had no reportable Safeguarding Incidents in the past year; we have sought guidance from the Diocesan Safeguarding Team in a handful of situations. The lack of incidents should not allow for complacency, and we want to encourage regular reporting of risks and incidents to ensure we continually improve our practice.

James Poletylo, Parish Safeguarding Officer

Proceedings of Camden Deanery Synod

The Deanery Synod comprises clergy and lay representatives – elected at their respective APCMs – from each parish in Camden. The Standing Committee consists of the Area Dean (Revd Carol Barrett Ford), three other clergy and four lay members.

Synod met four times in 2024, starting with refreshments. Full details of business transacted in each meeting can be found in the Minutes; the keynote presentations are summarised below.

Monday 29 January 2024: St Michael's Church, Camden

Archdeacon John Hawkins led a detailed discussion around the future of St Mary's, Eversholt Street, going back to 2021, starting with minor repair works on the vicarage. This led to a more detailed investigation of the outside works of the church, which had to close for 3 months from September 2021 for safety reasons.

Wednesday 22 May 2024: Summer Social, The Vicarage, St John-at-Hampstead

A number of clergy and lay members gathered at the vicarage to celebrate our common life. There was much discussion of life in Camden and the challenges and joys this brings. Issues around austerity continue to be a concern for both clergy and laity, and concerns for the coming autumn and winter, especially amongst those who are living in poverty or precariously housed.

Monday 18 September 2024: St John-at-Hampstead

The intention was for Prebendary Amatu Christian Iwuagwu to speak on Racial Justice. Unfortunately, he was unable to attend and this meeting was a simple business meeting.

Wednesday 16 October 2024: St Mary Magdalene Munster Square

Bishop Anderson reflected on his visits to the parishes in his episcopal area during his first months as Bishop of Edmonton. There was discussion of the issues that are most pressing on this Deanery, especially in the areas of buildings (Camden 19), austerity, homelessness and social isolation.

Mthr Carol Barrett Ford, Area Dean

Aims, Activities and Performance

Aims and Objectives

Each year brings its own joys and challenges. The church had three main aims during the year:

- To support our new Vicar during her first year in Hampstead (she was installed on 21 January 2024)
- To maintain and enhance the pattern of activities established during the year of vacancy
- To continue work on our new Mission Action Plan (the headlines and priorities for 2025 were approved by the PCC on 1 Feb 2025 after the year-end).

Activities during the year

The following reports show the breadth of church life: liturgical, pastoral, social and practical.

Prayer and Worship

Each day the church is open for quiet prayer and the lighting of candles, with a member of the Welcoming team often on hand to offer assistance. This facility is widely used and appreciated.

Our regular pattern of services has continued, with Morning and Evening Prayer said publicly by the clergy each day. Quiet Holy Communion is celebrated at 10.15am on Wednesday mornings, and there are three services on Sundays: 8am BCP Holy Communion, 10.30am Choral Holy Communion and 5pm Choral Evensong. Regular All Age Services are held during the year, with special family focused services such as Harvest Sunday, a Pet Blessing, and Backpack Sunday at the start of the school year.

We maintain the liturgical rhythm of the church year and celebrate the major festivals of the church, including Ash Wednesday, Holy Week and Easter, Ascension, Christmas and Epiphany. There are regular baptism, wedding, funeral and memorial services.

Church Music

Our liturgy is enriched by the work of our professional parish choir, under the Director of Music Geoffrey Webber and our organist Joshua Ryan, and our Junior Choir under the direction of Aidan Coburn.

There were no changes to choir personnel in 2024, but in September we welcomed Louis Horsman Carpenter as Organ Scholar for the academic year 2024-25. The Director of Music was on sick leave for the first few months of 2024, but Assistant Director of Music and Organist Joshua Ryan looked after proceedings during this period.

The musical highlights of the year included the performance of Bach's St John Passion on Passion Sunday, once more with the Baroque Collective; a Good Friday Sequence of Music & Readings that included music by Bairstow, Casals and Gounod; a 'Symphony' Evensong with baroque strings featuring Henry Purcell's anthem 'O, sing unto the Lord'; and in December a performance of Handel's 'Messiah' with baroque orchestra led by Jacob Garside, which also featured the Junior Choir.

The choir's regular repertoire for Holy Communion has continued to explore music that suits our four solo singers, and at Evensong music is chosen to suit the theme of the day whilst also including a range of popular and less familiar items by diverse composers. At Christmas our liturgical music included works by Frenchman Louis Vierne, two giants of the English tradition, Thomas Tallis and Herbert Howells, as well as a 'Sanctus' by Afro-Brazilian composer José Maurício Nunes Garcia.

Throughout the year in term time the Junior Choir, directed by Aidan Coburn, continued to sing a psalm (with the adult professionals) and provide an anthem during Holy Communion each week.

The significant financial support of the Hampstead Church Music Trust was key to delivering these programmes and is gratefully acknowledged.

Geoffrey Webber, Director of Music

Pastoral care

The clergy team provide pastoral care, counsel and support both to the regular worshipping community and to a significant number of visitors to the church during each day. They see it as a privilege to visit the sick and take home-communion to those housebound and in hospital. They care for those approaching death, and their family, in making spiritual and practical preparation for death, and in administering the last rites.

However, pastoral care is the calling of all God's people, as we remember that Jesus told us 'You shall love your neighbour as yourself' (Mark 12:31). The 'Friend at Church' scheme helps to share the pastoral work of the clergy and, throughout the year and under the aegis of the PCC's Pastoral Group, keeps in touch with older and more vulnerable members of the congregation, particularly those who come to church on their own.

We try to ensure that everyone has a 'Friend at Church', who will notice if they have not been seen for a few weeks and will either know or be able to find out sensitively and discreetly whether all is well. Members of the congregation are very good at looking out for one another without having to be asked, but these back-up arrangements have helped us to maintain a light but reasonably effective network of pastoral care, which has been particularly helpful while the clergy team has been in transition.

Handley Stevens, Co-ordinator

Children and Young People

Over the past year, Junior Church has continued to thrive, with an average of 20-25 children attending each Sunday, along with 14 children from the choir and lots of new families. The children have been split into four different age groups, allowing us to tailor lessons and activities to each stage of spiritual development.

This year we were able to re-introduce preparation for first Holy Communion, after a hiatus due to Covid, with 4 children receiving their first Communion during a special All Age Eucharist service. A date for Confirmations is planned for later this year.

Highlights in 2024 included several well-received special events. For the first time, the children experienced a "learning carousel" during which children rotated through four different stations (inspired by the Stations of the Cross) exploring the Easter story with crafts and activities. Rupert Sheldrake led around 25 of us on a pilgrimage through the medieval City of London in May. We had bouquet-making for Mothering Sunday and enjoyed God's beautiful, natural world in Spring Watch and Autumn Watch sessions in the graveyard with Esther.

In the lead-up to Christmas, we had fun making Christingles for the Children's Society again, a Christmas party featuring a live band ("The UnHoly Rackets") organised by Helen, and we concluded the season with a wonderful and well-attended Crib service, ably managed by Naomi. A team of enthusiastic leaders and helpers continue to diligently prepare thought-provoking and fun sessions for our children's Sunday groups, for which I am enormously grateful.

An attempt to re-launch the mid-week Holy Hamsters session for pre-school children was initially popular. Unfortunately, it had to be closed after a few months as we were unable to secure regular leaders and volunteers. However, the now well-equipped and welcoming children's chapel is popular throughout the week with young children dropping in with their carers.

Increasingly large numbers of children attending on Sunday mornings have also lead to increasingly complex logistical issues. A major boost has come in the form of the appointment of a paid Junior Church Assistant. Isabella is now available to support our activities from 9-12 every Sunday, helping with setting up and storing equipment and with registration procedures amongst other things. The role is currently funded by a legacy. This legacy has also funded the installation of IT equipment in the Crypt and Gregory rooms, which really helps enhance teaching sessions.

Looking ahead, our priorities for the coming year include strengthening our safeguarding procedures to ensure a safe environment for all. We also hope to look again at how we might better cater for our teenagers, something which will almost certainly require identifying new lay leaders. Training opportunities for volunteers will also be a key focus, ensuring our team is confident and equipped to lead the children's ministry whilst deepening their own faith and theological understanding.

Heartfelt thanks to the parents, children, volunteers, and congregation for their ongoing support. We look forward to another year of joyful growth and faith-filled learning for our young church members.

Jessica Mathur, Junior Church Co-ordinator

Social outreach

Social Outreach is an important part of our witness to the Gospel and furthering God's purposes by supporting the most vulnerable in the local community.

Our buildings played an important part. Charities and community groups hired the church or parish rooms at special rates. And we were able to continue our support to the Camden Christian Churches' Cold Weather Shelter (C4WS). Despite rising energy costs our church building continued to remain open during the week to provide a warm

and peaceful space for the wider community. Our churchyard and burial grounds were also an important green facility which we, with Camden, actively maintain.

Within the local community we actively supported a local foodbank and at Christmas, working with Age UK Camden, we provided hampers to 40 local, elderly residents who would otherwise have been alone at Christmas. We would like to thank everyone who has organised and supported these activities.

In our local community we value our relationship with Hampstead Parochial School and continued to seek ways to support their Christian mission.

For 10 years the Holiday in Hampstead series of lectures and events entertained, informed, and provided hospitality, fun and friendship for any older members of the congregation who wanted to join in. In 2024 the present organisers, led by Diana Finning, decided it was time to retire, and we would like to express our grateful thanks for all the hard work, commitment, and creativity that created such a hugely successful week each year, and provided such delicious lunches!

In 2024 the PCC decided to make changes to our Giving Away Policy. It had been our practice to distribute 10% of our income to charities approved by the PCC. Following feedback from the congregation the PCC recognised that people prefer to make their own decisions about which charities to donate to. Money given to the church is now solely for our own mission and ministry. However, we will continue to support external charities when special collections or events are organised for this purpose.

Sheena Ginnings, Churchwarden

Buildings and Capital Projects

The major effort from February to December was in supervising the vestry roof replacement and the repairs recommended in the 2022 Quinquennial Inspection of the church building, including fortnightly meetings with Universal Stone and monitoring the out of hours scaffold alarm. This project is described elsewhere under the *Financial Review*. In addition, we have continued to carry out regular monthly Health & Safety reviews with our office staff and volunteer deputy H&S officer.

During the year we retendered the church's cleaning contract, upgraded the church's fire alarm, which has had the benefit of reducing our insurance premium, and started upgrading our telephone system and the electrics in the office and choir vestry and our Ethernet, CCTV and WiFi connections – which will continue into 2025.

Alongside the church's recent de-cluttering project, we arranged for additional shelves to be put up in the choir vestry for music and photocopier supplies, and for new storage cupboards in the south transept gallery.

Jointly with the office staff we have been involved in implementing our new room hire rates and agreements; and we have supported them in addressing problems with the safe door. Finally, we have reviewed the results of a recent drain survey and investigated water leaks in the main chancel roof in anticipation of a repair project in 2025.

Martin Evans, Chair, Buildings Working Party and H&S Officer

Achievements and performance

The beginning of the year marked a new chapter in the history of the parish, with the institution and induction of our new Vicar by the Acting Bishop of Edmonton, the Rt Revd Jonathan Baker. This was a joyful and very well attended occasion, after a year of hard work by the churchwardens and PCC in 2023 to maintain the rhythms of church life and participate in the appointment process.

This year has mainly been one of “business as usual” as the Vicar got to know us and took stock of our strengths and needs. The main areas of activity are described above. All of these were made possible by the hard work, dedication and expertise of the many volunteers who kept the church open, cleaned and decorated, provided hospitality, worked with children, and served and supported our worship. (*See more detail of their achievements in Annex 1*). Their combined efforts made sure that the life of the church was maintained and flourished.

We also relied heavily on the work of our administrative staff to support the clergy, prepare service sheets, arrange supplies for activities, support volunteer co-ordinators and deal with the public and church members who have enquiries. Without this work, often unnoticed and unsung, we would not be able to achieve so much.

In addition, our thanks go to associated organisations who enlarged our contribution to life in Hampstead - the Community Choir, Friends of the Drama, Friends of the Music, and C4WS (*see Annex 2 for more detail of their activities*). Their activities added colour and joy to our corporate life and attracted many non-church goers to come and visit us.

Public Benefit

The PCC is aware of the Charity Commission’s guidance on public benefit and the advancement of religion. By working with the Clergy to promote the mission of the church in the parish, it believes the church benefits the public by providing:

- A variety of forms of public worship, pastoral care and spiritual, moral and intellectual development for all who wish to take advantage of the opportunities which the church offers
- Space, facilities and encouragement for educational and community activities and for recreation
- Financial, practical and moral support for other charities which benefit sections of the public that are in need – locally, nationally and beyond.

Statistics for Mission (*figures in brackets are for 2023*)

Electoral Roll changes

There were 215 (233) names on the ecclesiastical Electoral Roll (“ER”) of Hampstead Parish Church on 1 January 2024. During the calendar year 11 (14) new names were added and 7 (17) removed due to death or relocation (in accordance with CRR Rules 4 and 5). This resulted in a total of 219 names on the ER on 31 December 2024.

In accordance with the CRR (Rules 6 and 7), the PCC will be carrying out a complete overhaul of the ER in 2025. This occurs in six-yearly cycles and means that every single eligible parishioner will be asked to complete a form again, even if one had been completed in previous years. A completely new ER will be presented at the APCM in 2025.

Gaynor Bassey-Fish, Electoral Roll Officer

Attendance, Baptisms, Marriages and Funerals

The average attendance at worship on Sundays in October (the period designated by the Diocese for gathering information) was 190 (200) for all services - 166 (175) adults and 24 (25) children. On Sundays there was an average of 95 (113) communicants, and for weekday services an average of 4 (4) communicants. There were 10 (12) baptisms, no (2) candidates for confirmation, and 4 (1) first communions or admission to the Church of England. There were 4 (5) weddings and 18 (16) funerals.

Unfortunately, the October count overlaps with school half-term, so that the monthly averages understate both the numbers of children attending our Junior Church and the number of adults attending services. Whilst it has been argued that this is the same each year, and so the general trend is reliable, this is not necessarily true. Our highest October figures were 177 adults and 33 children, which may be a more accurate indicator of church growth.

Financial Review for 2024

Sources of Income

Our church is substantially reliant on giving from members of the congregation to support its activities. Over the last 10 years, however, both the number of regular givers and the average amounts given have been falling. This year the parish made a major effort to change this trend by embarking on a Christian Giving campaign, aimed especially at new members who are not yet givers. The total level of giving stabilised in 2024 (compared with 2023); it is too soon to assess the full impact of this campaign accurately, but it appears that it did not generate sufficient additional income to significantly reduce our deficit.

The PCC also reviewed its hire charges for use of the church and the parish rooms. Attracting more events to the Church and raising hire fees generated an additional £9,000, and the PCC plans to continue with this strategy.

In addition, the Hampstead Church Music Trust and the Friends of the Drama both increased their grants by 12.5%. The Hampstead Additional Burial Ground contributed £3,965 to reimburse the PCC for time spent by the administrative staff on helping this connected charity to organise interments and the sale of plots. And £10,000 of income which hitherto would have been given to external charities was retained by the PCC to support Mission and Ministry within the Parish and the Deanery.

Expenditure

Total expenditure on the church's operations was broadly in line with the budget and the previous year. An increase in administrative staff costs because of an increase in staffing (approved by the PCC in 2023) was offset by the reduction in charitable giving (see the discussion of our *Performance - Social Outreach* above). This result was also largely thanks to tight expenditure control on all other budget items.

For complete transparency, the total gross cost of the church music programme described above (in *Activities - Church Music*), including staff salaries, choir fees and materials, was £94,773. Against this, in 2024 we received a grant from the Hampstead Church Music Trust, a related but separate Charity, of £68,817, so that the net cost borne by the church was £25,956. We are grateful for this support, which we apply for annually, but cannot rely on it increasing in line with inflation.

Financial out-turn

Hampstead Parish Church had an in-year deficit on all funds of £265,305 following substantial repairs to the building (*described below*); this included a deficit of £15,677 in the unrestricted General Fund. The latter sum will be funded out of reserves.

The budget for 2024 had indicated that the General Fund deficit would be £49,308 and the final outturn for the year reflects the efforts made to improve income by £36,000, with expenditure remaining in line with expectations.

Building repairs and improvements

During 2024, £280,845 (net of VAT) was spent on renewing the roof of the choir vestry and in quinquennial repairs, mainly replacing red bricks and elements of the stone parapets used in the extension of the Church in the nineteenth century. This expenditure was funded with a £5,000 legacy received early in 2024 from the late Sheila Christie-Murray and from the Doris Asher legacy held in the designated repair reserve fund. As the Building is listed, we were able to recover £55,000 of VAT spent on the building works.

Investment policy

The PCC's objective is to preserve the real value of investments as measured by the Consumer Price Index over a 5-year period. It invests funds which it is intended to retain for more than 5 years in property and pooled investment funds. These provide an asset base on which borrowings can be secured if necessary to support major improvements and renovations in future. In determining its approach, the PCC takes note of any guidance provided by the Church of England and the Diocese of London.

Designated Repair Reserve

Following investment in the fabric of the building, the Designated Repair Reserve Fund ended the year with a balance of £264,991. After the increase in inflation in 2022, and to improve the diversification of assets, the PCC agreed to reduce the amount held on deposit and to invest in pooled ethical investment funds to protect the real value of the legacies left to the PCC. After a disappointing performance in 2023, the capital value of the investment increased this year by 6.7%, bringing the capital value up to £191,391 (broadly in line with the increase in the Consumer Price Index since the initial investment in 2022). In addition, the investment contributed £2,423 to the investment income in the General Fund.

Restricted Funds

Details of the Restricted funds operated by the PCC are set out in Note 17 of the Financial Statements. One of these is the Fabric Repair Fund, which benefits from the voluntary rate sought from all homes in the Parish and from individual donations. These provide sufficient funds to meet the cost of repairs which the General Fund would have difficulty funding - e.g. this year the Church Clock pendulum regulator control unit needed to be replaced at a cost of £2,720.

Expendable Endowment Funds, including the Parish Development Fund

The main assets of the Parish Development Fund are two properties. One is a leasehold flat in West Hampstead which was purchased some years ago to house a curate, and the other is the freehold of 100 Frognal - together with the leasehold of a flat there - which were generously given as a legacy to the Parish some years ago.

For both leasehold flats, a change in tenants necessitated ingoing works but, with short voids and an increase in rental income, the overall rent income was higher than in 2023. After a transfer of £26,000 to the General Fund, the Parish Development Fund has a positive net movement in funds of £9,689 which is held in cash to meet future repair liabilities for the exterior of 100 Frognal.

Reserves Policy

Cash reserves

Unrestricted reserves comprise accumulated surpluses in the General Fund and a designated fund for future building improvements/repairs.

For the General Fund, the policy has been to keep a reserve in the range of £20,000 to £30,000 to provide sufficient working capital to cover one month's normal expenditure without the need to make transfers from designated funds.

Following the deficit in 2024, and with the likelihood of a deficit in 2025, the PCC made the decision to pay the insurance premium monthly rather than on the first day of the year; this has enabled the reserves policy to be reduced to between £10,000 and £15,000.

The reserves policy for the designated fund for building improvements/repairs is to invest funds not required imminently in investments which are intended to retain their purchasing power in real terms. Funds that may be spent over a shorter time horizon are held on deposit with the Central Board of Finance of the Church of England.

At the end of the year the Financial Statements show that the unrestricted reserve was £21,797 (2023: £37,474).

Cash Management

The PCC held £451,593 in cash and on deposit at the start of the year across all funds. This was held with HSBC and with the Central Board of Finance of the Church of England. The balance at the year-end was £187,542, reflecting expenditure on the vestry roof project. This balance has been earmarked for future repairs and improvements to the church buildings.

In 2020 the PCC lent £57,424 to the Trustees of Holly Bush Vale (the Vicar and Churchwardens), who refurbished a house on the Parochial School site for teacher accommodation. The loan is interest free over 5 years and quarterly repayments are being made; £12,500 remained outstanding at the end of 2024.

Legacies

During the year the PCC updated its policy on the reporting of Legacy income. We use legacies to fund capital and long-term projects which support the strategic mission of the Church and are relevant to the interests of the donor, where such interests are known. We do not use legacies for day to day running costs, unless the donor has specifically said that the legacy may be used for this purpose. The PCC will invite the donor's family or Executor to express any preference on how the legacy is used where none is expressed in the Will or a letter of wishes. Legacy funding will then be appropriately ring-fenced by the PCC and drawn on only with its agreement. Regular reports will be made to the PCC on the use of these funds, so that it is made more aware of how they are used and the balance of resources available to it.

Risk Management

The PCC reviews the risk register every year and a theme in recent years has been the need to broaden the number of donors who commit to giving monthly rather than tapping into a card machine when they attend a service.

The most urgent repair liabilities identified in the 2022 quinquennial survey were addressed in 2024. However, the PCC will in time need to raise funds to meet the cost of other planned projects, including cleaning the organ and redecorating the interior of the Church (last done in 1986).

The PCC maintains insurance cover against the main insurable risks, including property damage and liabilities. The policy is kept under annual review and the level of buildings and contents cover is automatically adjusted by the insurer each year in line with inflation. A full review of our cover is scheduled for the end of 2026.

Approval

This Annual Report was approved by the Parochial Church Council on 3 March 2025 and signed on its behalf by:

Carol Barrett Ford
Vicar and PCC Chairman

Annexes

Annex 1: Reports on Volunteer activities

Annex 2: Reports from Associated Organisations

Annex 3: Budget for 2025

Annex 1: Reports on Volunteer activities

As the main report underlines, we are grateful to all our volunteers for their dedication and hard work. A common theme in all the reports below, however, is the need for more people to come forward to help. Please consider whether this is something for you.

Cleaning team

The Cleaning Team met six times last year. The team is responsible for cleaning the body of the church, including the pews, the galleries and stairs, the porch, the glass doors and all the brass. Twice a year it cleans the galleries and stairs and four times a year the main body of the church, including just before Easter and Christmas. Last year there were between 15 and 20 active members, and every person is needed. It is a large building, and we are always grateful for new volunteers.

Last year Anne Stevens, who had coordinated the team for over 10 years retired from the role. We are very grateful to Anne for all her hard work over so many years. Not only did she organise the cleaning days, but she also encouraged people with her delicious home-made cakes at each meeting. We are very grateful that she has offered to keep providing cakes for us. Anne has set a very high bar and will be a hard act to follow.

Beryl Dowsett highlighted in a recent article for the church magazine how cleaning is part of our outreach to the wider community, a sign of our love and care for the church - not just on the high-profile holy days but also in 'ordinary' time. She shared stories of visitors popping in during our December cleaning day to get a glimpse of the Christmas spirit, with one woman commenting that she had never seen the church looking so beautiful while another recalled that her children were baptised here many years ago.

When we started in this role, we were reminded of the words by George Herbert which feel very appropriate to capture the motivation of our faithful team of volunteers:

*A servant with this clause
Makes drudgery divine:
Who sweeps a room as for Thy laws,
Makes that and th' action fine.*

Helen Taylor and Sheena Ginnings, Co-ordinators

Coffee and hospitality

Coffee is served after the 10.30 Eucharist each Sunday. There are currently nine volunteers active on the Coffee Team, which means that those confident to set up the coffee urn at 10am (only 6 people) are called on repeatedly. Working in pairs, one person makes the coffee, the other serves and clears away.

Making coffee in the tiny understairs kitchen is challenging and there is only room for one person in there at a time. The amount now collected in donations for coffee and tea is very small indeed and I encourage volunteers to reimburse themselves directly from this for their expenditure on milk and biscuits.

We are very grateful to our small pool of volunteers and welcome others to join us.

Celia Walser, After-church Coffee co-ordinator

Food is an excellent way to welcome people into the church and show hospitality. We do so with large events involving the whole parish, like the induction of our new Vicar in January, and at smaller occasions, like drinks and cake at other key parish events. In the past we have also organised a Harvest lunch. The aim is that hopefully food leads to fellowship and builds community.

Elizabeth Beesley, Catering co-ordinator

Flower team

Our enthusiastic but small flower team continues to do the regular weekly flowers, as well as the special festivals (eg Easter, Christmas) which bring together all the flower team, and sometimes a few others, which everyone enjoys.

This last year we were also asked to do flowers for the celebration of Malcolm Money's life and John Cordingly's funeral. Occasionally we are asked to do the flowers for a parishioner's wedding.

The team is small so we are always looking for new members who could share the enjoyment of flower arranging and bring to it their own creative skills.

Marilyn Brooks, Co-ordinator

Gardening team

We are indebted to a small but dedicated group of volunteers, some from the congregation and some local residents, for the work they do keeping the churchyards in order – mainly getting the worst of the weeds under control and clearing the paths. The ABG (Additional Burial Ground, the one over the road) is showing the fruits of our labours and we've turned our attention lately to the churchyard itself because it's popular with visitors who come to see Constable, Harrison, Jane Austen's aunt, and Gerard Manley Hopkins' brother (well maybe not many for Felix), but we do have a range of interesting graves and it helps if they are both accessible and visible!

Lately the cutting down of a horse chestnut that was dangerously overhanging Frognal Way opened up a whole new area behind the War Memorial, and we are fighting the nettles to see if we can turn it into something more attractive. (Nothing against nettles of course, they make excellent soup at the right season and are great for insects, but not hugely attractive.)

We are grateful to Camden who turn out for the big jobs like the horse chestnut, and a holly by the side gate which came down under the weight of the snow one weekend, as well as an annual mowing.

But like everything else in the church much more could be done with more people. We meet on the first Saturday morning of each month (weather permitting), no experience necessary, tools provided, everyone is most welcome to join us!

Judy East, Co-ordinator

Servers

The year began with the memorable Induction service of Mthr Carol on 21st January, with the Servers playing an important part. We have had the opportunity to review how we support the clergy: there was a social catch up at the Vicarage in May and a training session in church in September which provided a helpful overview of the role of Server.

Our serving team has grown to 22 over the course of the year, with the welcome addition of regular Server Tobi Fatimilehin and younger servers, Valentina and Raphael, and Felix (who serves at the 8am BCP Holy Communion).

We assist the clergy mostly at the Sunday morning Eucharist but also at festivals such as Holy Week and Christmas. We've moved our 'operations' to the Clergy Vestry for robing and instruction as we prepare before services to the sound of the choirs rehearsing.

We are grateful to Gaynor Bassey-Fish for her additional work as Sacristan, preparing for the Eucharist, changing altar frontals, ensuring we have sufficient supplies of wafers and wine, setting out the vessels for Communion, and much more besides. We are grateful too for the support of Huw and Courtney in the Parish Office.

We remembered with thanks two former Servers who passed away: Suzanne Pinkerton and Sarah Phipps.

We are always delighted to welcome new Servers - young and old - to join us. If you would like to find out more about what's involved, please speak to a member of the clergy or to me.

And there's always our Christmas party, well-attended this year, with mulled wine (or non-alcoholic beverages) and mince pies, to look forward to!

David Gardner, Head Server

Sides people and Welcomers

The team of Sidesmen/women and Welcomers continued to play an important part in ensuring a positive initial contact for visitors to our Sunday services and in making sure that all health and safety measures were adhered to.

We were pleased to welcome back Gill and Charles Perrin onto the rota, as well as Jane and Ricardo Santos and Helen Taylor who are new to our group. Grateful thanks as always go to all members of the team for their valued support each week, and especially at the major services at Christmas when it is, literally, a need for "all-hands on deck"!

Chris Money, Head Sidesman

Annex 2: Reports from Associated Organisations

Hampstead Community Choir

With our membership of 60 plus singers, many drawn from the wider community, we have been able to take on more challenging pieces. Under the guidance of our music director, Aidan Coburn, we performed Pergolesi's 'Stabat Mater' at our Spring concert. The Summer Nights Concert in June and the Christmas Lights concert in December drew record audiences. We also sang in church at services after Easter, during August and at Harvest Festival in October, went Carol Singing at Henderson Court and did a fund-raising carol pub crawl around Hampstead, which was enormous fun. Over the year we raised a total of £2,825 for various local charities: Maggie's cancer care, Little Village, Summers Town, Everyone Matters and Royal Free Hospital.
Chris Money, Co-ordinator

Friends of the Drama

The Friends of the Drama experienced another successful year with the summer and autumn productions once again at the heart of our activities.

Our summer production was one of Shakespeare's most popular classics, "Romeo and Juliet". Matthew Sargent directed a talented cast in a visually compelling production that brought the streets of Verona to vibrant life. In the autumn, Sarah Day staged one of Chekhov's masterpieces, "Uncle Vanya", finding both the humour and the tragedy at the heart of these "Scenes from Country Life". The two productions demonstrate the Society's ability to entertain, whilst doing justice to the works of great dramatists.

In Holy Week, Judy East directed a rehearsed reading of "Events in an Upper Room", which follows the final days between the Last Supper and Easter Monday morning, forever changing the lives of the play's five characters. We also held a number of other events open to all, including poetry readings, a director's showcase open to novice and experienced directors alike, and a Burns Night celebration, which has rapidly established itself as an important fixture in our calendar. We were also very pleased to participate in the Christmas Lights concert together with the Community Choir and the Junior Choir.

The year's productions proved popular with audiences, and the Friends of the Drama are pleased to have been able to commit a further significant charitable donation of £4,500 to Hampstead Parish Church.

As always, our grateful thanks go to all those who continue to support the group, both on and off stage, and enable us to reach out into the local community through our literary and dramatic activities. We remain indebted to Hampstead Parish Church for the ongoing use of its facilities, and to the Vicar and Churchwardens for their continued and much valued support.

Matthew Williams, Chairman

Friends of the Music

The Friends of the Music have had another busy and successful year working behind the scenes to support the church's musicians as they continue to deliver a wonderfully diverse programme of musical events.

The beating heart of our church music is of course the varied Sunday repertoire sung by the Parish Choir and the Junior Choir at the Parish Eucharist and at Choral Evensong. In addition, there were some 28 concerts and recitals, including nine by the Hampstead Collective and three by the Hampstead Community Choir, as well as a monthly series of organ recitals curated by our organist Joshua Ryan, drawing organists from all over the country to exploit the resources of our splendid Willis instrument.

Major one-off events included the St John Passion on Passion Sunday and Handel's Messiah in the run-up to Christmas, both accompanied by a baroque orchestra, and a come and sing Verdi Requiem with two pianos, organ and timpani, which attracted some 80 singers in November.

Behind the scenes our Treasurer Frances Robinson keeps the accounts in good order, and Front of House operations, which include opening and shutting the church, ticket sales on the door, the provision of cushions, and a well-stocked wine bar, are indefatigably provided, or managed, for the Friends of the Music by Elizabeth Beesley and her team of helpers.

In addition, this year, with help from Judy East, Elizabeth Beesley and Anne Stevens, all the choir robes were washed and repaired. In conclusion I should add how pleased we all are at the end of the year to see both Geoffrey Webber, Director of Music, and Maurits Dolmans, our chairman, fully restored to health.

Handley Stevens, Secretary to FOM

Camden Christian Churches Cold Weather Shelter (C4WS)

November 2024 saw the opening of the 21st Shelter Season and the 8th at Hampstead Parish Church. Most of the volunteers involved, from families stuffing duvets, through stalwarts hosting the guests and spending the night, to early birds serving breakfast and clearing all away, are members of the congregation. But it is equally pleasing that we had a significant number of new faces -and several belonging to people unconnected with the church. I am very grateful to all of them.

Shortly before writing this, I was at St George's Bloomsbury which has taken over our Saturday evening slot for the second half of the winter. The guests said they missed St John's, not just for the food (which was again voted the best of all the churches in the first half of the season) but for the space. This was high praise as that night they were sleeping on underfloor heating and under Hawksmoor's wonderful arches.

Occasionally we had disappointingly few guests (and a surfeit of food!) owing to a misunderstanding with one of our referring agencies (now corrected). And we had to reduce numbers before Christmas as "Crisis at Christmas", which has hitherto taken our guests during the Christmas break, was not able to do so because it was itself overwhelmed. We do not want to take on new guests for whom we will be unable to find Christmas accommodation.

Numbers since the New Year have picked up, with young men from Sudan and Eritrea most numerous. They are mostly successful asylum seekers whom the Home Office eject from their accommodation once their asylum is agreed. They have formed a hearteningly friendly and self-supportive group, kind and helpful too to the other guests. As usual there have been very few women, as they tend to move on more quickly. *Andrew Penny, Co-ordinator*

Annex 3: Budget for 2025

The background to our budget planning each year is the long-term trends of increasing inflation affecting operating costs; and of falling parish income as older generous givers die or move away and as economic uncertainty reduces average levels of giving. This means that, if unchecked, we face a future of deficits which would ultimately drain our reserves and force a radical reduction in the range of our activities.

We have continued to reduce the expected budget deficit, albeit slowly. We have reviewed and curtailed expenditure as far as possible this year, whilst minimising the impact on our current activities, and we will continue to review the options during 2025. We will also seek additional income from fund-raising events and through increasing letting of the parish rooms and of the church itself, which was of significant benefit in reducing the deficit in 2024.

Sadly, the result of the giving campaign in October was disappointing. Whilst all forms of giving are greatly appreciated, we had hoped to encourage newer members of the congregation to join the planned giving scheme, for this provides greater certainty on which our plans can be more confidently and efficiently based. We need to understand the economic pressures on and the priorities of this group better, and what it is that they are seeking from us, to frame a more successful continuing engagement with them.

The budget estimates are shown on the next page.

HAMPSTEAD PARISH CHURCH

GENERAL FUND BUDGET FOR 2025

INCOMING RESOURCES	2024	2025	RESOURCES USED	2024	2025
	Actual	Budget		Actual	Budget
	£	£		£	£
Planned giving	112,344	112,000	Ministry: diocesan common fund	91,300	99,984
Income tax recoverable	29,825	30,000	Ministry support to deanery	6,200	-
Collections	27,792	30,000	clergy expenses	2,302	2,000
Donations including wall safe	11,126	13,400	vicarage expenditure	3,862	3,000
Income from donors	181,087	185,400	accommodation for curate	7,159	5,400
Fund-raising events	-	2,000	Recruitment costs	-	-
Grants received:			Parish Administrators	58,821	67,200
Friends of the Drama	4,500	5,000	Pension deficit apportionment	1,187	-
Hampstead ABG	3,965	3,000	Music salaries + scholarship	16,837	17,715
VAT recovered (LPW scheme)	55,058	1,500	Choir - adults and children	6,333	7,131
Other voluntary income	63,523	11,500	Other music costs	2,786	2,000
Parish rooms	20,117	26,000	Children and Youth - legacy	3,822	3,560
Hire of Church	13,486	14,000	Children and Youth -other costs	758	1,000
Craft fair	-	1,000	Holiday in Hampstead	1,186	1,200
Printing and books	535	500	Heat, light & water	11,966	12,000
Feed in Tariff	403	700	Fabric expenditure/maintenance	9,687	10,000
Sundry income	2,747	3,000	Parish rooms and hospitality	12,303	13,000
Holiday in Hampstead	1,620	1,700	Insurance	12,139	12,080
Income from Activities	38,908	46,900	General expenses	11,955	10,900
Parish Development Fund	26,000	26,000	Printing and books	8,052	5,500
Dividends and Interest	9,985	7,000	IT and communications	7,509	8,200
Income from Investments	35,985	33,000	Charities inc remembrance	315	-
	-	-	Cost of Church activities	276,479	281,870
TOTAL INCOME	319,503	276,800	Independent Examination fee	2,400	2,500
			Recoverable VAT	55,058	1,500
			TOTAL RESOURCES USED	333,937	285,870
			INCOMING RESOURCES	(319,503)	(276,800)
			ADDITIONAL INCOME TO BE RAISED	(14,434)	(9,070)

Note: Music Budget (Unrestricted and Restricted Funds)

	2024	2025
Music salaries + scholarship	35,217	37,936
Choir - adults and children	49,525	50,950
Messiah/Passion	7,245	7,930
Other music costs	2,786	2,000
Gross cost	94,773	98,816
Allocated:		
Hampstead Church Music Trust	68,817	71,970
Unrestricted General Fund	25,956	26,846
	94,773	98,816

The Parish Church of St John at Hampstead

Financial Statements of the Parochial Church Council for the year ended 31 December 2024

Vicar: The Revd Carol Barrett Ford
Churchwardens: Sheena Ginnings, Angela Gardner

Bankers: HSBC Bank plc
50-52 Kilburn High Road, London NW6 4HJ

Independent Examiner: Robert Ashdown ACA
75 Brookville Road, London SW6 7BH

Registered Charity Number 1129264

The Parish Church of St John-at-Hampstead

Statement of financial activities for the year ended 31 December 2024

	Notes	Unrestricted Funds		Restricted Funds	Endowment Funds	2024	2023
		General	Designated			Combined	Combined
		£	£	£	£	£	£
Income from:							
Donations and legacies	3	244,610	5,000	97,921	-	347,531	288,106
Community activities	4	38,907	-	9,790	-	48,697	45,577
Investments	5	9,985	-	3,423	67,698	81,106	70,882
Total income		293,502	5,000	111,134	67,698	477,334	404,565
Expenditure on:							
Charitable activities	7	325,884	280,845	104,061	879	711,669	431,680
Raising funds	9	8,052	-	4,241	31,202	43,495	35,010
Total resources expended		333,936	280,845	108,302	32,081	755,164	466,690
Net income before gains and losses on investments		(40,434)	(275,845)	2,832	35,617	(277,830)	(62,125)
Gains/(Losses) on investments	14	-	11,997	656	1,115	13,768	97,012
Net income before transfers		(40,434)	(263,848)	3,488	36,732	(264,062)	34,887
Transfers between funds	12	26,000	-	-	(26,000)	-	-
Net income after transfers		(14,434)	(263,848)	3,488	10,732	(264,062)	34,887
Other recognised gains/losses:							
Actuarial gain/(losses) on defined benefit pension scheme	21	(1,243)	-	-	-	(1,243)	1,019
Net movement in funds		(15,677)	(263,848)	3,488	10,732	(265,305)	35,906
<i>Reconciliation of Funds</i>							
Total Funds brought forward		37,474	528,839	49,398	1,530,533	2,146,244	2,110,338
Total Funds carried forward		21,797	264,991	52,886	1,541,265	1,880,939	2,146,244

The attached notes (1 - 23) form part of these financial statements

The Parish Church of St John-at-Hampstead

Balance Sheet at 31 December 2024

						2024	2023
	Notes	Unrestricted Funds		Restricted Funds	Endowment Funds	Combined	Combined
		General	Designated				
		£	£	£	£	£	£
Fixed assets							
Plant and equipment	13	-	-	8,676	-	8,676	-
Financial assets	14	-	191,391	29,296	1,512,867	1,733,554	1,719,786
Total fixed assets		-	191,391	37,972	1,512,867	1,742,230	1,719,786
Current assets							
Debtors							
Gift aid recoverable		1,956	-	75	-	2,031	-
Hollybush Vale Trustees	16	-	12,500	-	-	12,500	25,000
Trade debtors		4,904	-	-	-	4,904	9,036
		6,860	12,500	75	-	19,435	34,036
Cash at bank and in hand		41,913	67,689	24,542	53,398	187,542	451,593
Total current assets		48,773	80,189	24,617	53,398	206,977	485,629
Liabilities: amounts falling due within one year							
Creditors for goods and services		(4,850)	-	-	-	(4,850)	(5,557)
Clients account for 100 Frognal		-	-	(1,270)	-	(1,270)	(929)
Clients account Hollybush Vale				(8,433)	-	(8,433)	(8,464)
Other Creditors	15	(19,726)	(6,589)	-	(25,000)	(51,315)	(43,064)
		(24,576)	(6,589)	(9,703)	(25,000)	(65,868)	(58,014)
Net current assets		24,197	73,600	14,914	28,398	141,109	427,615
Creditors falling due after one year							-
pension scheme liability	21	(2,400)	-	-	-	(2,400)	(1,157)
Net assets		21,797	264,991	52,886	1,541,265	1,880,939	2,146,244
Funds:							
Unrestricted General Fund		21,797				21,797	37,474
Designated for Future Repairs			264,991			264,991	528,839
Restricted Funds	17			52,886		52,886	49,398
Endowment Funds	18				1,541,265	1,541,265	1,530,533
		21,797	264,991	52,886	1,541,265	1,880,939	2,146,244

Approved by the Parochial Church Council on 3 March 2025 and signed on its behalf by:

MTHR CAROL BARRETT FORD, Vicar

I R M WOOLF, Hon Treasurer

The attached notes (1 - 23) form part of these financial statements

The Parish Church of St John-at-Hampstead

CASH FLOW STATEMENT AT 31 DECEMBER 2024

	2024 £	£	2023 £	£
Net cash from operating activities		(348,604)		(135,561)
Cash flows from investing activities				
Dividends, interest and rent from investments	81,106		70,882	
Purchase of plant and equipment	(9,053)		-	
Net cash provided by/(used in) investing activities	72,053	72,053	70,882	70,882
Cash flows from financing activities				
Loan repayments from Trustees of Holly Bush Vale	12,500	12,500	12,424	12,424
Net cash provided by/(used in) financing activities		12,500		12,424
Change in cash and cash equivalents in the reporting period		(264,051)		(52,255)
Cash and cash equivalents at 1 January		451,593		503,848
Cash and cash equivalents at 31 December		187,542		451,593
 Reconciliation of net income/(expenditure) before investment gains				
Net income before investment gains 31 December		(277,830)		(62,125)
Adjustments for:				
Depreciation charges		377		-
Dividends, interest and rent from investments		(81,106)		(70,882)
Decrease/(increase) in debtors		2,101		(1,245)
(Decrease)/increase in creditors		7,854		(1,309)
Net cash provided by/(used in) operating activities		(348,604)		(135,561)
 Analysis of cash and cash equivalents				
Cash in hand		18,242		34,087
Deposit for fixed period		-		80,000
Deposits less than 3 months		169,300		337,506
		187,542		451,593

The Parish Church of St John-at-Hampstead

Notes to the financial statements

Note 1: BASIS OF PREPARATION

The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006 governing the individual accounts of PCCs, and with the Regulations' "true and fair view" provisions, together with FRS102(2016) as the applicable accounting standards and the 2016 version of the Statement of Recommended Practice: Accounting and Reporting by Charities {SORP(FRS 102)}.

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets which are shown at fair value.

The Parochial Church Council (PCC) is a public benefit entity within the meaning of FRS 102.

1.2 GOING CONCERN

There are no material uncertainties related to events or conditions that cast significant doubt on the PCC's ability to continue as a going concern.

1.3 CHANGE IN ACCOUNTING POLICY

The accounts present a true and fair view and the accounting policies are as outlined in this note. There have been no changes of accounting policies in this period.

1.4 CHANGES TO ACCOUNTING ESTIMATES

There have been no changes to accounting estimates in this period.

1.5 MATERIAL PRIOR YEAR ERRORS

No material prior year errors have been identified in the reporting period.

Note 2: ACCOUNTING POLICIES

2.1 RECONCILIATION WITH PREVIOUS GENERALLY ACCEPTED ACCOUNTING POLICIES

No reconciliations with previous generally accepted accounting policies are required.

2.2 INCOME

Recognition of income

Congregational giving, donations, grants, interest, rents, dividends and other income are included in the Statement of Financial Activities (SOFA) when the PCC becomes entitled to the resources and the monetary value can be measured with sufficient reliability.

Offsetting

There has been no offsetting of assets and liabilities in the SOFA or income and expenses, unless required or permitted by the FRS 102 SORP.

Tax reclaims on donations and gifts

Gift aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid recovered on a donation is considered to be part of that gift and is credited to the same fund as the initial donation unless the donor has specified otherwise.

Legacies

Legacies are included in the SOFA when receipt is probable, that is, when there has been a grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the PCC or can be met.

Volunteer help

The value of voluntary help received is not included in the accounts but is described in the PCC's annual report.

Investment gains and losses

This includes any realized and unrealized gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

The Parish Church of St John-at-Hampstead

2.3 EXPENDITURE AND LIABILITIES

Liability recognition

Liabilities are recognized where it is more likely than not that there is a legal or constructive obligation committing the PCC to pay out resources and the amount of the obligation can be measured with reasonable certainty.

Governance

Governance costs are charged to 'Charitable Activities'.

Redundancy costs

The PCC has made no redundancy payments during the reporting period.

Deferred income

No material item of deferred income has been included in the financial statements.

Creditors

The PCC has creditors which are measured at settlement amounts less any trade discounts.

Certain interest free loans have been provided without a repayment date and these are accounted for as being repayable on demand.

Provisions for liabilities

A liability is measured at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

2.4 ASSETS

Tangible fixed assets for use by the PCC

Consecrated and beneficed property is excluded from the accounts by s.10(2)(a) and (c) of the Charities Act 2011. Other fixed assets are capitalized if they can be used for more than one year, and cost at least £2,000.

Movable church furnishings held by the Vicar and Churchwardens on special trust for the PCC, and which require a faculty for disposal, are accounted as inalienable property unless consecrated. They are listed in the church inventory, which can be inspected. Items acquired prior to 2000 are not valued in the accounts as there is insufficient cost information available.

Financial assets

Fixed asset investments in quoted shares and pooled investment funds are valued initially at cost and subsequently at fair value (market value) at the year end. The long leasehold properties are stated at estimated fair values for investment properties.

Debtors

Debtors including trade debtors and gift aid recoverable are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the PCC. Subsequently they are measured at the cash or other consideration expected to be received.

Cash at bank

Cash at bank and in hand include on demand deposits and short term fixed interest deposits.

2.5 FUNDS

Unrestricted Funds represent the remaining income funds of the PCC that are available for spending on the general purposes of the PCC.

The Designated Fund is an unrestricted fund which represents the amount set aside by the PCC to meet future repair liabilities; it is not regarded as part of the 'free reserves' as disclosed in the PCC's report. Income earned on the cash balances held by the Fund is recorded in the General Unrestricted Fund.

The Restricted Funds are income funds that must be spent on restricted purposes and details of the funds held and restrictions provided are set out in Note 17.

The Endowment Funds are all individual funds where there is a discretionary power to spend capital as income. Full details of the funds and their restrictions are set out in Note 18.

The Parish Church of St John-at-Hampstead

Note 3 Donations and legacies

	Notes	General Fund	Designated Funds	Restricted Funds	Endowment Funds	2024 Combined	2023 Combined
Planned giving including gift aid		112,344	-	-	-	112,344	118,815
Income tax recoverable		29,825	-	-	-	29,825	29,473
Collections: ordinary services		27,792	-	-	-	27,792	16,733
Collections: special services		-	-	3,882	-	3,882	10,937
Donations		11,126	-	16,512	-	27,638	22,271
Donation of shares		-	-	-	-	-	5,030
Voluntary rate		-	-	8,710	-	8,710	6,593
Legacies	6	-	5,000	-	-	5,000	10,000
Grants received:	16						
Friends of the Drama		4,500	-	-	-	4,500	4,000
Hampstead Additional Burial Ground		3,965	-	-	-	3,965	-
Hampstead Church Music Trust		-	-	68,817	-	68,817	55,190
Listed Places of Worship re VAT		55,058	-	-	-	55,058	9,064
		244,610	5,000	97,921	-	347,531	288,106

Note 4 Community activities

Fees for use of Church		16,232	-	-	-	16,232	9,059
Parish rooms		20,117	-	-	-	20,117	19,015
Craft fair and other events		-	-	2,273	-	2,273	6,130
Holiday in Hampstead		1,620	-	-	-	1,620	1,702
Printing and books		535	-	-	-	535	731
Community choir	17	-	-	7,517	-	7,517	6,796
Feed in Tariff		403	-	-	-	403	672
Traidcraft stall		-	-	-	-	-	1,472
		38,907	-	9,790	-	48,697	45,577

Note 5 Income from Investments

Dennington Park Mansions		-	-	-	10,296	10,296	7,200
100 Frogna		-	-	-	53,460	53,460	42,657
Dividends and Interest		9,985	-	3,423	3,942	17,350	21,025
		9,985	-	3,423	67,698	81,106	70,882

Dennington Park Mansions income includes £3,096 in 2024 from an insurance claim relating to expenditure incurred in 2023

Note 6 Legacies received

The Estate of S Christie Murray		-	5,000	-	-	5,000	-
The Estate of P Loyd		-	-	-	-	-	10,000
		-	5,000	-	-	5,000	10,000

The Parish Church of St John-at-Hampstead

Note 7 Expenditure on charitable activities

	Notes	General Fund	Designated Fund	Restricted Funds	Endowment Funds	2024 Combined	2023 Combined
Ministry: diocesan common fund		97,500	-	-	-	97,500	97,500
clergy expenses	10	2,301	-	-	-	2,301	2,826
accommodation		11,021	-	-	-	11,021	8,633
recruitment costs		-	-	-	-	-	1,949
Parish Administrators	11	58,821	-	-	-	58,821	41,849
Pension deficit apportionment	11	1,187	-	-	-	1,187	1,096
Music staff	11	16,837	-	22,330	181	39,348	38,211
Choir - adults and children		6,333	-	43,192	-	49,525	50,348
Other music costs		2,786	-	11,592	252	14,630	5,019
Children and Youth		4,580	-	-	-	4,580	4,311
Heat & light		11,966	-	-	-	11,966	10,379
Building maintenance		9,687	-	15,855	-	25,542	41,501
Building repairs		-	280,845	-	-	280,845	34,461
Parish rooms		12,303	-	-	-	12,303	12,963
recoverable VAT on repairs		55,058	-	-	-	55,058	9,064
Depreciation	13	-	-	377	-	377	-
Insurance		12,139	-	-	-	12,139	11,870
General expenses		11,955	-	-	-	11,955	14,693
IT and communications		7,509	-	-	-	7,509	7,478
Social events		1,186	-	-	-	1,186	920
Flowers		-	-	975	-	975	1,474
Grants made	9	315	-	8,070	446	8,831	31,226
Refugee sponsorship		-	-	1,670	-	1,670	1,659
Independent Examination fee		2,400	-	-	-	2,400	2,250
		325,884	280,845	104,061	879	711,669	431,680

Note 8 Expenditure on raising funds

Services, voluntary rate & events	-	-	4,241	-	4,241	3,957
Printing and books	8,052	-	-	-	8,052	6,351
Traidcraft stall	-	-	-	-	-	2,674
Dennington Park Mansions	-	-	-	4,584	4,584	8,844
100 Frognal	-	-	-	26,618	26,618	13,184
	8,052	-	4,241	31,202	43,495	35,010

Note 9 Grants made

Church overseas:						
- missionary societies	-	-	600	-	600	5,400
- relief and development agencies	-	-	3,329	-	3,329	6,400
UK missions/other Church Societies	-	-	1,317	-	1,317	8,557
Secular charities	-	-	2,624	-	2,624	10,329
Individuals for relief of poverty	-	-	-	446	446	240
Hampstead Parochial School		315	200	-	515	300
	22	315	-	8,070	446	31,226

Note 10 Expenses paid to Members of the Parochial Church Council

Expenses of the Clergy, who are members of the PCC, totalling £2,301 (2023: £nil) were reimbursed. Members of the PCC supporting the Junior Church had their expenses reimbursed as did the Churchwardens' relevant expenses.

Note 11 Staff costs

The Clergy are paid by the Church Commissioners but funded by the Parish's contributions to the Common Fund. During the year the PCC employed two parish administrators and 3 part time staff engaged in musical activities.

	2024	2023
Salaries	89,861	73,036
Social Security	-	-
Pension costs	9,895	8,120
	99,756	81,156

No employee received employee benefits in excess of £60,000.

The PCC operates a money purchase scheme for staff through TPT Retirement Solutions.

Note 12 Transfers between funds

£26,000 transferred from Parish Development Fund to the General Fund (2023: £25,000).

The Parish Church of St John-at-Hampstead

Note 13 Fixed assets	Equipment	Depreciation	Net Book Value
Assets at start of year	25,679	(25,679)	-
Additions	9,053	(377)	8,676
Disposals	(7,436)	7,436	-
Assets at end of year	<u>27,296</u>	<u>(18,620)</u>	<u>8,676</u>

Note 14 Financial assets

The significance of financial investments to the PCC's financial position is set out in the PCC's annual report.

Investments at fair value:	1 January 2024	Purchases (Sales)	Investment Gains(Losses)	31 December 2024
<i>- Unrestricted</i>				
136,328 Trojan Ethical Fund shares	179,394	-	11,997	<u>191,391</u>
<i>- Restricted</i>				
1,267 CBF Investment Fund shares	28,641	-	656	<u>29,297</u>
<i>- Endowment</i>				
Freehold of 100 Frognal and long lease of Flat A	991,000	-	-	991,000
Long lease of Flat 10a, Dennington Park Mansions	475,000	-	-	475,000
1,071 CBF Investment Fund shares	24,213	-	554	24,767
1,501 M & G Charifund units	21,539	-	561	22,100
	<u>1,511,752</u>	<u>-</u>	<u>1,115</u>	<u>1,512,867</u>

The freehold and long leasehold properties are valued as investment properties by Inigo Woolf FCIB, a member of the PCC, as at 31 December 2024.

Investments at cost:	1 January 2024	Purchases	Sales	31 December 2024
<i>- Unrestricted</i>				
136,328 Trojan Ethical Fund shares	175,000	-	-	175,000
<i>- Restricted</i>				
1,267 CBF Investment Fund shares	<u>5,909</u>	<u>-</u>	<u>-</u>	<u>5,909</u>
<i>- Endowment</i>				
Freehold of 100 Frognal and long lease of Flat A	784,700	-	-	784,700
Long lease of Flat 10a, Dennington Park Mansions	438,500	-	-	438,500
2,338 CBF Investment Fund shares	20,000	-	-	20,000
1,501 M & G Charifund units	18,000	-	-	18,000
	<u>1,261,200</u>	<u>-</u>	<u>-</u>	<u>1,261,200</u>

Note 15 Creditors

Other Creditors include related party balances due to the Friends of the Drama £13,067 and a £25,000 interest free loan from Parishioners. (2023: £12,430 and £25,000 respectively). Note 16 has further details on related parties.

The Parish Church of St John-at-Hampstead

Note 16 Related parties

- **Hampstead Parochial Charities (established 1617)** provides relief for the poor in the former Metropolitan Borough of Hampstead. The Trustees comprise the Vicar and Churchwardens.

- **Hampstead Additional Burial Ground (established 1810)** provides a discrete burial ground in Church Row. The Trustees comprise the Vicar, Churchwardens and up to 21 trustees who are resident in the former Metropolitan Borough of Hampstead. Collected income of £2,180 which was paid to the Trustees in year (2023: collected £1,579 and paid £1,350). The Trustees made a grant of £3,965 to the PCC for time spent by staff in arranging services and sales of plots (2023: £nil).

- **Trustees of Holly Bush Vale (established 1856)** provide a site and teacher accommodation for Hampstead Parochial School. The Trustees of this educational charity are the Vicar and Churchwardens. The interest free unsecured loan of £57,424 drawn down in 2020 is reducing through quarterly payments from rental income. Repaid £12,500 in 2024 and £12,424 in 2023. Balance at 31 December 2024 was £12,500.

- **Friends of the Music, Hampstead Parish Church (established 1947)** supports the provision of music at Hampstead Parish Church. The Friends receive no funding from the PCC.

- **Hampstead Church Music Trust (established 1975)** maintains and promotes the performance and appreciation of church music in Hampstead and in particular Hampstead Parish Church. The Trustees comprise the Vicar, up to two trustees appointed by the PCC, up to three trustees appointed by the Friends of the Music and up to four trustees appointed by the trustees themselves. At 31 December 2024 three trustees were also members of the PCC. The PCC received grants of £68,817 towards the cost of the choir (£55,190 in 2023) and £nil towards the cost of the Hampstead Community Choir (2023: £300).

- **The Friends of the Drama, Hampstead Parish Church (established 1977)** seeks to promote the mission of the Church and in particular Hampstead Parish Church through the medium of drama. The Vicar & Churchwardens are ex officio members of the General Committee. The PCC received a grant of £4,500 for the General Fund (£4,000 in 2023).

Note 17 Restricted funds	Balances 1 January 2024	Income	Expenditure	Gains on investments	Balances 31 December 2024
Fabric and Plant Reserve	39,894	26,198	(20,373)	656	46,375
Donald Barnes Memorial Fund	608	35	(100)	-	543
Flowers	1,439	505	(975)	-	969
Giving Away Fund	-	8,062	(8,062)	-	-
Hampstead Church Music Trust	-	68,817	(68,817)	-	-
Hampstead Community Choir	1,729	7,517	(8,297)	-	949
Refugee sponsorship	5,720	-	(1,670)	-	4,050
Transform Trade (Traidcraft)	8	-	(8)	-	-
	49,398	111,134	(108,302)	656	52,886
2023	61,694	37,556	(52,315)	2,463	49,398

Fabric and Plant Reserve

The purpose of the reserve is to hold sufficient funds to meet the repair obligations placed upon the trustees of the Church by the Act of Parliament of 1827 Paragraph 51. The Voluntary Rate, donations and earmarked gifts from parishioners are the main sources of income. In addition to the restricted reserve there is an unrestricted designated repair reserve with a balance of £264,991 (2023:£528,839).

Donald Barnes Memorial Fund

Fund created in 2013 in memory of the late Revd. Donald Barnes for the purpose of holding an annual lecture at St Peter's Church, Belsize Park. The lectures are organized by the Hampstead Christian Study Centre.

Refugee Sponsorship

Support for refugees coming from the Middle East to live in North London.

Traidcraft

Goods purchased from Traidcraft are sold to parishioners and surplus funds in the account are gifted to Transform Trade. Traidcraft ceased trading and the Account is now closed. £8 was donated to Transform Trade (2023: £1,400 donated).

The Parish Church of St John-at-Hampstead

Note 18 Endowment funds	Balances 1 January 2024	Income	Expenditure	(Losses)/ Gains on investments	Transfers between Funds	Balances 31 December 2024
Frances Grossfield Memorial Fund	10,421	544	(252)	226	-	10,939
John Cooling Fund	16,579	626	(446)	260	-	17,019
Frederick Eickhoff Memorial Fund	2,995	181	(181)	75	-	3,070
Parish Development Fund	1,500,538	66,347	(31,202)	554	(26,000)	1,510,237
	1,530,533	67,698	(32,081)	1,115	(26,000)	1,541,265
2023	1,439,342	53,079	(22,953)	87,065	(26,000)	1,530,533

Frances Grossfield Memorial Fund (established 1994) encourages young musicians to participate in the choir thereby maintaining and enhancing the musical tradition of Hampstead Parish Church.

John Cooling Fund for relief of poverty (established 1997) can be used at the absolute discretion of the Vicar without any geographical restriction.

Frederick Eickhoff Memorial Fund (established 2008) supports the training of the junior choir.

Parish Development Fund (established 2000) to be used by the PCC for investment in parish projects with income generated within the Fund to be used at its discretion.

Each Fund is an Expendable Endowment as defined by the Charities Act, 2011.

Note 19 Contingent liabilities There are no contingent liabilities (2023: nil).

Note 20 Capital commitments Contracted by the PCC nil (2023: nil).
Authorised by the PCC but not contracted nil (2023: nil)

Note 21 Pensions liability

SCHEME: TPT Retirement Solutions- The Growth Plan

The PCC participates in the scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the PCC to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the PCC is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

The Parish Church of St John-at-Hampstead

A full actuarial valuation for the scheme was carried out at 30 September 2023. This valuation showed assets of £514.9m, liabilities of £531.0m and a deficit of £16.1m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions: From 1 April 2025 to 31 March 2028: £2,100,000 per annum (payable monthly).

The scheme's previous valuation was carried out with an effective date of 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

From 1 April 2022 to 31 January 2025: £3,312,000 per annum (payable monthly).

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the PCC has agreed to a deficit funding arrangement, the PCC recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

	31 December 2024	31 December 2023
	£	£
PRESENT VALUES OF PROVISION		
Present value of provision	<u>2,400</u>	<u>1,157</u>

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

Provision at start of year	1,157	2,176
Unwinding of the discount factor (interest expense)	30	79
Deficit contribution paid	(1,187)	(1,096)
Remeasurements - impact of any change in assumptions	16	(2)
Remeasurements - amendments to the contribution schedule	2,384	-
	<u>1,243</u>	<u>(1,019)</u>
Provision at end of year	<u>2,400</u>	<u>1,157</u>

IMPACT ON STATEMENT OF FINANCIAL ACTIVITIES

Interest expense	30	79
Remeasurements - impact of any change in assumptions	16	(2)
Remeasurements - amendments to the contribution schedule	2,384	-
Contributions paid in respect of future service*	8,706	7,025
Costs recognised in income and expenditure account	Note 7	1,187

*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

ASSUMPTION	31 December	2024	2023	2022
Rate of discount		4.90%	5.31%	4.96%

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The Parish Church of St John-at-Hampstead

Note 22 Grants and donations to charities	2024 Unrestricted	2024 Restricted/ Endowment	2024 Combined	2023 Combined	2023 £
Church Overseas- Missionary Societies	£	£	£	£	£
ALMA	-	200		1,800	
Embrace the Middle East	-	200		1,800	
USPG	-	200		1,800	
	-	600	600		5,400
Overseas- Relief & Development Agencies					
Asra Hawariat School	-	200		1,800	
Bethlehem Arab Society for Rehabilitation	-	-		1,800	
Practical Action	-	500		1,800	
Al Ahli Hospital	-	1,388			
Island Hospice Zimbabwe	-	210		-	
Christian Aid	-	1,031		1,000	
	-	3,329	3,329		6,400
UK Missions and other Church organisations					
Bishop of Edmonton's Discretionary Fund	-	519		-	
Bishop of London's Lent Appeal	-	-		3,000	
Caris Haringey	-	200		2,000	
Church of England's Children Society	-	398		1,800	
Caris Camden/Caris Families	-	-		1,757	
C4WS	-	200		-	
	-	1,317	1,317		8,557
Hampstead Parochial School	315	200	515	300	300
Relief of Poverty (John Cooling Fund)		446	446	240	240
Secular charities					
Campaign Against Living Miserably	-	-		350	
Hestia	-	200		1,800	
Royal British Legion	-	373		740	
Soldiers Sailors & Airmen's Families Assn	-	878		712	
Age UK (Camden)	-	-		1,927	
Food Bank Aid	-	-		2,000	
Transform Trade	-	973		1,000	
XLP	-	200		1,800	
	-	2,624	2,624		10,329
TOTAL	315	8,516	8,831		31,226

The Parish Church of St John-at-Hampstead

Note 23 Prior period comparative statement of financial activities.

Statement of Activities for year ending 31 December 2023

Income from:	General Fund	Designated Fund	Restricted Funds	Endowment Funds	Combined
	£	£	£	£	£
Donations and legacies	266,911	-	21,195	-	288,106
Other trading activities	33,782	-	11,795	-	45,577
Investments	13,237	-	4,566	53,079	70,882
	313,930	-	37,556	53,079	404,565
Expenditure on:					
Charitable activities	339,897	45,174	45,684	925	431,680
Raising funds	6,351	-	6,631	22,028	35,010
Total resources expended	346,248	-	52,315	22,953	466,690
Net income before gains on investments	(32,318)	-	(14,759)	30,126	(62,125)
Net Gain on investments	-	7,484	2,463	87,065	97,012
Net income before transfers	(32,318)	7,484	(12,296)	117,191	34,887
Transfers between funds	26,000	-	-	(26,000)	-
Net income after transfers	(6,318)	7,484	(12,296)	91,191	34,887
Other recognised gains/losses:					
Actuarial gain on defined benefit pension scheme	21 1,019	-	-	-	1,019
Net movement in funds	(5,299)	7,484	(12,296)	91,191	35,906
<i>Reconciliation of Funds</i>					
Total Funds brought forward	42,773	566,529	61,694	1,439,342	2,110,338
Total Funds carried forward	37,474	574,013	49,398	1,530,533	2,146,244

The Parish Church of St John-at-Hampstead

Independent examiner's report to the members of the Parochial Church Council of St John-at-Hampstead (registered charity 1129264)

I report to the PCC on my examination of the accounts of the PCC of St John-at-Hampstead for the year ended 31 December 2024.

Responsibilities and basis of report

As the members of the PCC you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the PCC's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 154(5)(b) of the Act. The charity's gross income exceeded £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.

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 charity as required by section 130 of the Act; or
2. the accounts do not comply 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 to enable a proper understanding of the accounts to be reached.



Robert Ashdown
Chartered Accountant
75 Brookville Road, London, SW6 7BH
3 March 2025

HAMPSTEAD PAROCHIAL CHARITIES (Registered Charity 209483)

Trustees: Vicar and Churchwardens of Hampstead Parish Church

Address: 14 Church Row, London NW3 6UU

Objects: Relief of need, hardship or distress in the former Metropolitan Borough of Hampstead

Receipts and Payments Account for the year ending 31 December 2024

	2024 £	2023 £
Rents	650	650
Wayleave income	299	301
Interest/Dividends	1,101	1,002
	<u>2,050</u>	<u>1,953</u>
Less professional fees	-	(1,080)
Less bank charges	(60)	(61)
Less grants made	(1,000)	(200)
Excess of receipts over payments	<u>990</u>	<u>612</u>

Balance Sheet as at 31 December 2024

Agricultural land at Langley Marish (E Shooter's Charity)	88,000	88,000
7,966.86 CBF Global Equity Income Fund (cost £10,000)	25,616	24,108
120.063 Charifund Units (cost £1,502)	1,768	1,723
Central Board of Finance of Cof E Deposit Account	8,189	7,195
HSBC Bank Account	269	273
	<u>123,842</u>	<u>121,299</u>

Represented by:

Permanent Endowment Fund		
Balance at start of year (cost £11,323)	117,026	113,940
Unrealized increase (decrease) in market value in year	1,553	3,086
	<u>118,579</u>	<u>117,026</u>
Unexpended Income 1 January	4,273	3,661
Surplus (Deficit) for year	990	612
	<u>5,263</u>	<u>4,273</u>
	<u>123,842</u>	<u>121,299</u>

Notes

- 1 The freehold land at Langley Marish (Registered Title BK398589) comprises 7 acres.
- 2 The land is in the green belt with access only possible from adjoining land. The land is held on an agricultural tenancy.
- 3 A strip of land was sold in 2009 to the adjoining land owner so as to enlarge his garden.
- 4 The land was valued as at 31 December 2008 on existing use value.
- 5 Slough and South Bucks Councils are formulating local development plans which may provide development opportunities for the Charity's land. Professional fees have been incurred.



I R M Woolf, Clerk to the Trustees

January 17, 2024

Accounts

THE PARISH CHURCH OF ST JOHN-AT-HAMPSTEAD

Registered Charity No 1129264

ANNUAL REPORT AND FINANCIAL STATEMENTS OF THE PAROCHIAL CHURCH COUNCIL for the year ended 31 December 2023

Vicar

The Reverend Carol Barrett Ford (from 21 January 2024)

Churchwardens

Martin Evans
Sheena Ginnings

Bankers

HSBC Bank plc
50-52 Kilburn High Road
Kilburn
London NW6 4HJ

Independent Examiner

Robert Ashdown ACA
75 Brookville Road
London SW6 7BH

The Parish Church of St John-at-Hampstead

Reference and Administrative Details

Full Name: The Parochial Church Council of the Ecclesiastical Parish of St John-at-Hampstead ("the PCC").

Charity Registration Number: 1129264

Address and Website: Church Row, London NW3 6UU / www.hampsteadparishchurch.org.uk

Trustees under an Act of Parliament of 1827

Ex Officio

The Reverend Carol Barrett Ford	Vicar (from 21 January 2024)
The Reverend Jeremy Fletcher	Vicar (until 23 January 2023)
Martin Evans	Churchwarden
Sheena Ginnings	Churchwarden
The Reverend Graham Dunn	Assistant Curate

Membership of the PCC

Ex Officio

The Reverend Carol Barrett Ford	Vicar and PCC Chairman (from 21 January 2024)
The Reverend Jeremy Fletcher *	Vicar and PCC Chairman (until 23 January 2023)
Martin Evans *	Churchwarden and PCC Vice Chairman
Sheena Ginnings*	Churchwarden
The Reverend Graham Dunn *	Assistant Curate

As a lay member of the London Diocesan Synod

Inigo Woolf *	Treasurer (also an ex officio member and an elected member of the Camden Deanery Synod)
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As lay members of the Camden Deanery Synod

John Barker
Angela Gardner
Rosemary Loyd

Elected Members

Gaynor Bassey-Fish	Electoral Roll Officer
Elizabeth Beesley	
Sarah Cheriton-Jones	
Hagar Cliff *	Deputy Churchwarden
Jonathan Davey	
Vanessa Fitzpatrick	(until 17 July 2023 and also as a member of the Camden Deanery Synod until 30 June 2023)
Seka Graovac	(until 8 January 2023)
Jean Harrison	
Jules Lubbock	(from 24 April 2023)
Jessica Mathur	
Margaret Pritchard Houston	(until 24 April 2023)
Jon Siddall *	Deputy Churchwarden
Handley Stevens	
Nicholas Walser *	PCC Secretary
Nicholas White	(from 24 April 2023)
Deborah Zandstra	(until 13 November 2023; Safeguarding Officer until 13 January 2024)

Co-opted Members

Edward Armstrong	(from 6 February 2023 until 17 July 2023 and also an elected member from 17 July 2023 until 13 November 2023)
Peter Ginnings	(from 27 March 2023)
James Poletyllo	(from 17 July 2023; Safeguarding Officer from 13 January 2024)
The Revd Jan Rushton	Associate Priest (until 19 October 2023)

(Those marked with an asterisk * served as members of the Standing Committee for all or part of the year)

The Parish Church of St John-at-Hampstead

Background

The church of St John-at-Hampstead, commonly known as Hampstead Parish Church (“the Church”), was consecrated in 1747 as the latest in a series of buildings on this site, which are believed to go back to 986.

The PCC has the responsibility of co-operating with the incumbent in the task of participation in God’s mission to the world and taking counsel together for the sake of the pastoral, evangelistic, educational, social and ecumenical ministry of the church in the ecclesiastical parish which covers a large part of central Hampstead.

Aims and Objectives

The PCC’s recent strategic direction has been guided by the Mission Action Plan for 2018-2022 following its adoption in November 2018 after a comprehensive review of the Church’s vision, mission and strategy. Since that time the plan has been kept under regular review to ensure that the Church’s activities remained in line with agreed aims and objectives.

In the autumn of 2022, the process of developing a new plan to cover the period 2023-2027 began with a Parish Survey. The survey, and the focus groups that followed, identified seven key aims or challenges to help influence and shape the PCC’s approach when setting the Church’s future direction. These were to:

- maintain a range of styles of worship that speak to different groups;
- deepen our own faith and attract and nurture others;
- celebrate and involve our younger members (teens, 18-30s) more;
- encourage a wider sense of welcome and belonging since we are one in Christ;
- build a more inclusive and diverse congregation;
- make our pastoral care more visible and accessible;
- ensure that our children and young people feel valued and are encouraged in faith;

It was also recognised that there was a need to attract and encourage new volunteers to help achieve our potential.

Following the announcement of the sudden and unexpected departure of the Reverend Jeremy Fletcher as Vicar in late January 2023, the PCC’s main focus turned to the search for his successor. A key element in this process was the preparation of a Parish Profile to capture the essence of our Church, the challenges we face, and the qualities required in our new Vicar.

As a result, further detailed consideration of the new plan was sensibly put on hold pending the appointment of the new incumbent who would rightly take the lead in shaping and implementing our strategy for mission, challenge our thinking, and inject a fresh perspective as we develop our new Mission Action Plan for 2024 and beyond.

The profile, which was drawn up in consultation with, and with input from, the then Bishop of Edmonton, the Archdeacon of Hampstead, and the Diocesan Board of Patronage, summarised the PCC’s current thinking regarding the priorities for the next Mission Action Plan. These included:

- Exploring a range of ways to better understand our faith and recognise the presence of God in our daily lives;
- Strengthening our work with children, young people and families;

The Parish Church of St John-at-Hampstead

- Developing our capacity to meet the needs of our own and the wider community for a fair, just and equal society;
- Finding more effective approaches to recruiting and using volunteers and to fundraising.

The PCC also identified the importance of reflecting the aims and priorities of the Diocese of London's 2030 Vision and taking the opportunity to draw on the resources developed for it.

Achievements and Performance

The main priority in 2023 was the search for a new Vicar. In October 2023, the Diocesan Board of Patronage ("the Board") made a recommendation to the Interim Bishop of Edmonton to offer the living of St John-at-Hampstead to the Reverend Carol Barrett Ford, the serving Area Dean of the Camden Deanery and, at that time, the Vicar of St Martin's, Gospel Oak. This followed a full and extensive consultation and recruitment process under the auspices of the Board and overseen by the Interim Bishop of Edmonton, supported by Martin Evans and Sheena Ginnings, the Church's designated lay representatives on the appointment panel. Her Institution and Induction as our Vicar took place on 21 January 2024 and marked the beginning of a new and exciting era for the Church.

The vacancy, and the challenge this presented, brought out the very best in the Church and reinforced the importance of a dedicated volunteer network to underpin and support the work of the clergy. Sincere thanks are due to the clergy, volunteer and staff teams for their considerable combined efforts in ensuring that the normal life of the Church was largely maintained. It also provided an opportunity for reflection on the current state of the parish and in preparing us for the challenges and opportunities that lie ahead.

In most respects, it was still 'business as usual' through the delivery of a regular weekly pattern of services with attendances holding up well. The policy of keeping the Church open each day, with a member of the welcoming team often on hand to offer assistance, as a place of comfort and prayer took on an added significance as the true impact of the cost of living crisis became increasingly evident. Despite being in a period of transition, the Church's full range of activities was maintained as was its support for the most vulnerable in the local community. The Church once again hosted the C4WS Winter Night Shelter and increased its contribution to local food banks. Active relationships were maintained with amongst others Age UK Camden (Henderson Court). The relaunch of our volunteer-led Junior Church programme was enhanced by additional administrative support. The installation of a new altar frontals cupboard was completed.

The PCC met eleven times during the year. There were six regular meetings (which included the customary meeting following the Annual Parochial Church Meeting in April held primarily for the purpose of electing the Officers and appointing the Standing Committee). The PCC also met on a further four occasions to address the challenges arising from the vacancy and, in particular, to develop and approve the Parish Profile. Finally, the PCC met with the Archdeacon of Hampstead on 5 June for the triennial visitation at which there was a full and constructive exchange of views. The Archdeacon was pleased to confirm that the PCC had achieved near complete compliance and no major issues had been identified. Most meetings were held in person with the remainder taking place remotely by Zoom with decisions confirmed in writing and recorded in accordance with the applicable rules and guidance. Separately, the PCC met for an Awayday in January at which the results of the parish survey and outline plans for the development of the choir vestry were discussed.

The Parish Church of St John-at-Hampstead

Future Plans

The development and adoption of a new Mission Action Plan for 2024-2027 following the arrival of our new Vicar is central to the Church's future plans over the next three to four years. A PCC Awayday is planned for the summer with a view to taking this forward.

While it would be premature for the PCC to set out detailed new plans until that process is complete, there are some specific targets that remain ongoing in the meantime which include:

- The taking of further steps towards achieving a balanced budget in the Church's General Fund through savings, the prioritised application of available funds, and a renewed focus on increasing voluntary and trading income.
- The further promotion of our work with children including our ongoing commitment to providing a safe and secure environment;
- The completion of the review of the arrangements for the use of the parish rooms and the Church by external hirers to achieve appropriate and safe levels of use and revenues in keeping with our status as a place of worship and prayer;
- The renewal of the lease for the Church's flat at 100 Frognal which expires in the spring (for which a new tenant has recently been found at an increased rent);
- The replacement of the choir vestry roof as the first phase of works designed to improve the access to and the uses of the choir vestry and parish office area;
- The further planning of a costed and funded programme to upgrade the Church's facilities to accommodate present and developing needs to serve both our membership and the wider community.

The anticipated rolling programme of capital projects to facilitate the Church's activities will be funded in part by significant legacy income received in recent years (and through other legacies as they arise from time to time) although this will need to be combined with other fundraising for specific projects if the desired or necessary level of refurbishment and improvements is to be achieved within a reasonable timescale. A growth in planned giving and other regular sources of income to meet the Church's annual running costs will be important in enabling the Church's designated reserves and legacy income to be applied to fund the programme of capital and long term projects as intended.

Public Benefit

The PCC is aware of the Charity Commission's guidance on public benefit and the advancement of religion. It believes that working with the Clergy for the promotion of the mission of the Church in the parish, and in the wider community, it benefits the public, in particular, by providing:

- 1) a variety of forms of public worship, pastoral care and spiritual, moral and intellectual development for the wide range of its members and for any member of the public wishing to take advantage of the services and opportunities which the Church offers;
- 2) space, facilities and encouragement for educational and community activities and for recreation; and
- 3) financial, moral and practical support for numerous other charities which benefit sections of the public that are in need locally and national and international charities.

The Parish Church of St John-at-Hampstead

Structure, Governance and Management

Act of Parliament relating to St John-at-Hampstead

The Church building and the Churchyard are vested in the Vicar. Under an Act of Parliament of 14 June 1827 (“the Act”) a group of trustees was established in whom were vested the organ, fixtures and furniture of the Church, and who have responsibility for maintaining the Church in good repair, and insuring the buildings, fixtures and furniture against damage. The Act provides for the election of up to 21 trustees to serve for a period of nine years although the qualification for election as a trustee (being liable for poor relief rate) is now obsolete as is the trustees’ source of funding (pew rents). The Vicar, churchwardens, and curate(s) are trustees *ex officio*. In 2013 it was decided to elect no new trustees which means that, since April 2019, the sole trustees under the Act are the Vicar, churchwardens, and any licensed assistant curate(s) *ex officio*.

The PCC

The PCC is a corporate body established by the Church of England. It operates under the Parochial Church Council Powers Measure 1956 (as amended) and the Church Representation Rules. It is also a registered charity.

The appointment of PCC members is governed by the Church Representation Rules. Membership of the PCC comprises: the licensed clergy, the two churchwardens, and lay members of the diocesan and deanery synods (*ex officio*); and 15 lay members elected by the Annual Parochial Church Meeting (“the APCM”) who serve three year terms. In addition, the PCC may co-opt up to three members to serve annually at any one time.

The churchwardens are elected each year at the meeting of Parishioners immediately preceding the APCM and, by custom, serve a maximum of four years consecutively.

Members must be communicants of sixteen years and upwards and on the electoral roll of the parish. The PCC normally meets six times a year. At the first meeting of the new PCC after the APCM an introduction is given to the responsibilities of the PCC members and the regulations which control their conduct of business.

Joint Meetings of the Trustees under the Act and the PCC

Since the responsibilities of the trustees under the Act relating to the fabric of the building overlap with those of the PCC relating to the life of the church, it has long been the custom to agree, at the first meeting of the PCC after the APCM, that the trustees under the Act and PCC members (who are themselves registered with the Charity Commission as trustees of the charity) should meet jointly.

Electoral Roll

There were 227 names on the Electoral Roll at 1 January 2023. During the calendar year 4 new names were added and 3 removed either through death or relocation. This resulted in a total Electoral Roll of 228 at 31 December 2023.

Standing Committee

As required by the Church Representation Rules, a Standing Committee is appointed annually by the PCC. It has full power to transact the business of the PCC between its meetings, subject to such directions as the PCC may give. Its function is to support the Vicar in her role as the promoter and “guardian” of the parish’s Mission Action Plan and it also monitors and encourages

The Parish Church of St John-at-Hampstead

implementation of agreed plans by the PCC's Committees and Delivery Groups. It meets between the full meetings of the PCC and in an emergency if necessary.

Committees, Delivery Groups and Development Forums

Following a review in 2021, the PCC approved a revised structure of Committees, Delivery Groups and Development Forums with the following remit:

- *Oversight / Strategy Committees* to monitor the implementation of the MAP strategy and develop ideas and proposals in response to changing circumstances.
- *Delivery Groups* to take forward the day to day implementation of plans and activities.
- *Development Forums* to develop our thinking in areas of church life where the necessary specific strategies or action plans are not yet in place to form a Delivery Group.

By the start of 2023 it had become evident that, with some exceptions (notably the Finance Committee, the Pastoral Care Group, and the Racial Justice and Inclusion Group), the new structure was not functioning effectively with some groups having outlived their useful purpose and others having not met as envisaged. At the same time, the work of the Standing Committee took on added significance in response to the vacancy, as did the weekly Operations Meeting. During the course of the year the reformed Children and Young People's Committee took significant steps towards revitalising our vital work with younger members of the church.

In the light of this, a further review of the Committees, Delivery Groups, and Development Forums is planned in 2024 following the appointment of the new Vicar with the aim of consolidating and simplifying the structure where appropriate to ensure that it more closely meets the current needs of the Church.

Annual Meetings

At the meeting of Parishioners held on 24 April 2023 Martin Evans and Sheena Ginnings were re-elected as churchwardens. This would be Martin's fifth year as churchwarden having kindly agreed to remain in office for an extra year to help see the Church through the vacancy. Hagar Cliff and Jon Siddall were re-elected as deputy churchwardens.

At the Annual Parochial Church Meeting which followed John Barker, Angela Gardner, Rosemary Loyd and Inigo Woolf were elected to serve as parochial representatives of the laity on the Camden Deanery Synod for a three year term commencing on 1 July 2023. Elizabeth Beesley, Sarah Cheriton-Jones, Jonathan Davey, Jules Lubbock, and Jessica Mathur were elected as parochial representatives of the laity on the PCC for a three year term. Nicholas White was similarly appointed to serve for a two year term to fill a vacancy that had arisen following the resignation of Margaret Pritchard Houston before the end of her term.

The churchwardens expressed their gratitude to the clergy, staff and volunteer teams who had responded so willingly to the challenges posed by the vacancy. Those present recorded their grateful thanks to Martin and Sheena for their considerable dedication and efforts in leading the Church through these challenging times.

Clergy, Lay Ministers and Staff Team

The Reverend Graham Dunn (Assistant Curate), the Reverend Jan Rushton (Associate Priest), Handley Stevens and Andrew Penny (Licensed Lay Ministers) provided excellent support to the churchwardens, Martin Evans and Sheena Ginnings, as they led the Church through the period of vacancy. Additional support and guidance was provided by the Area Dean, Carol Barrett Ford, as

The Parish Church of St John-at-Hampstead

part of her oversight role during the vacancy and, from June onwards, by the Reverend Natasha Beckles, Assistant to the Area Dean, who provided cover for services and duties as needed. In October, the Reverend Jan Rushton stepped back from her role as Associate Priest after twelve years of dedicated service. Her outstanding contribution was marked by a celebration and presentation at the Sunday morning service on 3 December 2023.

Courtney Terwilliger, the Parish Administrator, was joined in the parish office by Huw Robinson, as Assistant Administrator, in May. This followed the PCC's decision to provide additional administrative support for the Church's important work with children and young people, responsibility for which had reverted to a volunteer-led group after the retirement of the children and youth worker the previous year.

Geoffrey Webber, the Director of Music, oversaw the delivery of a full and varied programme of choral worship and music in collaboration with our excellent professional choir. Joshua Ryan, as Organist and Assistant Director, completed his first year with the Church in September and played an important part in helping maintain the high musical standards for which the Church has become known, including covering (with Aidan Coburn, the Director of the Junior Choir and the Community Choir) the temporary absence through illness of the Director of Music at the end of the year. Aidan Coburn's expert and enthusiastic direction of both the junior choir and the community choir was rewarded by an upturn in membership which enabled the delivery of more challenging repertoires. The Hampstead Church Music Trust's significant financial support was once again vital to the delivery of the choral worship and music programmes.

Financial Review

The Church recorded an in-year deficit on all funds of £62,125 before unrealised investment gains; this included a deficit of £32,318 in the unrestricted General Fund.

Expenditure of £45,174 from legacy funds earmarked for the choir vestry refurbishment project contributed to the overall deficit. The major component of this was the purchase of replacement slates for the roof ahead of the scheduled start of the project in February 2024. In addition, funds were spent on remedial works following the five yearly electrical testing undertaken at the end of 2022 and on replacing curtains in the Crypt Room.

Income from all sources increased by £17,530 to £404,565 aided by a rise in interest rates which generated an increase in investment income of £16,329. This satisfactory outturn was achieved thanks to a legacy of £10,000, recoverable VAT of £9,000, and one-off donations which offset falls in regular giving and Sunday service collections.

Unrestricted General Fund expenditure increased by £27,796 although this included £9,000 of recoverable VAT. The decision to invest in additional administrative support for our children's activities accounted for a large part of this, as did the initial purchase (in keeping with the legator's wishes) of new furniture and resources to benefit our work with children.

A transfer of £26,000 was made from the Parish Development Fund to the General Fund to support the Church's activities, an increase of £1,000 on the previous year.

The voluntary rate appeal to parishioners raised a disappointing £6,593 for the restricted Fabric Repair Fund compared to just over £15,000 in 2022. This contributed to a net reduction in that fund of £8,497 after planned expenditure leaving £39,894 to be carried forward to 2024. Expenditure included £6,159 on electrical repairs, £2,918 on new curtains for the Crypt Room, and £2,500 on new lighting for the spire.

The Parish Church of St John-at-Hampstead

Giving to Charities

For a number of years the PCC's policy has been to give 10% of some elements of the previous year's unrestricted income to an approved list of charities. During 2023 the PCC reviewed the policy and decided that the giving away target should be met from a mixture of unrestricted and restricted income, including Christmas collections. In 2023 unrestricted and restricted giving to charities is recorded at £31,226 (2022: £32,605).

In addition to this giving, the PCC has supported Traidcraft for several years, but the enterprise ceased trading in 2023. The Traidcraft Team sold off stock and was able to send £2,764 to Transform Trade which is the charity that stands behind Traidcraft.

Designated Unrestricted Fund

The policy of the PCC is to apply unrestricted legacies responsibly. Typically, this will be for capital and long term projects which support the strategic purpose of the Church rather than to meet day to day operating costs. Where a legacy has not been allocated to a particular project at the time it is received, the practice is to transfer the funds into a designated restricted fund for future use. Income is taken into the unrestricted general fund.

With the upturn in inflation in 2022, it was decided to reduce the amount held on deposit and invest funds in an open-ended investment fund where, over a five year period, there would be a better chance of the funds maintaining their real value. £175,000 was invested in the summer of 2022 in the Trojan Ethical Fund prior to the political turmoil that engulfed the UK Government in the autumn of that year; by the end of 2023 the investment had increased to £179,394. At the end of 2023 the balance of the Designated Fund, including investments, is £528,839 - which has been earmarked for future improvements and repairs to the church buildings.

Expendable Endowment Funds including the Parish Development Fund

The main assets of the Parish Development Fund are two properties. One is a leasehold flat in West Hampstead which was purchased some years ago to house a curate and the other is the freehold of 100 Frognaal together with the leasehold of a flat there.

The properties are valued as rental properties and the increase in rental values has led to their combined value increasing from £1.38m to £1.466m. A transfer of £26,000 from net rental income was made to the General Fund which reduced that fund's net deficit for the year to £6,318.

Cash Management

The PCC held £503,848 in cash and on deposit at the start of the year; cash held with HSBC and with the Central Board of Finance of the Church of England at the year-end was £451,593.

Of this sum, £417,506 was held on deposit with the remainder kept as working balances for the various unrestricted and restricted funds.

In 2020 the PCC lent £57,424 to the Trustees of Holly Bush Vale (the Vicar & Churchwardens) who refurbished a house on the Parochial School site for teacher accommodation. The loan is interest free over 5 years and quarterly repayments are being made; £25,000 remains outstanding at the end of 2023.

The Parish Church of St John-at-Hampstead

Risk Management

The PCC reviews the risk register every year; a theme in recent years has been the need to broaden the donor base. However, the downward trend in the number of committed givers continued its gentle decline in 2023; increased living costs, including for housing, may be a factor in limiting the level of giving from some parishioners.

A quinquennial inspection of the building was undertaken in 2022 and identified a number of areas where maintenance and repairs were required and further works will be undertaken in 2024. The increase in cost inflation means that although there are sufficient cash reserves to cover these costs there will be a need to raise funds to cover the cost of other planned projects including redecorating the Church and cleaning the organ.

The PCC maintains insurance cover against the main insurable risks including property damage and liabilities. The policy is kept under annual review and the level of buildings and contents cover is automatically adjusted by the insurers each year in line with inflation. A full risk management review, which is scheduled approximately every five years, was carried out in conjunction with the insurers in early 2023 to ensure that the cover and levels of cover remain appropriate.

Investment Policy

The PCC's investment objective is to preserve the real value of investments as measured by the consumer price index over a five year period.

The PCC retains investments in property and pooled investment funds to provide an asset base on which borrowings can be secured if necessary to support major improvements and renovations such as the planned complete redecoration of the Church.

Each pooled investment fund manager is expected to have a responsible investment policy. In determining its approach, the PCC takes note of any guidance provided by the Church of England and the Diocese of London.

Reserves Policy

The PCC's current policy, which is reviewed each year, is to maintain a free cash reserve in the range of £15,000 to £20,000. This is intended to ensure that there is sufficient working capital to meet expenditure as and when it is incurred without the need to make transfers from designated funds.

At the end of the year the Financial Statements show that the unrestricted reserve was £37,474 (2022: £42,773) net of the deficit in the pension scheme of £1,157.

Budget for 2024

An increase in operating costs, caused in part by the sharp rise in the rate of inflation over the last year, and the current downward trend in income in the General Fund means that, if left unchecked, an unsustainable deficit in that fund is almost inevitable in 2024.

The PCC recognises that this will require some hard choices to be made and has therefore

The Parish Church of St John-at-Hampstead

resolved to explore as a matter of some urgency ways in which this trend can be reversed through savings, the prioritised application of available funds, and a focus on increasing voluntary and trading income.

In the meantime, the ongoing programme of improvements and repairs to the church buildings, funded by legacy income, will continue with the replacement of the choir vestry roof and better disabled access to the chancel and parish office due to be carried out in 2024.

Safeguarding

The PCC has complied with its duty under section 5 of the Safeguarding and Clergy Discipline Measure 2016 to have regard to the House of Bishops' guidance on safeguarding children and vulnerable adults.

Approved by the Parochial Church Council on 19 February 2024 and signed on its behalf by:

Carol Barrett Ford
Vicar and PCC Chairman

The Parish Church of St John-at-Hampstead

Statement of financial activities for the year ended 31 December 2023

Income from:	Notes					2023	2022
		General Fund £	Designated Fund £	Restricted Funds £	Endowment Funds £	Combined £	Combined £
Donations and legacies	3	266,911	-	21,195	-	288,106	289,239
Other trading activities	4	33,782	-	11,795	-	45,577	43,243
Investments	5	13,237	-	4,566	53,079	70,882	54,553
Total income		313,930	-	37,556	53,079	404,565	387,035
Expenditure on:							
Charitable activities	7	339,897	45,174	45,684	925	431,680	354,563
Raising funds	9	6,351	-	6,631	22,028	35,010	25,400
Total resources expended		346,248	45,174	52,315	22,953	466,690	379,963
Net income before gains and losses on investments		(32,318)	(45,174)	(14,759)	30,126	(62,125)	7,072
Gains/(Losses) on investments	14	-	7,484	2,463	87,065	97,012	(10,835)
Net income before transfers		(32,318)	(37,690)	(12,296)	117,191	34,887	(3,763)
Transfers between funds	12	26,000	-	-	(26,000)	-	-
Net income after transfers		(6,318)	(37,690)	(12,296)	91,191	34,887	(3,763)
Other recognised gains/losses:							
Actuarial gain/(losses) on defined benefit pension scheme	21	1,019	-	-	-	1,019	1,865
Net movement in funds		(5,299)	(37,690)	(12,296)	91,191	35,906	(1,898)
<i>Reconciliation of Funds</i>							
Total Funds brought forward		42,773	566,529	61,694	1,439,342	2,110,338	2,112,236
Total Funds carried forward		37,474	528,839	49,398	1,530,533	2,146,244	2,110,338

The attached notes (1 - 23) form part of these financial statements

The Parish Church of St John-at-Hampstead

Balance Sheet at 31 December 2023

						2023	2022
	Notes	General Fund £	Designated Fund £	Restricted Funds £	Endowment Funds £	Combined £	Combined £
Fixed assets							
Plant and equipment	13	-	-	-	-	-	-
Financial assets	14	-	179,394	28,641	1,511,751	1,719,786	1,622,776
Total fixed assets		-	179,394	28,641	1,511,751	1,719,786	1,622,776
Current assets							
Debtors							
Gift aid recoverable		-	-	-	-	-	4,223
Hollybush Vale Trustees	16	-	25,000	-	-	25,000	37,424
Trade debtors		9,036	-	-	-	9,036	3,567
		9,036	25,000	-	-	34,036	45,214
Cash at bank and in hand		53,216	324,445	30,150	43,782	451,593	503,848
Total current assets		62,252	349,445	30,150	43,782	485,629	549,062
Liabilities: amounts falling due within one year							
Creditors for goods and services		(5,557)	-	-	-	(5,557)	(6,050)
Clients account for 100 Froggnal		-	-	(929)	-	(929)	(707)
Clients account Hollybush Vale		-	-	(8,464)	-	(8,464)	(7,617)
Other Creditors	15	(18,064)	-	-	(25,000)	(43,064)	(44,950)
		(23,621)	-	(9,393)	(25,000)	(58,014)	(59,324)
Net current assets		38,631	349,445	20,757	18,782	427,615	489,738
Creditors falling due after one year							
pension scheme liability	21	(1,157)	-	-	-	(1,157)	(2,176)
Net assets		37,474	528,839	49,398	1,530,533	2,146,244	2,110,338
Funds:							
Unrestricted General Fund		37,474				37,474	42,773
Designated for Future Repairs			528,839			528,839	566,529
Restricted Funds	17			49,398		49,398	61,694
Endowment Funds	18				1,530,533	1,530,533	1,439,342
		37,474	528,839	49,398	1,530,533	2,146,244	2,110,338

Approved by the Parochial Church Council on 19 February 2024 and signed on its behalf by:


M EVANS Churchwarden


I R M WOOLF, Hon Treasurer

The attached notes (1 - 23) form part of these financial statements

The Parish Church of St John-at-Hampstead

CASH FLOW STATEMENT AT 31 DECEMBER 2023

	2023		2022	
	£	£	£	£
Net cash from operating activities		(135,561)		(49,269)
Cash flows from investing activities				
Dividends, interest and rent from investments	70,882		54,553	
Purchase of investments	-		(175,000)	
Net cash provided by/(used in) investing activities	<u>70,882</u>	<u>70,882</u>	<u>(120,447)</u>	<u>(120,447)</u>
Cash flows from financing activities				
Loan repayments from Trustees of Holly Bush Vale	12,424	12,424	10,000	10,000
Net cash provided by/(used in) financing activities		<u>12,424</u>		<u>10,000</u>
Change in cash and cash equivalents in the reporting period		(52,255)		(159,716)
Cash and cash equivalents at 1 January		503,848		663,564
Cash and cash equivalents at 31 December		<u>451,593</u>		<u>503,848</u>
Reconciliation of net income/(expenditure) before investment gains				
Net income before investment gains 31 December	b	(62,125)		7,072
Adjustments for:				
Depreciation charges		-		1,124
Dividends, interest and rent from investments		(70,882)		(54,553)
Decrease/(increase) in debtors		(1,245)		(5,629)
(Decrease)/increase in creditors		(1,309)		2,717
Net cash provided by/(used in) operating activities		<u>(135,561)</u>		<u>(49,269)</u>
Analysis of cash and cash equivalents				
Cash in hand		34,087		32,164
Deposit for fixed period		80,000		200,000
Deposits less than 3 months		337,506		271,684
		<u>451,593</u>		<u>503,848</u>

The Parish Church of St John-at-Hampstead

Notes to the financial statements

Note 1: BASIS OF PREPARATION

The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006 governing the individual accounts of PCCs, and with the Regulations' "true and fair view" provisions, together with FRS102(2016) as the applicable accounting standards and the 2016 version of the Statement of Recommended Practice: Accounting and Reporting by Charities [SORP(FRS 102)].

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets which are shown at fair value.

The Parochial Church Council (PCC) is a public benefit entity within the meaning of FRS 102.

1.2 GOING CONCERN

There are no material uncertainties related to events or conditions that cast significant doubt on the PCC's ability to continue as a going concern.

1.3 CHANGE IN ACCOUNTING POLICY

The accounts present a true and fair view and the accounting policies are as outlined in this note. There have been no changes of accounting policies in this period.

1.4 CHANGES TO ACCOUNTING ESTIMATES

There have been no changes to accounting estimates in this period.

1.5 MATERIAL PRIOR YEAR ERRORS

No material prior year errors have been identified in the reporting period.

Note 2: ACCOUNTING POLICIES

2.1 RECONCILIATION WITH PREVIOUS GENERALLY ACCEPTED ACCOUNTING POLICIES

No reconciliations with previous generally accepted accounting policies are required.

2.2 INCOME

Recognition of income

Congregational giving, donations, grants, interest, rents, dividends and other income are included in the Statement of Financial Activities (SOFA) when the PCC becomes entitled to the resources and the monetary value can be measured with sufficient reliability.

Offsetting

There has been no offsetting of assets and liabilities in the SOFA or income and expenses, unless required or permitted by the FRS 102 SORP.

Tax reclaims on donations and gifts

Gift aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid recovered on a donation is considered to be part of that gift and is credited to the same fund as the initial donation unless the donor has specified otherwise.

Legacies

Legacies are included in the SOFA when receipt is probable, that is, when there has been a grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the PCC or can be met.

Volunteer help

The value of voluntary help received is not included in the accounts but is described in the PCC's annual report.

Investment gains and losses

This includes any realized and unrealized gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

The Parish Church of St John-at-Hampstead

2.3 EXPENDITURE AND LIABILITIES

Liability recognition

Liabilities are recognized where it is more likely than not that there is a legal or constructive obligation committing the PCC to pay out resources and the amount of the obligation can be measured with reasonable certainty.

Governance

Governance costs are charged to 'Charitable Activities'.

Redundancy costs

The PCC has made no redundancy payments during the reporting period.

Deferred income

No material item of deferred income has been included in the financial statements.

Creditors

The PCC has creditors which are measured at settlement amounts less any trade discounts.

Certain interest free loans have been provided without a repayment date and these are accounted for as being repayable on demand.

Provisions for liabilities

A liability is measured at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

2.4 ASSETS

Tangible fixed assets for use by the PCC

Consecrated and beneficed property is excluded from the accounts by s.10(2)(a) and (c) of the Charities Act 2011. Other fixed assets are capitalized if they can be used for more than one year, and cost at least £2,000.

Movable church furnishings held by the Vicar and Churchwardens on special trust for the PCC, and which require a faculty for disposal, are accounted as inalienable property unless consecrated. They are listed in the church inventory, which can be inspected. Items acquired prior to 2000 are not valued in the accounts as there is insufficient cost information available.

Financial assets

Fixed asset investments in quoted shares and pooled investment funds are valued initially at cost and subsequently at fair value (market value) at the year end. The long leasehold properties are stated at estimated fair values for investment properties.

Debtors

Debtors including trade debtors and gift aid recoverable are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the PCC. Subsequently they are measured at the cash or other consideration expected to be received.

Cash at bank

Cash at bank and in hand include on demand deposits and short term fixed interest deposits.

2.5 FUNDS

Unrestricted Funds represent the remaining income funds of the PCC that are available for spending on the general purposes of the PCC.

The Designated Fund is an unrestricted fund which represents the amount set aside by the PCC to meet future repair liabilities; it is not regarded as part of the 'free reserves' as disclosed in the PCC's report. Income earned on the cash balances held by the Fund is recorded in the General Unrestricted Fund.

The Restricted Funds are income funds that must be spent on restricted purposes and details of the funds held and restrictions provided are set out in Note 17.

The Endowment Funds are all individual funds where there is a discretionary power to spend capital as income. Full details of the funds and their restrictions are set out in Note 18.

The Parish Church of St John-at-Hampstead

Note 3 Donations and legacies

	Notes	General Fund	Designated Funds	Restricted Funds	Endowment Funds	2023 Combined	2022 Combined
Planned giving including gift aid		118,815	-	-	-	118,815	132,169
Income tax recoverable		29,473	-	-	-	29,473	34,140
Collections: ordinary services		16,733	-	-	-	16,733	23,628
Collections: special services		-	-	10,937	-	10,937	6,554
Donations		18,606	-	3,665	-	22,271	16,173
Donation of shares	14	5,030	-	-	-	5,030	-
Voluntary rate		-	-	6,593	-	6,593	15,182
Legacies	6	10,000	-	-	-	10,000	-
Grants received:							
Friends of the Drama	16	4,000	-	-	-	4,000	4,000
Friends of the Music		-	-	-	-	-	1,440
Hampstead Church Music Trust	16	55,190	-	-	-	55,190	53,760
Listed Places of Worship re VAT		9,064	-	-	-	9,064	1,340
		266,911	-	21,195	-	288,106	288,386

Note 4 Other trading activities

Fees for use of Church		9,059	-	-	-	9,059	8,441
Parish rooms		19,015	-	-	-	19,015	20,559
Craft fair and other events		2,603	-	3,527	-	6,130	1,290
Holiday in Hampstead		1,702	-	-	-	1,702	853
Printing and books		731	-	-	-	731	909
Community choir	16	-	-	6,796	-	6,796	6,163
Feed in Tariff		672	-	-	-	672	694
Traidcraft stall		-	-	1,472	-	1,472	5,187
		33,782	-	11,795	-	45,577	44,096

Note 5 Income from Investments

Rent Dennington Park Mansions		-	-	7,200	-	7,200	7,200
Rent 100 Frognal		-	-	42,657	-	42,657	40,595
Dividends and Interest		13,237	-	4,566	3,222	21,025	6,758
		13,237	-	4,566	53,079	70,882	54,553

Note 6 Legacies received

The Estate of P Loyd		10,000	-	-	-	10,000	-
		10,000	-	-	-	10,000	-

The Parish Church of St John-at-Hampstead

Note 7 Expenditure on charitable activities

	Notes	General Fund	Designated Fund	Restricted Funds	Endowment Funds	2023 Combined	2022 Combined
Ministry: diocesan common fund		97,500	-	-	-	97,500	94,500
clergy expenses	10	2,826	-	-	-	2,826	2,528
accommodation		8,633	-	-	-	8,633	9,702
recruitment costs		1,949	-	-	-	1,949	-
Parish Administrators	11	41,849	-	-	-	41,849	28,234
Children & Youth worker	11	-	-	-	-	-	2,236
Pension deficit apportionment	11	1,096	-	-	-	1,096	1,817
Music staff	11	33,934	-	4,105	172	38,211	32,906
Choir - adults and children		50,348	-	-	-	50,348	49,312
Other music costs		1,776	-	2,730	513	5,019	4,800
Children and Youth		4,311	-	-	-	4,311	899
Heat & light		10,379	-	-	-	10,379	9,839
Fabric expenditure/maintenance		11,541	45,174	19,247	-	75,962	29,326
Parish rooms		12,963	-	-	-	12,963	19,811
recoverable VAT on repairs		9,064	-	-	-	9,064	804
Depreciation	13	-	-	-	-	-	1,124
Insurance		11,870	-	-	-	11,870	10,924
General expenses		14,693	-	-	-	14,693	10,638
IT and communications		7,478	-	-	-	7,478	5,250
Social events		920	-	-	-	920	502
Flowers		-	-	1,474	-	1,474	686
Grants made	8	14,517	-	16,469	240	31,226	32,605
Refugee sponsorship		-	-	1,659	-	1,659	3,870
Independent Examination fee		2,250	-	-	-	2,250	2,250
		339,897	45,174	45,684	925	431,680	354,563

Note 8 Grants made

Church overseas:						
- missionary societies		5,400	-	-	-	5,400
- relief and development agencies		5,400	-	1,000	-	6,400
UK missions/other Church Societies		2,273	-	6,284	-	8,557
Secular charities		1,144	-	9,185	-	10,329
Individuals for relief of poverty		-	-	-	240	240
Hampstead Parochial School		300	-	-	-	300
	22	14,517	-	16,469	240	31,226
						32,605

Note 9 Expenditure on raising funds

Services, voluntary rate & events		-	-	3,957	-	3,957	3,383
Printing and books		6,351	-	-	-	6,351	4,280
Traidcraft stall		-	-	2,674	-	2,674	5,066
Dennington Park Mansions		-	-	-	8,844	8,844	884
100 Frogna		-	-	-	13,184	13,184	11,787
		6,351	-	6,631	22,028	35,010	25,400

Note 10 Expenses paid to Members of the Parochial Church Council

Expenses of the Clergy, who are members of the PCC, totalling £nil (2022: £2,528) were reimbursed. Members of the PCC supporting the Junior Church had their expenses reimbursed as did the Churchwardens' relevant expenses. In 2022, One member of the PCC was paid £100 to run a training course where the individual had specific expertise.

The Parish Church of St John-at-Hampstead

Note 11 Staff costs

The Clergy are paid by the Church Commissioners but funded by the Parish's contributions to the Common Fund. During the year the PCC employed a parish administrator, a part time assistant administrator and 3 part time staff engaged in musical activities.

	2023	2022
Salaries	73,036	57,869
Social Security	-	485
Pension costs	8,121	6,839
	<u>81,156</u>	<u>65,193</u>

No employee received employee benefits in excess of £60,000.

The PCC operates a money purchase scheme for staff through TPT Retirement Solutions.

Note 12 Transfers between funds

£26,000 transferred from Parish Development Fund to the General Fund (2022: £25,000).

Note 13 Fixed assets

	Equipment	Depreciation	Net Book Value
Assets at start of year	25,679	(25,679)	-
Additions	-	-	-
Disposals	-	-	-
Assets at end of year	<u>25,679</u>	<u>(25,679)</u>	<u>-</u>

Note 14 Financial assets

The significance of financial investments to the PCC's financial position is set out in the PCC's annual report

Investments at fair value:

	1 January 2023	Purchases (Sales)	Investment Gains(Losses)	31 December 2023
- <i>Unrestricted</i>				
136,328 Trojan Ethical Fund shares	171,910	-	7,484	179,394
- <i>Restricted</i>				
1,267 CBF Investment Fund shares	26,178	-	2,463	28,641
- <i>Endowment</i>				
Freehold of 100 Frognal and long lease of Flat A	981,000	-	10,000	991,000
Long lease of Flat 10a, Dennington Park Mansions	399,500	-	75,500	475,000
2,338 CBF Investment Fund shares	22,130	-	2,082	24,212
1,501 M & G Charifund units	22,058	-	(517)	21,541
	<u>1,424,688</u>	<u>-</u>	<u>87,065</u>	<u>1,511,753</u>

The freehold and long leasehold properties are valued as investment properties by Inigo Woolf FCIB, a member of the PCC, as at 31 December 2023.

Investments at cost:

	1 January 2023	Purchases	Sales	31 December 2023
- <i>Unrestricted</i>				
136,328 Trojan Ethical Fund shares	175,000	-	-	175,000
131 Dechra Pharmaceuticals PLC shares		5,030	(5,030)	-
- <i>Restricted</i>				
1,267 CBF Investment Fund shares	5,909	-	-	5,909
- <i>Endowment</i>				
Freehold of 100 Frognal and long lease of Flat A	784,700	-	-	784,700
Long lease of Flat 10a, Dennington Park Mansions	438,500	-	-	438,500
2,338 CBF Investment Fund shares	20,000	-	-	20,000
1,501 M & G Charifund units	18,000	-	-	18,000
	<u>1,261,200</u>	<u>-</u>	<u>-</u>	<u>1,261,200</u>

The Parish Church of St John-at-Hampstead

Note 15 Creditors

Other Creditors include related party balances due to the Friends of the Drama £12,430 and a £25,000 interest free loan from Parishioners. (2022: £15,714 and £25,000 respectively). Note 16 has further details on related parties.

Note 16 Related parties

Hampstead Parochial Charities (established 1617) provides relief for the poor in the former Metropolitan Borough of Hampstead. The Trustees comprise the Vicar and Churchwardens.

Hampstead Additional Burial Ground (established 1810) provides a discrete burial ground in Church Row. The Trustees comprise the Vicar, Churchwardens and up to 21 trustees who are resident in the former Metropolitan Borough of Hampstead. Collected income of £1,579 and paid expenses of £1,350 in year (2022: collected £nil and paid £229).

- **Trustees of Holly Bush Vale (established 1856)** provide a site and teacher accommodation for Hampstead Parochial School. The Trustees of this educational charity are the Vicar and Churchwardens. The interest free unsecured loan of £57,424 drawn down in 2020 is due to be repaid through quarterly payments from rental income, with full repayment by 31 December 2026. Repaid £12,424 in 2023 and £10,000 in 2022. Balance at 31 December 2023 was £25,000.

Friends of the Music, Hampstead Parish Church (established 1947) supports the provision of music at Hampstead Parish Church. In 2022 a £1,440 grant was given to catalogue the music library. The Friends receive no funding from the PCC.

Hampstead Church Music Trust (established 1975) maintains and promotes the performance and appreciation of church music in Hampstead and in particular Hampstead Parish Church. The Trustees comprise the Vicar, up to two trustees appointed by the PCC, up to three trustees appointed by the Friends of the Music and up to four trustees appointed by the trustees themselves. At 31 December 2022 two trustees were also members of the PCC. The PCC received grants of £55,190 towards the cost of the choir (£53,760 in 2022) and £300 towards the cost of the Hampstead Community Choir (2022: £2,000).

The Friends of the Drama, Hampstead Parish Church (established 1977) seeks to promote the mission of the Church and in particular Hampstead Parish Church through the medium of drama. The Vicar & Churchwardens are ex officio members of the General Committee. The PCC received a grant of £4,000 for the General Fund (£4,000 in 2022).

Note 17 Restricted funds

	Balances 1 January 2023	Income	Expenditure	Gains on Investments	Balances 31 December 2023
Fabric and Plant Reserve	48,391	12,086	(23,046)	2,463	39,894
Giving Away Fund	-	16,627	(16,627)	-	-
Traidcraft	1,210	1,472	(2,674)	-	8
Flowers	2,338	575	(1,474)	-	1,439
Refugee sponsorship	7,379	-	(1,659)	-	5,720
Community Choir	1,768	6,796	(6,835)	-	1,729
Donald Barnes Memorial Fund	608	-	-	-	608
	61,694	37,556	(52,315)	2,463	49,398
2022	72,708	40,101	(47,623)	(3,492)	61,694

Fabric and Plant Reserve

The purpose of the reserve is to hold sufficient funds to meet the repair obligations placed upon the trustees of the Church by the Act of Parliament of 1827 Paragraph 51. The Voluntary Rate, donations and earmarked gifts from parishioners are the main sources of income. In addition to the restricted reserve there is an unrestricted designated repair reserve with a balance of £528,839 (2022:£566,529).

Traidcraft

Goods purchased from Traidcraft are sold to parishioners and surplus funds in the account are gifted to Transform Trade, formerly known as Traidcraft Exchange. In 2023 Transform Trade received £1,400 (2022:£1,800).

The Parish Church of St John-at-Hampstead

Restricted Funds (continued)

Refugee Sponsorship

Support for refugees coming from the Middle East to live in North London.

Donald Barnes Memorial Fund

Fund created in 2013 in memory of the late Revd. Donald Barnes for the purpose of holding an annual lecture at St Peter's Church, Belsize Park. The lectures are organized by the Hampstead Christian Study Centre. No claims received in 2023.

Note 18 Endowment funds	Balances 1 January 2023	Income	Expenditure	(Losses)/ Gains on investments	Transfers between Funds	Balances 31 December 2023
Frances Grossfield Memorial Fund	10,626	516	(513)	(208)		10,421
John Cooling Fund	16,464	595	(240)	(240)		16,579
Frederick Eickhoff Memorial Fund	3,064	172	(172)	(69)		2,995
Parish Development Fund	1,409,188	51,796	(22,028)	87,582	(26,000)	1,500,538
	1,439,342	53,079	(22,953)	87,065	(26,000)	1,530,533
2022	1,432,409	50,074	(13,888)	(4,353)	(25,000)	1,439,242

Frances Grossfield Memorial Fund (established 1994) encourages young musicians to participate in the choir thereby maintaining and enhancing the musical tradition of Hampstead Parish Church.

John Cooling Fund for relief of poverty (established 1997) can be used at the absolute discretion of the Vicar without any geographical restriction.

Frederick Eickhoff Memorial Fund (established 2008) supports the training of the junior choir.

Parish Development Fund (established 2000) to be used by the PCC for investment in parish projects with income generated within the Fund to be used at its discretion.

Each Fund is an Expendable Endowment as defined by the Charities Act, 2011.

Note 19 Contingent liabilities There are no contingent liabilities (2022: nil).

Note 20 Capital commitments Contracted by the PCC nil (2022: nil).
Authorised by the PCC but not contracted nil (2022: nil)

Note 21 Pensions liability

SCHEME: TPT Retirement Solutions- The Growth Plan

The PCC participates in the scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the PCC to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the PCC is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

The Parish Church of St John-at-Hampstead

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions: From 1 April 2022 to 31 January 2025: £3,312,000 per annum (payable monthly).

The scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

From 1 April 2019 to 31 January 2025: £11.24m per annum (payable monthly and increasing by 3% on each 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the PCC has agreed to a deficit funding arrangement, the PCC recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

PRESENT VALUES OF PROVISION	31 December 2023	31 December 2022
	£	£
Present value of provision	1,157	2,176

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

Provision at start of year	2,176	4,041
Unwinding of the discount factor (interest expense)	79	32
Deficit contribution paid	(1,096)	(1,817)
Remeasurements - impact of any change in assumptions	(2)	(80)
Remeasurements - amendments to the contribution schedule	-	-
	(1,019)	(1,865)
Provision at end of year	<u>1,157</u>	<u>2,176</u>

IMPACT ON STATEMENT OF FINANCIAL ACTIVITIES

Interest expense	79	32
Remeasurements - impact of any change in assumptions	(2)	(80)
Remeasurements - amendments to the contribution schedule	-	-
Contributions paid in respect of future service*	7,025	5,021
Costs recognised in income and expenditure account	Note 7 1,096	1,817

*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

ASSUMPTION	31 December	2023	2022	2021
Rate of discount		5.31%	4.96%	1.18%

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The Parish Church of St John-at-Hampstead

Note 22 Grants and donations to charities

	2023 Unrestricted	2023 Restricted/ Endowment	2023 Combined	2022 Combined	2022 £
Church Overseas- Missionary Societies	£	£	£	£	£
ALMA	1,800	-		2,000	
Embrace the Middle East	1,800			2,000	
USPG	1,800	-		2,000	
	<u>5,400</u>	<u>-</u>	<u>5,400</u>	<u>2,000</u>	<u>6,000</u>
Overseas- Relief & Development Agencies					
Asra Hawariat School	1,800	-		2,900	
Bethlehem Arab Society for Rehabilitation	1,800	-		2,000	
Practical Action	1,800	-		2,063	
Island Hospice Zimbabwe	-	-		2,000	
Christian Aid	-	1,000		1,070	
	<u>5,400</u>	<u>1,000</u>	<u>6,400</u>	<u>1,070</u>	<u>10,033</u>
UK Missions and other Church organisations					
Bishop of Edmonton's Discretionary Fund	-	-		231	
Bishop of London's Lent Appeal	48	2,952		2,499	
Caris Haringey	2,000	-		2,000	
Church of England's Children Society	225	1,575		1,879	
Caris Camden/Caris Families	-	1,757		-	
C4WS	-	-		-	
A Rocha UK (2021: PSALM)	-	-		125	
	<u>2,273</u>	<u>6,284</u>	<u>8,557</u>	<u>125</u>	<u>6,734</u>
Hampstead Parochial School	300	-	300	1,000	1,000
Relief of Poverty (John Cooling Fund)		240	240	450	450
Secular charities					
Campaign Against Living Miserably	350	-			
Bee Development	-	-		1,314	
Hestia	794	1,006		2,000	
Royal British Legion	-	740			
Soldiers Sailors & Airmen's Families Assn	-	712		1,074	
Age UK (Camden)	-	1,927		2,000	
Food Bank Aid	-	2,000			
Traidcraft Foundation	-	1,000		-	
XLP	-	1,800		2,000	
	<u>1,144</u>	<u>9,185</u>	<u>10,329</u>	<u>2,000</u>	<u>8,388</u>
TOTAL	14,517	16,709	31,226		32,605

The Parish Church of St John-at-Hampstead

Note 23 Prior period comparative statement of financial activities.

Statement of Activities for year ending 31 December 2022

Income from:	General Fund £	Designated Fund £	Restricted Funds £	Endowment Funds £	Combined £
Donations and legacies	262,281	-	26,958	-	289,239
Other trading activities	31,893	-	11,350	-	43,243
Investments	2,686	-	1,793	50,074	54,553
	296,860	-	40,101	50,074	387,035
Expenditure on:					
Charitable activities	314,172	-	39,174	1,217	354,563
Raising funds	4,280	-	8,449	12,671	25,400
Total resources expended	318,452	-	47,623	13,888	379,963
Net income before gains on investments	(21,592)	-	(7,522)	36,186	7,072
Net Gain on investments	-	(3,090)	(3,492)	(4,253)	(10,835)
Net income before transfers	(21,592)	(3,090)	(11,014)	31,933	(3,763)
Transfers between funds	25,000	-	-	(25,000)	-
Net income after transfers	3,408	(3,090)	(11,014)	6,933	(3,763)
Other recognised gains/losses:					
Actuarial gain on defined benefit pension scheme	1,865	-	-	-	1,865
Net movement in funds	5,273	(3,090)	(11,014)	6,933	(1,898)
Reconciliation of Funds					
Total Funds brought forward	37,500	569,619	72,708	1,432,409	2,112,236
Total Funds carried forward	42,773	566,529	61,694	1,439,342	2,110,338

The Parish Church of St John-at-Hampstead

Independent examiner's report to the members of the Parochial Church Council of St John-at-Hampstead (registered charity 1129264)

I report to the PCC on my examination of the accounts of the PCC of St John-at-Hampstead for the year ended 31 December 2023.

Responsibilities and basis of report

As the members of the PCC you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the PCC's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 154(5)(b) of the Act. The charity's gross income exceeded £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.

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 charity as required by section 130 of the Act; or
2. the accounts do not comply 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 to enable a proper understanding of the accounts to be reached.



Robert Ashdown
Chartered Accountant
75 Brookville Road, London, SW6 7BH

19 February 2024

Accounts

THE PARISH CHURCH OF ST JOHN-AT-HAMPSTEAD

Registered Charity No 1129264

ANNUAL REPORT AND FINANCIAL STATEMENTS OF THE PAROCHIAL CHURCH COUNCIL for the year ended 31 December 2022

Vicar

The Revd Jeremy Fletcher (until 23 January 2023)

Churchwardens

Martin Evans
Sheena Ginnings

Bankers

HSBC Bank plc
122 Finchley Road
London NW3 5JD

Independent Examiner

Robert Ashdown ACA
75 Brookville Road
London SW6 7BH

The Parish Church of St John-at-Hampstead

Reference and Administrative Details

Full Name: The Parochial Church Council of the Ecclesiastical Parish of St John-at-Hampstead ("the PCC").

Charity Registration Number: 1129264

Address and Website: Church Row, London NW3 6UU / www.hampsteadparishchurch.org.uk

Trustees under an Act of Parliament of 1827

Ex Officio

The Revd Jeremy Fletcher	Vicar (until 23 January 2023)
Martin Evans	Churchwarden
Sheena Ginnings	Churchwarden
The Revd Graham Dunn	Assistant Curate

Membership of the PCC

Ex Officio

The Revd Jeremy Fletcher *	Vicar and PCC Chairman (until 23 January 2023)
Martin Evans *	Churchwarden and PCC Vice Chairman
Sheena Ginnings*	Churchwarden
The Revd Graham Dunn	Assistant Curate

As a lay member of the London Diocesan Synod

Inigo Woolf *	Treasurer (also an ex officio member and an elected member of the Deanery Synod)
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As lay members of the Camden Deanery Synod

John Barker	
Vanessa Fitzpatrick	(also an elected member)
Angela Gardner	
Rosemary Loyd	

Elected Members

Gaynor Bassey-Fish	Electoral Roll Officer
Elizabeth Beesley	
Sarah Cheriton-Jones	
Hagar Cliff *	Deputy Churchwarden (from 26 September 2022)
Jonathan Davey	
Karunesh Evans	(until 25 April 2022)
Seka Graovac	(until 6 January 2023)
Jean Harrison	
Jenny Lupa *	Deputy Churchwarden (until 10 August 2022)
Jessica Mathur	(from 23 May 2022)
Margaret Pritchard Houston	(from 25 April 2022)
Jon Siddall *	Deputy Churchwarden
Handley Stevens	
Nicholas Walser *	PCC Secretary
Deborah Zandstra	Safeguarding Officer

Co-opted Member

The Revd Jan Rushton	Associate Priest
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(Those marked with an asterisk * served as members of the Standing Committee for all or part of the year)

The Parish Church of St John-at-Hampstead

Background

The church of St John-at-Hampstead, commonly known as Hampstead Parish Church (“the Church”), was consecrated in 1747 as the latest in a series of buildings on this site, which are believed to go back to 986.

The PCC has the responsibility of co-operating with the incumbent in the task of participation in God’s mission to the world, and taking counsel together for the sake of the pastoral, evangelistic, educational, social and ecumenical ministry of the church in the ecclesiastical parish which covers a large part of central Hampstead.

Aims and Objectives

Building an inclusive community of Christian love, faith, witness and action

The Mission Action Plan for 2018-2022 was adopted in November 2018 following a comprehensive review of the Church’s vision, mission and strategy. The plan has been kept under regular review to ensure that the Church’s activities remain consistent with its aims and objectives and in keeping with its headline priorities. The process of preparing a new plan for the period 2023-2027 is underway.

Our Aims

Hampstead Parish Church aims to be:

- a compassionate, open church, both locally rooted and globally connected;
- confidently sharing the good news of God, Father, Son and Holy Spirit;
- seeking justice, welcoming all, and walking alongside another in love and faith.

Our Objectives

With God’s help, Hampstead Parish Church is committed to:

- growing in impact and numbers;
- offering open welcome and active invitation;
- helping people of all ages to come to and deepen faith;
- being creative and generous in offering worship, developing mission and working for justice;
- acting in partnership with others to pursue shared goals.

Our Values

In every aspect of church life Hampstead Parish Church aims to be:

- inclusive and loving;
- reflective and experimental;
- transparent and accountable;
- accessible and participative.

The PCC is committed to monitoring its activities so that these values permeate every aspect of the church’s language, behaviours, meeting pattern, and use of resources.

The Parish Church of St John-at-Hampstead

Achievements and Performance

As the direct impact of the coronavirus pandemic receded - although some restrictions remained in place during the first three months of the year - it was possible to pursue the process of renewal and re-engagement with more confidence and to look forward with cautious optimism after the serious challenges of the previous two years.

The regular pattern of 'in person' services resumed with attendances showing a gradual increase as the year went on although they have still to return to the levels achieved in 2019 and before. At the end of the year, the celebration of a full range of Christmas services for the first time in three years represented a joyous return to normality - but with a difference. The opportunity to join services online and to attend certain meetings and discussion groups remotely is here to stay - offering another way of helping people feel included. The importance of 'keeping in touch' and meeting the needs of all those involved or interested in the Church was evidenced by the launch of a new website in the autumn. The Parish Survey in October and November 2022 provided a timely means of establishing how far we remain 'on track' and will help to inform the PCC's fresh deliberations in 2023 on the way forward.

Many of the regular activities returned, both in the Church and the parish rooms - notably the Winter Night Shelter, the success of which demonstrated very well that the dedication of so many volunteers remains undiminished. Keeping the Church open each day, with a regular presence and welcome to provide a comforting and warm place of prayer, worship, and sense of community, took on an extra dimension with the onset of the cost of living crisis. The unwavering support given to local food banks was another clear demonstration of the Church's commitment to those experiencing severe hardship.

The PCC met five times during the year (as well as immediately following the Annual Parochial Church Meeting in April primarily for the purpose of electing the Officers and appointing the Standing Committee). For the first time since the start of the pandemic in March 2020, two of the regular meetings were held in person with the remainder taking place remotely by Zoom with decisions confirmed in writing and recorded in accordance with the applicable rules and guidance.

As the direct impact of the pandemic reduced, renewed efforts were made to deliver the PCC's headline priorities and outcomes as set out in the current Mission Action Plan. In summary, the steps taken have had the following effect:

Headline Priorities

- *A Church known for Invitation, Inclusion, Outreach and Service* - in addition to the regular services, the Church has remained open on a daily basis for prayer and as a place of warmth and comfort - which took on added significance as the full scale of the cost of living crisis emerged. Our renewed support of the C4WS Winter Night Shelter and local food banks illustrated our ongoing commitment to the more marginalised in society.
- *New Ways for People to Worship and Grow in Faith* - the revised pattern of services and daily prayers combined with other activities (including the Arts and Faith initiative, 'Inside Out' and the Bible Book Club) continued to provide a welcome resource to many.
- *Attract and Retain 20s-30s* - this remains an area of great challenge without, as yet, a satisfactory and sustained response meaning that this will have to be carried forward as a priority within our new MAP.
- *Support and Develop Work with Children and Young People* - the introduction of a more regular All Age Eucharist and the re-launch of the Junior Church groups have been partially successful

The Parish Church of St John-at-Hampstead

in meeting the identified need but finding the right practical formula remains elusive. The Junior Choir continues to provide a rewarding experience for those involved.

- *Ensure Facilities and Buildings facilitate the Vision and Reduce Environmental Impact* - the appointment of a new inspecting architect has enabled sound progress to be made in planning the first phase of the building development programme to replace the choir vestry roof and improve the use of, and access to, the choir vestry and surrounding areas.

Headline Outcomes

- *Growth in Numbers across Generations / Background* - while the numbers attending services showed a gradual increase through the year these are still some way short of pre-pandemic figures and the continuing trend indicates an ageing congregation. This is also reflected in a corresponding fall in committed giving due to deaths and retirements although this was partly offset by an upturn in collection plate income.
- *Positive Collaborations with External Partners* - the Church continued to maintain active relationships with, amongst others, Age UK Camden (Henderson Court), Traidcraft, and Arts 4 Dementia. Established associations with, for example, the Hampstead Collective (music) and the Hampstead Players (drama) helped to maintain the active use of the Church for other activities.
- *Deepening of Faith, Confidence and Understanding* - the opportunities provided by the regular groups such as the Bible Book Club were strengthened by other initiatives including a series of six weekly reflections on 'Living in Love and Faith' alongside the provision of materials online - combining to help meet this need both individually and collectively.
- *Increased Working for Reconciliation, Justice and Righteousness* - the chosen theme for Lent was 'Embracing Justice' and there were other notable examples of efforts to engage fully in this important area whether through ongoing prayers for Ukraine or the launch of a project in Black History Month by the Racial Justice and Inclusion Group to explore whether money connected to slavery contributed to the building of the Church. The ongoing progress of the refugee family supported under the Vulnerable Persons Resettlement Scheme was followed closely.
- *Increased Creativity in all we do* - the introduction of a monthly arts & crafts workshop proved a welcome addition to the growing programme of activities which were widely promoted and reported on Church Chat, on Facebook and through the Church's YouTube channel, as well as on the newly-launched website.
- *A Culture of Compassion, Generosity, Invitation and Hospitality* - the letting of the Church's rooms for community use to local support groups on favourable terms resumed in full and was complemented by other popular events including Holiday in Hampstead. The Church's longstanding practice of supporting selected local, national and international charitable activities was maintained alongside other 'one off' fundraising initiatives such as Big Brew Day.

Future Plans

The new Mission Action Plan is central to the development of the Church's future plans over the next four years. While consideration of the MAP remains ongoing, informed helpfully by the findings and analysis of the recent Parish Survey and the next steps that are now planned, some key challenges will influence our thinking as the priorities and actions for the next period are set:

- addressing and reversing a continuing decline in the number attending services, which is not simply explained by the impact of the coronavirus pandemic, and identifying ways to nurture and encourage a growth in faith and the spiritual health of the congregation.
- enhancing the experience of our Church community by providing flexible and tailored services and activities for different membership groups whether by age, stage in their faith journey,

The Parish Church of St John-at-Hampstead

or background.

- finding ways to make the Church truly welcoming and accessible to all who wish to be part of our community, irrespective of their background, experience or identity, as well as being alert to their diverse pastoral needs.
- building on our engagement with the wider community through a more proactive approach to developing and refining the range of projects and activities we support and take part in, and by involving a broader group of members.
- revisiting the ways in which we engage with children and young people particularly teenagers and young adults, as well as with younger families.
- delivering a costed and funded programme to upgrade the Church's facilities to accommodate present and developing needs - with the first phase of replacing the choir vestry roof and adapting and refurbishing the choir vestry and surrounding areas to provide better use and access scheduled for 2023/24.
- identifying and securing additional sources of regular income to meet recurring annual costs.

Significant legacy income received in recent years, when combined with other fundraising for specific projects, will help finance the rolling programme of capital projects that is planned to facilitate the full range of Church activities envisaged. A growth in planned giving and other regular sources of income will be required if the Church's annual running costs are to be met without the need to call on the Church's designated reserves and legacy income.

Public Benefit

The PCC is aware of the Charity Commission's guidance on public benefit and the advancement of religion. It believes that working with the Vicar, Assistant Curate and Associate Priest for the promotion of the mission of the Church in the parish, and in the wider community, it benefits the public, in particular, by providing:

- 1) a variety of forms of public worship, pastoral care and spiritual, moral and intellectual development for the wide range of its members and for any member of the public wishing to take advantage of the services and opportunities which the Church offers;
- 2) space, facilities and encouragement for educational and community activities and for recreation; and
- 3) financial, moral and practical support for numerous other charities which benefit sections of the public that are in need locally and national and international charities.

Structure, Governance and Management

Act of Parliament relating to St John-at-Hampstead

The Church building and the Churchyard are vested in the Vicar. Under an Act of Parliament of 14 June 1827 ("the Act") a group of trustees was established in whom were vested the organ, fixtures and furniture of the Church, and who have responsibility for maintaining the Church in good repair, and insuring the buildings, fixtures and furniture against damage. The Act provides for the election of up to 21 trustees to serve for a period of nine years although the qualification for election as a trustee (being liable for poor relief rate) is now obsolete as is the trustees' source of funding (pew rents). The Vicar, churchwardens, and curate(s) are trustees *ex officio*. In 2013 it was decided to elect no new trustees which means that, since April 2019, the sole trustees under the Act are the Vicar, churchwardens, and any licensed assistant curate(s) *ex officio*.

The Parish Church of St John-at-Hampstead

The PCC

The PCC is a corporate body established by the Church of England. It operates under the Parochial Church Council Powers Measure 1956 (as amended) and the Church Representation Rules. It is also a registered charity.

The appointment of PCC members is governed by the Church Representation Rules. Membership of the PCC comprises: the licensed clergy, the two churchwardens, and lay members of the diocesan and deanery synods (ex officio); and 15 lay members elected by the Annual Parochial Church Meeting ("the APCM") who serve three year terms. In addition, the PCC may co-opt up to three members annually.

The churchwardens are elected annually at the meeting of Parishioners immediately preceding the APCM and, by custom, serve a maximum of four years consecutively.

Members must be communicants of sixteen years and upwards and on the electoral roll of the parish. The PCC normally meets five times a year. At the first meeting of the new PCC after the APCM an introduction is given to the responsibilities of the PCC members and the regulations which control their conduct of business.

Joint Meetings of the Trustees under the Act and the PCC

Since the responsibilities of the trustees under the Act relating to the fabric of the building overlap with those of the PCC relating to the life of the church, it has long been the custom to agree, at the first meeting of the PCC after the APCM, that the trustees under the Act and PCC members (who are themselves registered with the Charity Commission as trustees of the charity) should meet jointly.

Electoral Roll

There were 234 names on the Electoral Roll at 1 January 2022. During the calendar year 3 new names were added and 10 removed either through death or relocation. This resulted in a total Electoral Roll of 227 at 31 December 2022.

Standing Committee

As required by the Church Representation Rules, a Standing Committee is appointed annually by the PCC. It has full power to transact the business of the PCC between its meetings, subject to such directions as the PCC may give. Its function is to support the Vicar in his role as the promoter and "guardian" of the parish's Mission Action Plan and it also monitors and encourages implementation of agreed plans by the PCC's Committees and Working Parties. It meets between the full meetings of the PCC and in an emergency if necessary.

Committees, Delivery Groups and Development Forums

The PCC appoints a number of Committees and Groups to develop, support and carry out the plans and programme of activities approved by the PCC. Appointments (other than those serving ex-officio) are made by the PCC for three year terms on the recommendation of the Vicar and the relevant Chair. Membership of the Development Forums, which by their nature are more open and short term, is generally by invitation and representative of those with a particular expertise or interest in the area concerned. A major review was undertaken in 2021 resulting in the establishment of a revised structure of Committees, Groups and Forums as follows:

- *Oversight / Strategy Committees* which monitor the implementation of the MAP strategy and develop ideas and proposals in response to changing circumstances.

The Parish Church of St John-at-Hampstead

- *Delivery Groups* which take forward day to day implementation plans and activities.
- *Development Forums* which develop our thinking in areas of church life where we do not yet have specific strategies or action plans to form a Delivery Group.

Oversight / Strategy Committees

- *Standing Committee* supports the Vicar and PCC in developing and integrating plans and proposals across the range of activities for PCC approval.
- *Finance Committee* oversees all financial activities of the Church including generating stewardship and other income to resource the MAP, and ensuring that budgets and expenditure reflect MAP priorities and that all financial processes and controls are transparent and accountable.
- *Mission Strategy Group (including Buildings for Mission Group)* monitors overall progress and priorities in implementation of the MAP and anticipates new or changing needs and opportunities.
- *Communications Strategy Committee* develops a better informed and more engaged congregation and communicates clearly with a variety of external audiences using a wide range of media.
- *Children and Young People Committee* provides strategy, oversight and vision to grow our work with all children and young people.
- *Social Justice Committee* creates tangible links between our faith, beliefs and actions which enables us to demonstrate God's love in the world.

Delivery Groups

- *Staff Meeting* ensures the effective day to day administration and management of the Church and related facilities, the Church diary and the arrangements for worship.
- *Junior Church Planning Meeting* plans and carries out the detail of our work with children and young people particularly on Sundays.
- *Pastoral Care Group* implements the MAP vision to care for the Church community, particularly those with specific needs, and for newcomers.
- *Buildings and Facilities Group* ensures the day to day repair and maintenance of all buildings and facilities.
- *Community Sponsorship Group* has focused its support on a Syrian refugee family under the terms of the UK's Vulnerable Person Resettlement Programme.
- *Racial Justice and Inclusion Group* raises awareness within the Church of the issues associated with race in society today and uses every opportunity to promote equality and inclusion.
- *Website Group* oversees the new Church website in line with the brief agreed by the PCC.

Development Forums

- *Worship and Spirituality Forum* reviews existing patterns of worship and education in the light of experience gained during the pandemic and develops proposals to meet changing needs and opportunities.
- *Arts Development Forum* establishes the range of our work in the arts and proposes how we can use arts more effectively to enrich church life and worship.
- *Community Life Forum* seeks ways of building up community life through meetings, volunteering and hospitality as congregations come out of lockdown.
- *Environment Forum* advises the Church on options to become more eco-friendly and to move as quickly as possible to net zero emissions.
- *Living in Love and Faith Forum* helps organise, lead and participate in our discussion of LLF material, possibly in partnership with another church of a different tradition.

The Parish Church of St John-at-Hampstead

Annual Meetings

At the meeting of Parishioners held on 25 April 2022 in person and via Zoom, Martin Evans and Sheena Ginnings were elected as churchwardens. Jenny Lupa and Jon Siddall were elected as deputy churchwardens. Jenny Lupa subsequently stood down as deputy churchwarden (and as an elected member of the PCC) with effect from 10 August 2022 following her relocation to the USA - an event marked by a sincere expression of thanks for all that Jenny had done for the Church over a period of years. Hagar Cliff was appointed deputy churchwarden by the PCC with effect from 26 September 2022.

At the Annual Parochial Church Meeting which followed Gaynor Bassey-Fish, Jenny Lupa, Margaret Pritchard Houston, Jon Siddall and Handley Stevens were elected as parochial representatives of the laity on the PCC for a three year term. Nicholas Walser was also elected as a parochial representative of the laity for a two year term to fill a casual vacancy.

The Vicar expressed his grateful thanks to the ministry and staff teams and to the many volunteers who had played their part individually and collectively in ensuring that the Church had come through the coronavirus pandemic relatively unscathed and in good spirits to meet the further challenges ahead. It had been reassuring to return gradually to a fuller and more regular pattern of services and activities. While there was more to be done before 'business as usual' was fully restored, there was good reason to remain optimistic about the future.

Sincere thanks were expressed to the Vicar for his ongoing efforts in leading the Church through what remained very challenging times.

Clergy, Lay Ministers and Staff Team

The Reverend Graham Dunn was ordained as priest on 25 June 2022 and presided at a first service of Holy Communion the following day. Until he stepped down as Vicar on 23 January 2023, the Reverend Jeremy Fletcher led the church with great vigour and determination through another testing year as the Church emerged from the worst of the pandemic. He was ably supported by the Reverend Graham Dunn (Assistant Curate), the Reverend Jan Rushton (Associate Priest), Handley Stevens and Andrew Penny (Lay Ministers) who are well placed to support the churchwardens Martin Evans and Sheena Ginnings as they lead the Church through the period of interregnum that has now commenced.

Courtney Terwilliger continued to make her mark as Parish Administrator in running the office efficiently on a day to day basis as it re-opened more fully following the relaxation of the necessary restrictions in place during the coronavirus pandemic. Maureen Smith's retirement at the start of the year provided an opportunity to revisit and reassess the arrangements for the Church's work with children and young people to ensure that the foundations she had put in place were built on.

Geoffrey Webber completed his first full year as Director of Music and successfully oversaw the delivery of a full and well regarded programme of choral worship and music in collaboration with the professional choir. Joshua Ryan took up his appointment as Organist in September to assist the Director of Music in maintaining the high musical standards to which the Church has become accustomed. The junior choir and the community choir benefited greatly from the direction and enthusiasm of Aidan Coburn, both in recruiting new members following the pandemic and in starting to develop a more challenging repertoire. All of this would not have been achievable without the ongoing significant support of the Hampstead Church Music Trust.

The Parish Church of St John-at-Hampstead

Financial Review

The Church achieved a surplus on all funds of £7,072 before unrealised investment losses and an actuarial gain in the defined benefit pension scheme, resulting in an overall negative movement in funds of £1,898 for the year compared to a positive movement in funds of £21,875 in 2021; this included a surplus of £3,408 in the unrestricted general fund after an internal transfer of funds of £25,000 from the Parish Development Fund.

The outturn for the general fund was £10,000 better than expected; whilst careful attention was given to controlling costs there were two significant items that affected the outturn, one being a reduction of £10,000 in committed giving on account of deaths and retirements and the other being the decision not to replace the full time Children and Youth Worker pending a review of the delivery mechanism for our children's activities. The use of volunteers in the interim meant that £20,000 of the budget provision was not spent.

The Church is fortunate to be benefiting from a fixed price gas contract taken out before the rise in energy prices; the contract is due for renewal at the end of 2023. In contrast the electricity contract was renewed in April 2022 with a price increase of 31.5% - this impacted the crypt rooms where there is electric heating more than the Church where there is gas heating. The solar panels provide limited benefit as the majority of activities take place after sundown.

The Parish Development Fund was able to maintain its grant to the unrestricted fund at £25,000 as the investment property remained fully let throughout 2022.

The voluntary rate appeal to parishioners raised just over £15,000 compared to £16,426 in 2021 substantially more than pre-Covid. As the receipts form part of our restricted funds, the PCC was able to use this fund to cover £21,350 of expenditure which would otherwise have been charged to the general fund. Notable items of expenditure included completion of the upgrade of the website (£3,200), final payment of £4,020 for the altar linen cupboard, the five year electrical test (£2,052), and £3,575 of fees for the forthcoming replacement of the choir vestry roof.

Giving to Charities

The PCC has a policy that 10% of the previous year's unrestricted income (excluding grant income) should be given to an approved list of charities. The formulaic calculation resulted in £25,000 of support for these charities. The Church also raised and distributed a further £7,000 through special appeals for, amongst others, the Bishop of London's Lent Appeal and Remembrance Sunday, giving an overall total of £32,605 (2021: £30,582). In addition to this giving, the Traidcraft team's income from sales and providing refreshments at events exceeded £5,000 and £1,800 was able to be gifted to Transform Trade, the charity behind Traidcraft.

Designated Unrestricted Fund

The PCC has a policy of placing legacies in a designated unrestricted fund where the funds are not going to be spent within the year of receipt. Income is taken into the unrestricted general fund.

With the upturn in inflation in 2022, it was decided to reduce the amount held on deposit and invest funds in an open-ended investment fund where over the next five years, there would be a better chance of the funds maintaining their real value. £175,000 was invested in the summer in the Trojan Ethical Fund prior to the political turmoil engulfing the UK Government; the subsequent uncertainties and substantial increases in interest rates led to the investment showing a small unrealised loss at the year end. The investment produces no income as the focus is on maintaining

The Parish Church of St John-at-Hampstead

capital values through investment in index linked securities, gold and equities.

Substantial cash deposits are held to cover building works envisaged in the next year or two and the balance of the Designated Fund at the year end, including investments, is £566,529.

Restricted - and Fabric Repair Reserve Fund

The PCC also operates a restricted fund for repairing the fabric. As mentioned above the voluntary rate contributed most of the income for the year of £18,315 (see Note 17 of the Financial Statements). Fundraising costs came to £3,382 and expenditure to £22,475. Part of the reserve fund has been invested and there was an unrealised loss for the year of 12% but over the past five years the investment has grown by 28% as well as producing income for the fund. The net impact of the foregoing is that that fund balance at the year-end was £48,391 (2021: £59,425).

Expendable Endowment Funds including the Parish Development Fund

The main assets of the Parish Development Fund are two properties. One is a leasehold flat in West Hampstead which was purchased some years ago to house a curate and the other is the freehold of 100 Frognal together with the leasehold of a flat there. The combined value of the two properties is £1.4m. The flat at Frognal has been let throughout the year and £25,000 of this income has been transferred to the General Fund as a grant. With the properties fully let, cash in the Parish Development Fund increased by £9,000 to £32,000 - this provides a sufficient cushion for repairs and other property owner liabilities.

Cash Management

The PCC held £663,564 in cash and on deposit at the start of the year. Following the investment in the Trojan Ethical Fund and the positive cash flow during the year, cash held with HSBC and with the Central Board of Finance of the CofE at the year-end was £503,848.

At the beginning of the year interest rates were almost zero but by the end of the year, the Bank of England base rate was 3.5% and there is an incentive to keep as much cash on deposit as possible. At the year end £471,683 was on deposit with the remainder held as working balances for the various unrestricted and restricted funds.

In 2020 the PCC lent £57,424 to the Trustees of Holly Bush Vale (the Vicar & Churchwardens) who refurbished a house on the Hampstead Parochial School site for teacher accommodation. The loan is interest free over 5 years and £10,000 was repaid in 2021 from the Trustees' rental income with a further repayment of £10,000 made in 2022.

Risk Management

The PCC reviews the risk register every year and a theme in recent years has been the need to broaden the donor base. It has not been easy to increase the number of donors and in 2022 there was a small decrease in the number of committed givers.

A quinquennial inspection of the building was undertaken towards the end of the year and identified a number of areas where maintenance and repairs will be required. The increase in cost inflation means that although there are substantial cash reserves to cover these costs there will be a need to raise funds (whether through general fundraising or by borrowing) to cover the cost of redecorating the church and cleaning the organ in due course.

The PCC maintains insurance cover against the main insurable risks including property damage and

The Parish Church of St John-at-Hampstead

liabilities. The policy is kept under regular review and the levels of cover are adjusted annually in conjunction with the insurers.

Investment Policy

The PCC's investment objective is to preserve the real value of investments as measured by the consumer price index over a five year period.

The PCC retains investments in property and pooled investment funds to provide an asset base on which borrowings can be secured if necessary to support major improvements and renovations such as the planned complete redecoration of the Church.

Each pooled investment fund manager must have a responsible investment policy which is compatible with any guidance provided by the Church of England and the Diocese of London.

Reserves Policy

The PCC reviews its policy for the unrestricted fund each year and it remains unchanged - namely a free cash reserve is to be maintained in the range of £20,000 to £30,000 to ensure that there is sufficient working capital to meet expenditure as and when it is incurred without the need to make transfers from designated funds. At the end of the year the Financial Statements show that the unrestricted reserve was £42,773 (2021: £37,500) net of the deficit in the pension scheme of £2,176. During 2022, the pension scheme deficit was reduced by £1,865 and the amount added to unrestricted reserves. Reserves are now above the recommended range and will enable the PCC to fund a deficit in 2023 and possibly 2024.

Budget for 2023

Income especially from voluntary giving is unlikely to increase in line with inflation where consumer prices have risen by 10.5% in 2022. We are expecting only a modest increase in income and have therefore constructed a budget which limits the increase in expenditure to 5.5%. Overall the budget allows for a deficit of £9,297 which is affordable within the context of the reserves policy mentioned above although customary efforts will be made throughout the year to achieve a better outcome.

Safeguarding

The PCC has complied with its duty under section 5 of the Safeguarding and Clergy Discipline Measure 2016 to have regard to the House of Bishops' guidance on safeguarding children and vulnerable adults.

Approved by the Parochial Church Council on 6 February 2023 and signed on its behalf by:



Martin Evans
Churchwarden and PCC Vice Chairman

The Parish Church of St John-at-Hampstead

Statement of financial activities for the year ended 31 December 2022

	Notes	General Fund	Designated Fund	Restricted Funds	Endowment Funds	2022 Combined	2021 Combined
Income from:		£	£	£	£	£	£
Donations and legacies	3	262,281	-	26,958	-	289,239	300,151
Other trading activities	4	31,893	-	11,350	-	43,243	37,388
Investments	5	2,686	-	1,793	50,074	54,553	48,986
Total income		296,860	-	40,101	50,074	387,035	386,525
Expenditure on:							
Charitable activities	7	314,172	-	39,174	1,217	354,563	362,317
Raising funds	9	4,280	-	8,449	12,671	25,400	24,708
Total resources expended		318,452	-	47,623	13,888	379,963	387,025
Net income before gains and losses on investments		(21,592)	-	(7,522)	36,186	7,072	(500)
Gains/(Losses) on investments	14	-	(3,090)	(3,492)	(4,253)	(10,835)	9,608
Net income before transfers		(21,592)	(3,090)	(11,014)	31,933	(3,763)	9,108
Transfers between funds	12	25,000	-	-	(25,000)	-	-
Net income after transfers		3,408	(3,090)	(11,014)	6,933	(3,763)	9,108
Other recognised gains/losses:							
Actuarial gain/(losses) on defined benefit pension scheme	21	1,865	-	-	-	1,865	12,767
Net movement in funds		5,273	(3,090)	(11,014)	6,933	(1,898)	21,875
<i>Reconciliation of Funds</i>							
Total Funds brought forward		37,500	569,619	72,708	1,432,409	2,112,236	2,090,361
Total Funds carried forward		42,773	566,529	61,694	1,439,342	2,110,338	2,112,236

The attached notes (1 - 23) form part of these financial statements

The Parish Church of St John-at-Hampstead

Balance Sheet at 31 December 2022

						2022	2021
	Notes	General Fund £	Designated Fund £	Restricted Funds £	Endowment Funds £	Combined £	Combined £
Fixed assets							
Plant and equipment	13	-	-	-	-	-	1,124
Financial assets	14	-	171,910	26,178	1,424,688	1,622,776	1,458,612
Total fixed assets		-	171,910	26,178	1,424,688	1,622,776	1,459,736
Current assets							
Debtors							
Gift aid recoverable		4,048	-	175	-	4,223	1,469
Hollybush Vale Trustees	16	-	37,424	-	-	37,424	47,424
Trade debtors		3,567	-	-	-	3,567	692
		7,615	37,424	175	-	45,214	49,585
Cash at bank and in hand		63,334	357,195	43,665	39,654	503,848	663,564
Total current assets		70,949	394,619	43,840	39,654	549,062	713,149
Liabilities: amounts falling due within one year							
Creditors for goods and services		(6,050)	-	-	-	(6,050)	(5,050)
Clients account for 100 Frognal		-	-	(707)	-	(707)	(2,426)
Clients account Hollybush Vale		-	-	(7,617)	-	(7,617)	(5,628)
Other Creditors	15	(19,950)	-	-	(25,000)	(44,950)	(43,504)
		(26,000)	-	(8,324)	(25,000)	(59,324)	(56,608)
Net current assets		44,949	394,619	35,516	14,654	489,738	656,541
Creditors falling due after one year							
pension scheme liability	21	(2,176)	-	-	-	(2,176)	(4,041)
Net assets		42,773	566,529	61,694	1,439,342	2,110,338	2,112,236
Funds:							
Unrestricted General Fund		42,773				42,773	37,500
Designated for Future Repairs			566,529			566,529	569,619
Restricted Funds	17			61,694		61,694	72,708
Endowment Funds	18				1,439,342	1,439,342	1,432,409
		42,773	566,529	61,694	1,439,342	2,110,338	2,112,236

Approved by the Parochial Church Council on 6 February 2023 and signed on its behalf by:



M EVANS Churchwarden



I R M WOOLF, Hon Treasurer

The attached notes (1 - 23) form part of these financial statements

The Parish Church of St John-at-Hampstead

CASH FLOW STATEMENT AT 31 DECEMBER 2022

	2022	£	2021	£
Net cash from operating activities		(49,269)		(43,265)
Cash flows from investing activities				
Dividends, interest and rent from investments	54,553		48,986	
Purchase of investments	(175,000)		-	
Net cash provided by/(used in) investing activities	(120,447)	(120,447)	48,986	48,986
Cash flows from financing activities				
Loan repayments from Trustees of Holly Bush Vale	10,000	10,000	10,000	10,000
Net cash provided by/(used in) financing activities		10,000		10,000
Change in cash and cash equivalents in the reporting period		(159,716)		15,721
Cash and cash equivalents at 1 January		663,564		647,843
Cash and cash equivalents at 31 December		<u>503,848</u>		<u>663,564</u>

Reconciliation of net income/(expenditure) before investment gains

Net income before investment gains 31 December	7,072	(500)
Adjustments for:		
Depreciation charges	1,124	1,124
Dividends, interest and rent from investments	(54,553)	(48,986)
Decrease/(increase) in debtors	(5,629)	2,152
(Decrease)/increase in creditors	2,717	2,945
Net cash provided by/(used in) operating activities	<u>(49,269)</u>	<u>(43,265)</u>

Analysis of cash and cash equivalents

Cash in hand	32,164	46,921
Deposit for fixed period	200,000	200,000
Deposits less than 3 months	271,684	416,643
	<u>503,848</u>	<u>663,564</u>

The Parish Church of St John-at-Hampstead

Notes to the financial statements

Note 1: BASIS OF PREPARATION

The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006 governing the individual accounts of PCCs, and with the Regulations' "true and fair view" provisions, together with FRS102(2016) as the applicable accounting standards and the 2016 version of the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP(FRS 102)).

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets which are shown at fair value.

The Parochial Church Council (PCC) is a public benefit entity within the meaning of FRS 102.

1.2 GOING CONCERN

There are no material uncertainties related to events or conditions that cast significant doubt on the PCC's ability to continue as a going concern.

1.3 CHANGE IN ACCOUNTING POLICY

The accounts present a true and fair view and the accounting policies are as outlined in this note. There have been no changes of accounting policies in this period.

1.4 CHANGES TO ACCOUNTING ESTIMATES

There have been no changes to accounting estimates in this period.

1.5 MATERIAL PRIOR YEAR ERRORS

No material prior year errors have been identified in the reporting period.

Note 2: ACCOUNTING POLICIES

2.1 RECONCILIATION WITH PREVIOUS GENERALLY ACCEPTED ACCOUNTING POLICIES

No reconciliations with previous generally accepted accounting policies are required.

2.2 INCOME

Recognition of income

Congregational giving, donations, grants, interest, rents, dividends and other income are included in the Statement of Financial Activities (SOFA) when the PCC becomes entitled to the resources and the monetary value can be measured with sufficient reliability.

Offsetting

There has been no offsetting of assets and liabilities in the SOFA or income and expenses, unless required or permitted by the FRS 102 SORP.

Tax reclaims on donations and gifts

Gift aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid recovered on a donation is considered to be part of that gift and is credited to the same fund as the initial donation unless the donor has specified otherwise.

Legacies

Legacies are included in the SOFA when receipt is probable, that is, when there has been a grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the PCC or can be met.

Volunteer help

The value of voluntary help received is not included in the accounts but is described in the PCC's annual report.

Investment gains and losses

This includes any realized and unrealized gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

The Parish Church of St John-at-Hampstead

2.3 EXPENDITURE AND LIABILITIES

Liability recognition

Liabilities are recognized where it is more likely than not that there is a legal or constructive obligation committing the PCC to pay out resources and the amount of the obligation can be measured with reasonable certainty.

Governance

Governance costs are charged to 'Charitable Activities'.

Redundancy costs

The PCC has made no redundancy payments during the reporting period.

Deferred income

No material item of deferred income has been included in the financial statements.

Creditors

The PCC has creditors which are measured at settlement amounts less any trade discounts.

Certain interest free loans have been provided without a repayment date and these are accounted for as being repayable on demand.

Provisions for liabilities

A liability is measured at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

2.4 ASSETS

Tangible fixed assets for use by the PCC

Consecrated and beneficed property is excluded from the accounts by s.10(2)(a) and (c) of the Charities Act 2011. Other fixed assets are capitalized if they can be used for more than one year, and cost at least £2,000.

Movable church furnishings held by the Vicar and Churchwardens on special trust for the PCC, and which require a faculty for disposal, are accounted as inalienable property unless consecrated. They are listed in the church inventory, which can be inspected. Items acquired prior to 2000 are not valued in the accounts as there is insufficient cost information available.

Financial assets

Fixed asset investments in quoted shares and pooled investment funds are valued initially at cost and subsequently at fair value (market value) at the year end. The long leasehold properties are stated at estimated fair values for investment properties.

Debtors

Debtors including trade debtors and gift aid recoverable are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the PCC. Subsequently they are measured at the cash or other consideration expected to be received.

Cash at bank

Cash at bank and in hand include on demand deposits and short term fixed interest deposits.

2.5 FUNDS

Unrestricted Funds represent the remaining income funds of the PCC that are available for spending on the general purposes of the PCC.

The Designated Fund is an unrestricted fund which represents the amount set aside by the PCC to meet future repair liabilities; it is not regarded as part of the 'free reserves' as disclosed in the PCC's report. Income earned on the cash balances held by the Fund is recorded in the General Unrestricted Fund.

The Restricted Funds are income funds that must be spent on restricted purposes and details of the funds held and restrictions provided are set out in Note 17.

The Endowment Funds are all individual funds where there is a discretionary power to spend capital as income. Full details of the funds and their restrictions are set out in Note 18.

The Parish Church of St John-at-Hampstead

Note 3 Donations and legacies

	Notes	General Fund	Designated Funds	Restricted Funds	Endowment Funds	2022 Combined	2021 Combined
Planned giving including gift aid		132,169	-	-	-	132,169	156,030
Income tax recoverable		34,140	-	-	-	34,140	40,765
Collections: ordinary services		23,628	-	-	-	23,628	13,589
Collections: special services		-	-	6,554	-	6,554	3,953
Donations		12,291	-	3,882	-	16,173	12,114
Voluntary rate		-	-	15,182	-	15,182	16,426
Legacies	6	-	-	-	-	-	53
Social events		853	-	-	-	853	1,210
Grants received:							
Friends of the Drama	16	4,000	-	-	-	4,000	4,000
Friends of the Music		1,440	-	-	-	1,440	-
Hampstead Church Music Trust	16	53,760	-	-	-	53,760	50,070
Listed Places of Worship re VAT		-	-	1,340	-	1,340	1,941
		262,281	-	26,958	-	289,239	300,151

Note 4 Other trading activities

Fees for use of Church		8,441	-	-	-	8,441	5,315
Parish rooms		20,559	-	-	-	20,559	18,118
Spring fair and other events		1,290	-	-	-	1,290	6,849
Printing and books		909	-	-	-	909	20
Community choir	16	-	-	6,163	-	6,163	3,799
Feed in Tariff		694	-	-	-	694	948
Traidcraft stall		-	-	5,187	-	5,187	2,339
		31,893	-	11,350	-	43,243	37,388

Note 5 Income from Investments

Rent Dennington Park Mansions		-	-	-	7,200	7,200	4,900
Rent 100 Frognal		-	-	-	40,595	40,595	40,680
Dividends and Interest		2,686	-	1,793	2,279	6,758	3,406
		2,686	-	1,793	50,074	54,553	48,986

Note 6 Legacies received

The Estate of P George		-	-	-	-	-	53
- final distribution		-	-	-	-	-	53
		-	-	-	-	-	53

The Parish Church of St John-at-Hampstead

Note 7 Expenditure on charitable activities

	Notes	General Fund	Designated Fund	Restricted Funds	Endowment Funds	2022 Combined	2021 Combined
Ministry: diocesan common fund		94,500		-	-	94,500	90,000
clergy expenses	10	2,528		-	-	2,528	3,735
accommodation		9,702		-	-	9,702	6,804
Children & Youth worker	11	2,236		-	-	2,236	26,927
Parish Administrator	11	28,234		-	-	28,234	27,265
Pension deficit apportionment	11	1,817		-	-	1,817	3,954
Music staff	11	29,485		3,254	167	32,906	35,388
Choir - adults and children		49,312		-	-	49,312	42,967
Other music costs		2,615		1,585	600	4,800	2,584
Children and Youth		899		-	-	899	1,179
Heat & light		9,839		-	-	9,839	9,396
Fabric expenditure/maintenance		7,976	-	21,350	-	29,326	29,121
Parish rooms		19,811		-	-	19,811	11,093
recoverable VAT on repairs		804		-	-	804	1,941
Depreciation	13	-		1,124	-	1,124	1,124
Insurance		10,924		-	-	10,924	10,597
General expenses		10,638		-	-	10,638	12,571
IT and communications		5,250		-	-	5,250	4,554
Social events		502		-	-	502	424
Flowers		-		686	-	686	601
Grants made	8	24,850		7,305	450	32,605	30,582
Refugee sponsorship		-		3,870	-	3,870	7,260
Independent Examination fee		2,250		-	-	2,250	2,250
		<u>314,172</u>	<u>-</u>	<u>39,174</u>	<u>1,217</u>	<u>354,563</u>	<u>362,317</u>

Note 8 Grants made

Church overseas:							
- missionary societies		6,000		-	-	6,000	5,400
- relief and development agencies		9,000		1,033	-	10,033	7,975
UK missions/other Church Societies		2,850		3,884	-	6,734	11,295
Secular charities		6,000		2,388	-	8,388	4,462
Individuals for relief of poverty		-		-	450	450	450
Hampstead Parochial School		1,000		-	-	1,000	1,000
	22	<u>24,850</u>		<u>7,305</u>	<u>450</u>	<u>32,605</u>	<u>30,582</u>

Note 9 Expenditure on raising funds

Services, voluntary rate & events		-		3,383	-	3,383	2,708
Printing and books		4,280		-	-	4,280	2,509
Traidcraft stall		-		5,066	-	5,066	2,621
Dennington Park Mansions		-		-	884	884	3,753
100 Froggnal		-		-	11,787	11,787	13,117
		<u>4,280</u>		<u>8,449</u>	<u>12,671</u>	<u>25,400</u>	<u>24,708</u>

Note 10 Expenses paid to Members of the Parochial Church Council

Expenses of the Clergy, who are members of the PCC, totalling £2,628 (2021: £3,735) were reimbursed. Members of the PCC supporting the Junior Church had their expenses reimbursed as did the Churchwardens' relevant expenses. One member of the PCC was paid £100 to run a training course where the individual had specific expertise.

The Parish Church of St John-at-Hampstead

Note 11 Staff costs

The Clergy are paid by the Church Commissioners but funded by the Parish's contributions to the Common Fund. During the year the PCC employed a parish administrator, a children and youth worker (until end January) and 3 part time staff.

	2022	2021
Salaries	57,869	84,482
Social Security	485	1,230
Pension costs	6,839	7,822
	<u>65,193</u>	<u>93,534</u>

No employee received employee benefits in excess of £60,000.

The PCC operates a money purchase scheme through TPT Retirement Solutions for staff.

Note 12 Transfers between funds

£25,000 transferred from Parish Development Fund to the General Fund (2021: £25,000).

Note 13 Fixed assets	Equipment	Depreciation	Net Book Value
Assets at start of year	25,679	(24,555)	1,124
Additions	-	(1,124)	(1,124)
Disposals	-	-	-
Assets at end of year	<u>25,679</u>	<u>(25,679)</u>	<u>-</u>

Note 14 Financial assets

The significance of financial investments to the PCC's financial position is set out in the PCC's annual report.

Investments at fair value:	1 January 2022	Purchases (Sales)	Investment Gains(Losses)	31 December 2022
- <i>Unrestricted</i>				
136,328 Trojan Ethical Fund shares	-	175,000	(3,090)	171,910
- <i>Restricted</i>				
1,267 CBF Investment Fund shares	29,670	-	(3,492)	26,178
- <i>Endowment</i>				
Freehold of 100 Froggnal and long lease of Flat A	981,000	-	-	981,000
Long lease of Flat 10a, Dennington Park Mansions	399,500	-	-	399,500
2,338 CBF Investment Fund shares	25,083	-	(2,953)	22,130
1,501 M & G Charifund units	23,358	-	(1,300)	22,058
	<u>1,428,941</u>	<u>-</u>	<u>(4,253)</u>	<u>1,424,688</u>

The freehold and long leasehold properties are valued as investment properties by Inigo Woolf FCIB, a member of the PCC, as at 31 December 2022.

Investments at cost:	1 January 2022	Purchases	Sales	31 December 2022
- <i>Unrestricted</i>				
136,328 Trojan Ethical Fund shares		175,000	-	175,000
- <i>Restricted</i>				
1,267 CBF Investment Fund shares	5,909	-	-	5,909
- <i>Endowment</i>				
lease of Flat A	784,700	-	-	784,700
Long lease of Flat 10a, Dennington Park Mansions	438,500	-	-	438,500
2,338 CBF Investment Fund shares	20,000	-	-	20,000
1,501 M & G Charifund units	18,000	-	-	18,000
	<u>1,261,200</u>	<u>-</u>	<u>-</u>	<u>1,261,200</u>

The Parish Church of St John-at-Hampstead

Note 15 Creditors

Other Creditors include related party balances due to the Friends of the Drama £15,714 and a £25,000 interest free loan from Parishioners. (2021: £15,509 and £25,000 respectively). Note 16 has further details on related parties.

Note 16 Related parties

Hampstead Parochial Charities (established 1617) provides relief for the poor in the former Metropolitan Borough of Hampstead. The Trustees comprise the Vicar and Churchwardens.

Hampstead Additional Burial Ground (established 1810) provides a discrete burial ground in Church Row. The Trustees comprise the Vicar, Churchwardens and up to 21 trustees who are resident in the former Metropolitan Borough of Hampstead. Collected income of £nil and paid expenses of £229 in year (2021: collected £4,676 and paid £6,237).

- **Trustees of Holly Bush Vale (established 1856)** provide a site and teacher accommodation for Hampstead Parochial School. The Trustees of this educational charity are the Vicar and Churchwardens. The interest free unsecured loan of £57,424 drawn down in 2020 is due to be repaid through quarterly payments from rental income, with full repayment by 31 December 2026. Repaid £10,000 in 2022 and in 2021.

Friends of the Music, Hampstead Parish Church (established 1947) supports the provision of music at Hampstead Parish Church. In 2022 a £1,440 grant was given to catalogue the music library. The Friends receive no funding from the PCC.

Hampstead Church Music Trust (established 1975) maintains and promotes the performance and appreciation of church music in Hampstead and in particular Hampstead Parish Church. The Trustees comprise the Vicar, up to two trustees appointed by the PCC, up to three trustees appointed by the Friends of the Music and up to four trustees appointed by the trustees themselves. At 31 December 2021 three trustees were also members of the PCC. The PCC received grants of £53,760 towards the cost of the choir (£50,070 in 2021) and £2,000 towards the cost of the Hampstead Community Choir (2021: £1,500).

The Friends of the Drama, Hampstead Parish Church (established 1977) seeks to promote the mission of the Church and in particular Hampstead Parish Church through the medium of drama. The Vicar & Churchwardens are ex officio members of the General Committee. The PCC received A grant of £4,000 for the General Fund (£4,000 in 2021). In addition the Friends participated in fundraising events for the Fabric Repair Reserve Fund.

Note 17 Restricted funds	Balances 1 January 2022	Income	Expenditure	Gains on investments	Balances 31 December 2022
Fabric and Plant Reserve	59,425	18,315	(25,857)	(3,492)	48,391
Giving Away Fund	-	7,305	(7,305)	-	-
Traidcraft	1,089	5,187	(5,066)	-	1,210
Flowers	2,592	432	(686)	-	2,338
Refugee sponsorship	8,550	2,699	(3,870)	-	7,379
Community Choir	444	6,163	(4,839)	-	1,768
Donald Barnes Memorial Fund	608	-	-	-	608
	72,708	40,101	(47,623)	(3,492)	61,694
2021	73,395	33,054	(37,339)	3,713	72,823

Fabric and Plant Reserve

The purpose of the reserve is to hold sufficient funds to meet the repair obligations placed upon the trustees of the Church by the Act of Parliament of 1827 Paragraph 51. The Voluntary Rate, donations and earmarked gifts from parishioners are the main sources of income. In addition to the restricted reserve there is an unrestricted designated repair reserve with a balance of £566,529 (2021:£569,619).

Traidcraft

Goods purchased from Traidcraft are sold to parishioners and surplus funds in the account are gifted to Transform Trade, formerly known as Traidcraft Exchange. In 2022 Transform Trade received £1,800 (2021:£1,000).

The Parish Church of St John-at-Hampstead

Refugee Sponsorship

Support for refugees coming from the Middle East to live in North London.

Donald Barnes Memorial Fund

Fund created in 2013 in memory of the late Revd. Donald Barnes for the purpose of holding an annual lecture at St Peter's Church, Belsize Park. The lectures are organized by the Hampstead Christian Study Centre.

Note 18 Endowment funds	Balances 1 January 2022	Income	Expenditure	(Losses)/ Gains on investments	Transfers between Funds	Balances 31 December 2022
Frances Grossfield Memorial Fund	11,248	501	(600)	(523)		10,626
John Cooling Fund	16,940	577	(450)	(603)		16,464
Frederick Eickhoff Memorial Fund	3,238	167	(167)	(174)		3,064
Parish Development Fund	1,400,983	48,829	(12,671)	(2,953)	(25,000)	1,409,188
	1,432,409	50,074	(13,888)	(4,253)	(25,000)	1,439,342
2021	1,421,245	47,805	(17,536)	5,895	(25,000)	1,432,409

Frances Grossfield Memorial Fund (established 1994) encourages young musicians to participate in the choir thereby maintaining and enhancing the musical tradition of Hampstead Parish Church.

John Cooling Fund for relief of poverty (established 1997) can be used by the Vicar for such charitable purposes for the relief of poverty as he, in his absolute discretion, shall think fit.

Frederick Eickhoff Memorial Fund (established 2008) supports the training of the junior choir.

Parish Development Fund (established 2000) to be used by the PCC for investment in parish projects with income generated within the Fund to be used at its discretion.

Each Fund is an Expendable Endowment as defined by the Charities Act, 2011.

Note 19 Contingent liabilities There are no contingent liabilities (2021: nil).

Note 20 Capital commitments Contracted by the PCC nil (2021: nil).
Authorised by the PCC but not contracted nil (2021: nil)

Note 21 Pensions liability

SCHEME: TPT Retirement Solutions- The Growth Plan

The PCC participates in the scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the PCC to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the PCC is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

The Parish Church of St John-at-Hampstead

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions: From 1 April 2022 to 31 January 2025: £3,312,000 per annum (payable monthly).

The scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

From 1 April 2019 to 31 January 2025: £11.24m per annum (payable monthly and increasing by 3% on each 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the PCC has agreed to a deficit funding arrangement, the PCC recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

	31 December 2022	31 December 2021
	£	£
PRESENT VALUES OF PROVISION		
Present value of provision	2,176	4,041

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

Provision at start of year	4,041	16,808
Unwinding of the discount factor (interest expense)	32	40
Deficit contribution paid	(1,817)	(3,953)
Remeasurements - impact of any change in assumptions	(80)	(46)
Remeasurements - amendments to the contribution schedule	-	(8,808)
	(1,865)	(12,767)
Provision at end of year	<u>2,176</u>	<u>4,041</u>

IMPACT ON STATEMENT OF FINANCIAL ACTIVITIES

Interest expense	32	40
Remeasurements - impact of any change in assumptions	(80)	(46)
Remeasurements - amendments to the contribution schedule	-	(8,808)
Contributions paid in respect of future service*	5,021	3,664
Costs recognised in income and expenditure account	Note 7 1,817	3,953

*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

ASSUMPTION	31 December	2022	2021	2020
Rate of discount		4.96%	1.18%	0.27%

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The Parish Church of St John-at-Hampstead

Note 22 Grants and donations to charities

	2022 Unrestricted	2022 Restricted/ Endowment	2022 Combined	2021 Combined	2021 £
Church Overseas- Missionary Societies	£	£	£	£	£
ALMA	2,000	-		1,800	
Embrace the Middle East	2,000			1,800	
USPG	2,000	-		1,800	
	<u>6,000</u>	<u>-</u>	6,000	<u>1,800</u>	5,400
Overseas- Relief & Development Agencies					
Asra Hawariat School	2,000	900		1,000	
Bethlehem Arab Society for Rehabilitation	2,000	-		1,000	
Practical Action	2,000	63		1,000	
Island Hospice Zimbabwe	2,000	-		1,000	
Water Aid	-	-		975	
Sightsavers	-	-		1,000	
Christian Aid	1,000	70		2,000	
	<u>9,000</u>	<u>1,033</u>	10,033	<u>2,000</u>	7,975
UK Missions and other Church organisations					
Bishop of Edmonton's Discretionary Fund	231	-		695	
Bishop of London's Lent Appeal	-	2,499		919	
Caris Haringey	2,000	-		2,156	
Church of England's Children Society	494	1,385		2,862	
Caris Camden/Caris Families	-	-		2,000	
London Churches Refugee Fund	-	-		2,000	
C4WS	-	-		63	
A Rocha UK (2021: PSALM)	125	-		600	
	<u>2,850</u>	<u>3,884</u>	6,734		11,295
Hampstead Parochial School	1,000	-	1,000	1,000	1,000
Relief of Poverty (John Cooling Fund)		450	450	450	450
Secular charities					
Bee Development	-	1,314		-	
Marie Curie	-	-		209	
Hestia	2,000	-		-	
Soldiers Sailors & Airmen's Families Assn	-	1,074		735	
Age UK (Camden)	2,000	-		-	
Traidcraft Foundation	-	-		465	
XLP	2,000	-		1,000	
Freedom from Torture	-	-		2,053	
	<u>6,000</u>	<u>2,388</u>	8,388	<u>2,053</u>	4,462
TOTAL	24,850	7,755	32,605		30,582

The Parish Church of St John-at-Hampstead

Note 23 Prior period comparative statement of financial activities.

Statement of Activities for year ending 31 December 2021

Income from:	General Fund £	Designated Fund £	Restricted Funds £	Endowment Funds £	Combined £
Donations and legacies	274,395	-	25,756	-	300,151
Other trading activities	30,865	-	6,523	-	37,388
Investments	383	-	798	47,805	48,986
	<u>305,643</u>	<u>-</u>	<u>33,077</u>	<u>47,805</u>	<u>386,525</u>
Expenditure on:					
Charitable activities	322,087	7,416	32,148	666	362,317
Raising funds	2,509	-	5,329	16,870	24,708
Total resources expended	<u>324,596</u>	<u>7,416</u>	<u>37,477</u>	<u>17,536</u>	<u>387,025</u>
Net income before gains on investments	(18,953)	(7,416)	(4,400)	30,269	(500)
Net Gain on investments	-	-	3,713	5,895	9,608
Net income before transfers	(18,953)	(7,416)	(687)	36,164	9,108
Transfers between funds	25,000	-	-	(25,000)	-
Net income after transfers	6,047	(7,416)	(687)	11,164	9,108
Other recognised gains/losses:					
Actuarial gain on defined benefit pension scheme 21	12,767	-	-	-	12,767
Net movement in funds	18,814	(7,416)	(687)	11,164	21,875
Reconciliation of Funds					
Total Funds brought forward	18,686	577,035	73,395	1,421,245	2,090,361
Total Funds carried forward	<u>37,500</u>	<u>569,619</u>	<u>72,708</u>	<u>1,432,409</u>	<u>2,112,236</u>

The Parish Church of St John-at-Hampstead

Independent examiner's report to the members of the Parochial Church Council of St John-at-Hampstead (registered charity 1129264)

I report to the PCC on my examination of the accounts of the PCC of St John-at-Hampstead for the year ended 31 December 2022.

Responsibilities and basis of report

As the members of the PCC you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the PCC's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 154(5)(b) of the Act. The charity's gross income exceeded £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.

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 charity as required by section 130 of the Act; or
2. the accounts do not comply 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 to enable a proper understanding of the accounts to be reached.



Robert Ashdown
Chartered Accountant
75 Brookville Road, London, SW6 7BH
6 February 2023

Accounts

THE PARISH CHURCH OF ST JOHN-AT-HAMPSTEAD

Registered Charity No 1129264

ANNUAL REPORT AND FINANCIAL STATEMENTS OF THE PAROCHIAL CHURCH COUNCIL for the year ended 31 December 2021

Vicar

The Revd Jeremy Fletcher

Churchwardens

Martin Evans
Sheena Ginnings

Bankers

HSBC Bank plc
12 Hampstead High Street
London NW3 1PY

Independent Examiner

Robert Ashdown ACA
75 Brookville Road
London SW6 7BH

The Parish Church of St John-at-Hampstead

Reference and Administrative Details

Full Name: The Parochial Church Council of the Ecclesiastical Parish of St John-at-Hampstead ("the PCC").

Charity Registration Number: 1129264

Address and Website: Church Row, London NW3 6UU / www.hampsteadparishchurch.org.uk

Trustees under an Act of Parliament of 1827

Ex Officio

The Revd Jeremy Fletcher	Vicar
Martin Evans	Churchwarden
Sheena Ginnings	Churchwarden (from 26 April 2021)
Jenny Lupa	Churchwarden (until 26 April 2021)
The Revd Graham Dunn	Assistant Curate (from 3 July 2021)

Membership of the PCC

Ex Officio

The Revd Jeremy Fletcher *	Vicar and PCC Chairman
Martin Evans *	Churchwarden and (from 26 April 2021) PCC Vice Chairman
Sheena Ginnings*	Churchwarden (from 26 April 2021)
Jenny Lupa *	Churchwarden and PCC Vice Chairman (until 26 April 2021 and also an elected member)
The Revd Graham Dunn	Assistant Curate (from 3 July 2021)

As lay members of the London Diocesan Synod

Peter Ginnings	(until 31 July 2021 and an ex officio member of the Deanery Synod until 31 July 2021 and an elected member until 26 April 2021)
Inigo Woolf *	Treasurer (also an ex officio member and an elected member of the Deanery Synod)

As lay members of the Camden Deanery Synod

John Barker	
Vanessa Fitzpatrick	(also an elected member)
Angela Gardner *	Deputy Churchwarden (until 26 April 2021)
Rosemary Loyd	

Elected Members

Gaynor Bassey-Fish	
Elizabeth Beesley	
Sarah Cheriton-Jones	
Hagar Cliff	(from 26 April 2021)
Jonathan Davey	
Helen Evans	(until 26 April 2021)
Karunesh Evans	
Seka Graovac	
Jean Harrison	
Jenny Lupa	Deputy Churchwarden (from 26 April 2021)
Jon Siddall *	Deputy Churchwarden
Handley Stevens	
Nicholas Walser *	PCC Secretary
Deborah Zandstra	Safeguarding Officer

Co-opted Member

The Revd Jan Rushton	Associate Priest
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(Those marked with an asterisk * served as members of the Standing Committee for all or part of the year)

The Parish Church of St John-at-Hampstead

Background

The church of St John-at-Hampstead, commonly known as Hampstead Parish Church, was consecrated in 1747 as the latest in a series of buildings on this site, which are believed to go back to 986.

The PCC has the responsibility of co-operating with the incumbent in the task of participation in God's mission to the world, and taking counsel together for the sake of the pastoral, evangelistic, educational, social and ecumenical ministry of the church in the ecclesiastical parish which covers a large part of central Hampstead.

Aims and Objectives

Building an inclusive community of Christian love, faith, witness and action

The Mission Action Plan for 2018-2022 was adopted in November 2018 following a comprehensive review of the church's vision, mission and strategy. The plan is kept under regular review to ensure that the church's activities remain consistent with its aims and objectives and in keeping with its headline priorities.

Our Aims

Hampstead Parish Church aims to be:

- a compassionate, open church, both locally rooted and globally connected;
- confidently sharing the good news of God, Father, Son and Holy Spirit;
- seeking justice, welcoming all, and walking alongside another in love and faith.

Our Objectives

With God's help, Hampstead Parish Church is committed to:

- growing in impact and numbers;
- offering open welcome and active invitation;
- helping people of all ages to come to and deepen faith;
- being creative and generous in offering worship, developing mission and working for justice;
- acting in partnership with others to pursue shared goals.

Our Values

In every aspect of church life Hampstead Parish Church aims to be:

- inclusive and loving;
- reflective and experimental;
- transparent and accountable;
- accessible and participative.

The PCC is committed to monitoring its activities so that these values permeate every aspect of the church's language, behaviours, meeting pattern and use of resources.

The Parish Church of St John-at-Hampstead

Achievements and Performance

The coronavirus pandemic once again shaped the course of the year. Some activities could not go ahead as planned, including the Spring Fair, and others were either curtailed or had to be delivered in a different way, most notably through online services, meetings and discussion groups. This enabled many, who might otherwise have felt excluded, to remain actively involved albeit from a distance. Thanks to a dedicated volunteer group the church remained open for much of the time, providing a much-needed place of prayer, worship and sense of community. At the end of the year, the re-introduction of the usual pattern of Christmas services symbolised a return to some degree of normality while still maintaining appropriate health and safety procedures to allay any continuing concerns. The collective response and efforts of so many to such extraordinary times has been immense and has enabled the church to come through relatively unscathed and determined for the future.

The PCC met five times during the year (as well as immediately following the Annual Parochial Church Meeting in April primarily for the purpose of electing the Officers and appointing the Standing Committee). All meetings were held remotely by Zoom with decisions confirmed in writing and recorded in accordance with the applicable rules and guidance.

Working within the limitations that the ongoing pandemic has imposed, further efforts have been made to deliver the PCC's headline priorities and outcomes as set out in the Mission Action Plan. Key developments have included:

Headline Priorities

- *A Church known for Invitation, Inclusion, Outreach and Service* - the retention of an online facility to attend services alongside a commitment to keep the church open for prayer on a daily basis even through lockdown provided great comfort and flexibility to a broad group. Our commitment to the more marginalised in society was again demonstrated, for example through our involvement in providing volunteers for the C4WS night shelter for the homeless.
- *New Ways for People to Worship and Grow in Faith* - an adapted pattern of services and daily prayers combined with other activities including the Arts and Faith initiative, 'Inside Out' and the Bible Book Club, ensured that the needs of this audience were met.
- *Attract and Retain 20s-30s* - progress has remained slow during the pandemic but renewed efforts are planned to make the church's offering more appealing to this age group.
- *Support and Develop Work with Children and Young People* - the experience and popularity of "Bubble Church" helped to inform the planning and implementation of a remodelled All Age Eucharist alongside the re-formed Junior Church groups. The full resumption of the Junior Choir's activities in the autumn after a year's absence was widely welcomed.
- *Ensure Facilities and Buildings facilitate the Vision and Reduce Environmental Impact* - a provisional list of priority projects has been drawn up to explore further under the professional guidance of the newly-appointed inspecting architect.

Headline Outcomes

- *Growth in Numbers across Generations / Background* - year on year comparisons are difficult in the current environment but the numbers attending services since the church re-opened fully have been encouraging, particularly when the online presence is taken into account. The number of regular givers has held up well and collection plate income has to a great extent been replaced by 'contactless' giving.
- *Positive Collaborations with External Partners* - the main focus has been on retaining the many strong existing relationships that the church enjoys including those with Age UK Camden

The Parish Church of St John-at-Hampstead

(Henderson Court), Traidcraft, and Arts 4 Dementia who hosted a fundraising event 'A Festive Winter's Eve' in December. Other musical collaborations including those with the Hampstead Collective helped to maintain an active presence in the church.

- *Deepening of Faith, Confidence and Understanding* - the extended provision of activities and materials online has added a further effective means of achieving this both individually and collectively.
- *Increased Working for Reconciliation, Justice and Righteousness* - we added to our ongoing support of a refugee family under the Vulnerable Persons Resettlement Scheme by taking on another refugee worker, sponsored by a different group, as a gardener. The work of the Racial Justice Group, including a project to build awareness and understanding on matters of race or ethnicity, evidenced our growing efforts in this area. Black History Month in October was again marked with another thought-provoking display in church.
- *Increased Creativity in all we do* - following last year's focus on showing creativity through an enhanced presence on Facebook and the launch of the church's own YouTube channel, the emphasis turned, in the enforced absence of the Spring Fair, to putting on a series of mini-events in church including a craft fair, a book fair and a plant sale - all well received and helpful in raising funds.
- *A Culture of Compassion, Generosity, Invitation and Hospitality* - the gradual easing of restrictions to combat the pandemic meant that we were able to re-open the church's facilities for community use including hosting local support groups. Although income from hire was understandably lower, the decision was taken to maintain the church's well-established financial donations to selected local, national and international charitable activities at pre-pandemic levels.

Future Plans

The Mission Action Plan lies at the heart of the church's future plans and its main priorities remain valid although the opportunity will be taken to revisit and update them as a new MAP is developed for the next three to four year period. As we emerge from the worst of the pandemic, and adapt to the "new normal", the task of progressing and delivering these priorities should become easier to plan and implement. A number of key actions identified previously remain apposite:

- reviewing the nature and content of our services in the light of the pandemic so that they offer an appropriate range of opportunities for worship and growth in faith, including online participation.
- building on our work in providing pastoral care, recognising in particular the needs of the lonely and isolated including those most affected by the pandemic.
- deepening our relationship with Hampstead Parochial School and developing our engagement with other local schools, establishing further out of school and holiday activities.
- finding new ways of meeting the needs of the most disadvantaged in our community as part of our firm commitment to embracing justice.
- further developing our social media presence - the launch of our new website in 2022 will help in addressing the needs of key audiences and supporters.
- agreeing the next phase of a costed and prioritised programme for the further upgrading of the church's facilities to accommodate present and anticipated needs, with the creative adaptation and refurbishment of the choir vestry and surrounding area an early priority.
- identifying and securing additional sources of regular income to meet recurring annual costs.

The significant legacy income received in recent years, when combined with other fundraising for specific projects, will help facilitate the rolling programme of capital projects that is planned to accommodate the full range of church activities. Achieving growth in planned giving and other

The Parish Church of St John-at-Hampstead

regular sources of income will be key to covering the church's annual running costs without having to call on the church's designated reserves and legacy income.

Public Benefit

The PCC is aware of the Charity Commission's guidance on public benefit and the advancement of religion. It believes that working with the Vicar, Assistant Curate and Associate Priest for the promotion of the mission of the Church in the parish, and in the wider community, it benefits the public, in particular, by providing:

- 1) a variety of forms of public worship, pastoral care and spiritual, moral and intellectual development for the wide range of its members and for any member of the public wishing to take advantage of the services and opportunities which the church offers;
- 2) space, facilities and encouragement for educational and community activities and for recreation; and
- 3) financial, moral and practical support for numerous other charities which benefit sections of the public that are in need locally and national and international charities.

Structure, Governance and Management

Act of Parliament relating to St John-at-Hampstead

The Church building and the Churchyard are vested in the Vicar. Under an Act of Parliament of 14 June 1827 ("the Act") a group of trustees was established in whom were vested the organ, fixtures and furniture of the Church, and who have responsibility for maintaining the Church in good repair, and insuring the buildings, fixtures and furniture against damage by fire. The Act provides for the election of up to 21 trustees to serve for a period of nine years although the qualification for election as a trustee (being liable for poor relief rate) is now obsolete as is the trustees' source of funding (pew rents). The Vicar, churchwardens, and curate(s) are trustees *ex officio*. In 2013 it was decided to elect no new trustees which means that, since April 2019, the sole trustees under the Act are the Vicar, churchwardens, and any licensed assistant curate(s) *ex officio*.

The PCC

The PCC is a corporate body established by the Church of England. It operates under the Parochial Church Council Powers Measure 1956 (as amended) and the Church Representation Rules. It is also a registered charity.

The appointment of PCC members is governed by the Church Representation Rules. Membership of the PCC comprises: the licensed clergy, the two churchwardens, and lay members of the diocesan and deanery synods (*ex officio*); and 15 lay members elected by the Annual Parochial Church Meeting ("the APCM") who serve three year terms. In addition, the PCC may co-opt up to three members annually.

The churchwardens are elected annually at the meeting of Parishioners immediately preceding the APCM and, by custom, serve a maximum of four years consecutively.

Members must be communicants of sixteen years and upwards and on the electoral roll of the parish. The PCC normally meets five times a year. At the first meeting of the new PCC after the APCM an introduction is given to the responsibilities of the PCC members and the regulations which control their conduct of business.

The Parish Church of St John-at-Hampstead

Joint Meetings of the Trustees under the Act and the PCC

Since the responsibilities of the trustees under the Act relating to the fabric of the building overlap with those of the PCC relating to the life of the church, it has long been the custom to agree, at the first meeting of the PCC after the APCM, that the trustees under the Act and PCC members (who are themselves registered with the Charity Commission as trustees of the charity) should meet jointly.

Electoral Roll

There were 232 names on the Electoral Roll at 1 January 2021. During the calendar year 4 new names were added and 2 removed either through death or relocation. This resulted in a total Electoral Roll of 234 at 31 December 2021.

Standing Committee

As required by the Church Representation Rules, a Standing Committee is appointed annually by the PCC. It has full power to transact the business of the PCC between its meetings, subject to such directions as the PCC may give. Its function is to support the Vicar in his role as the promoter and “guardian” of the parish’s Mission Action Plan and it also monitors and encourages implementation of agreed plans by the PCC’s Committees and Working Parties. It meets between the full meetings of the PCC and in an emergency if necessary.

Committees, Delivery Groups and Development Forums

The PCC appoints a number of Committees and Groups to develop, support and carry out the plans and programme of activities approved by the PCC. Appointments (other than those serving ex-officio) are made by the PCC for three year terms on the recommendation of the Vicar and the relevant Chair. Membership of the Development Forums, which by their nature are more open and short term, is generally by invitation and representative of those with a particular expertise or interest in the area concerned. A major review was completed during the year resulting in the establishment of a revised structure of Committees, Groups and Forums as follows:

- *Oversight / Strategy Committees* which monitor the implementation of the MAP strategy and develop ideas and proposals in response to changing circumstances.
- *Delivery Groups* which take forward day to day implementation plans and activities.
- *Development Forums* which develop our thinking in areas of church life where we do not yet have specific strategies or action plans to form a Delivery Group.

Oversight / Strategy Committees

- *Standing Committee* supports the Vicar and PCC in developing and integrating plans and proposals across the range of activities for PCC approval.
- *Finance Committee* oversees all financial activities of the church including generating stewardship and other income to resource the MAP and ensuring that budgets and expenditure reflect MAP priorities.
- *Mission Strategy Group (including Buildings for Mission Group)* monitors overall progress and priorities in implementation of the MAP and anticipates new or changing needs and opportunities.
- *Communications Strategy Committee* develops a better informed and more engaged congregation and communicates clearly with a variety of external audiences using a wide range of media.
- *Children and Young People Committee* provides strategy, oversight and vision to grow our work with all children and young people.
- *Social Justice Committee* creates tangible links between our faith, beliefs and actions which

The Parish Church of St John-at-Hampstead

enables us to demonstrate God's love in the world.

Delivery Groups

- *Staff Meeting* ensures the effective day to day administration and management of the church and related facilities, the church diary and the arrangements for worship.
- *Junior Church Planning Meeting* plans and carries out the detail of our work with children and young people particularly on Sundays.
- *Pastoral Care Group* implements the MAP vision to care for the church community, particularly those with specific needs, and for newcomers.
- *Buildings and Facilities Groups* ensures the day to day repair and maintenance of all buildings and facilities.
- *Community Sponsorship Group* supports a Syrian refugee family under the terms of the UK's Vulnerable Person Resettlement Programme.
- *Racial Justice Group* raises awareness within the church of the issues associated with race in society today and uses every opportunity to promote equality and inclusion.
- *Website Group* redevelops the church website in accordance with the brief agreed by the PCC.

Development Forums

- *Worship and Spirituality Forum* is reviewing existing patterns of worship and education in the light of experience gained during 2020 and 2021 and developing proposals to meet changing needs and opportunities.
- *Arts Development Forum* establishes the range of our work in the arts and proposes how we can use arts more effectively to enrich church life and worship.
- *Community Life Forum* is seeking ways of building up community life through meetings, volunteering and hospitality as congregations come out of lockdown.
- *Environment Forum* advises the church on options to become more eco-friendly and to move as quickly as possible to net zero emissions.
- *Living in Love and Faith Forum* helps organise, lead and participate in our discussion of LLF material, possibly in partnership with another church of a different tradition.

Annual Meetings

Due to the ongoing coronavirus pandemic, the special directions issued by the Bishop of London were extended to permit Annual Meetings to be held using an online platform.

At the meeting of Parishioners held by Zoom on 26 April 2021, Martin Evans and Sheena Ginnings were elected as churchwardens. Jenny Lupa, who stepped down as churchwarden having completed the customary four years' service was warmly thanked for the excellent contribution that she had made during this period. Jenny Lupa and Jon Siddall were elected as deputy churchwardens. Grateful thanks were also expressed to Angela Gardner as she stepped down as deputy churchwarden at the end of her term.

At the Annual Parochial Church Meeting which followed Hagar Cliff, Vanessa Fitzpatrick, Jean Harrison and Deborah Zandstra were elected as parochial representatives of the laity on the PCC for a three year term leaving one casual vacancy to be filled in the PCC's discretion. Helen Evans and Peter Ginnings, who had completed their terms of office, were warmly thanked.

The Vicar expressed his grateful thanks to the ministry and staff teams and the many volunteers who had responded so willingly to the many challenges presented by the coronavirus pandemic which had made it an extremely difficult year. The response of the membership in adapting readily to change through online worship and the many restrictions that were necessarily put in place to

The Parish Church of St John-at-Hampstead

combat the pandemic had been heartening as had the generosity of many parishioners to an appeal to address an anticipated significant deficit. There was every reason to feel confident about the future.

Sincere thanks were recorded to the Vicar for his dedicated efforts in leading the church with great determination and spirit through what had been a challenging year.

Clergy, Lay Ministers and Staff Team

The Reverend Graham Dunn was welcomed as Assistant Curate at a service held on Sunday 4 July 2021 following his ordination as Deacon the previous day. The Reverend Jeremy Fletcher successfully led the church through another extraordinary year of great challenge ably supported by the Reverend Jan Rushton (Associate Priest), Handley Stevens and Andrew Penny (Lay Ministers), and by Graham Dunn following his arrival in July.

Courtney Terwilliger's contribution as Parish Administrator was invaluable in keeping the church running smoothly through the year with many of the tasks being successfully carried out remotely when the office, by necessity, remained closed. Maureen Smith's commitment as Children and Youth Worker was amply demonstrated by her commendable efforts in delivering the popular "Bubble Church". Her retirement at the end of the year presented a challenge to build on the foundations that she had put in place in developing the church's work with children and young people.

Peter Foggitt left his position as Director of Music in April to pursue other opportunities following his relocation to Cambridge. Geoffrey Webber was appointed as his successor in November having amply demonstrated his experience and credentials as Organist during the preceding eighteen months. He has already made his mark in bringing out the best in the professional choir and the music in worship generally. This task has been made more achievable as a result of the continued significant support of the Hampstead Church Music Trust. The relaxation of the coronavirus restrictions in the autumn enabled the activities of the junior choir and the community choir to resume under the enthusiastic and accomplished lead of their director, Aidan Coburn.

Financial Review

2021 was the second year where Covid-19 has had a major impact on the finances of Hampstead Parish Church. Not knowing how the year would unfold, the PCC set a deficit budget of £33,166 with the intention that £20,000 would be drawn down from reserves, if required, and that the balance would be found through reducing expenditure.

At the end of June the deficit on the unrestricted fund had reached £21,000. But as the year unfolded the Church was able to resume more of its activities and more income was generated than had been anticipated.

Careful attention was given to controlling costs, and it was possible to shave £11,000 off budgeted overall expenditure. Music expenditure included costs associated with a new Director of Music.

A surplus in the third quarter of £4,000 was followed by a substantial surplus of £23,000 in the fourth quarter. Half of this amount came from generous giving during the autumn Stewardship appeal.

In total unrestricted expenditure was £21,000 below the original budget, notwithstanding an increase in energy costs of £2,000. Coupled with the increase in income this led to a positive out-turn for the year of £6,047 in the unrestricted general fund before adjusting for the actuarial

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gain/loss in the defined benefit pension scheme. No draw-down from reserves was therefore necessary.

The Parish Development Fund was also able to maintain its grant to the unrestricted fund at £25,000 as the investment property remained fully let throughout 2021.

One of the big positive surprises in 2021 was the success of the voluntary rate appeal with some £16,000 raised - £10,000 more than we usually raise. As the receipts form part of our restricted funds, the PCC was able to use this fund to cover £10,613 of expenditure which would otherwise have been charged to the unrestricted general fund.

Giving to Charities

The PCC has a policy that 10% of the previous year's voluntary and hire income should be given to charity. The impact of Covid-19 in 2020 would have led to an overall reduction in donations to charities in 2021 but the PCC decided that regular donations to charities should not be reduced, and this has been appreciated by the recipients. Unrestricted and restricted giving to charities is recorded at £30,582 (2020: £33,554) and the apparent reduction reflects that in 2020 there were specific appeals at the height of lockdown by Caris Haringey and Caris Camden which were generously supported by church members.

Designated Unrestricted Fund

The PCC has a policy of placing legacies in a designated unrestricted fund where the funds are not going to be spent within the year of receipt.

In 2021, £6,416 was spent on commissioning a new chest for housing the altar frontals and a refresh of the Church website. It is anticipated that these projects will be completed in 2022 when further payments of up to £8,400 will become due.

Restricted - Fabric Repair Reserve Fund

The PCC also operates a restricted fund for repairing the fabric. As mentioned above the voluntary rate contributed most of the income for the year of £17,624 and there were gains on investments of £3,713. After expenditure on maintenance of the building of £17,959 including £2,949 spent on replacing the humidifier for the organ, the fund increased in value to £59,425.

Expendable Endowment Funds including the Parish Development Fund

The main assets of the Parish Development Fund are two properties. One is a leasehold flat in West Hampstead which was purchased some years ago to house a curate and the other is the freehold of 100 Frognal together with the leasehold of a flat there. The combined value of the two properties is £1.4m. The flat at Frognal has been let throughout the year and £25,000 of this income has been transferred to the General Fund as a grant in support of ministry to children and young people.

Cash Management

Following the receipt of several legacies in recent years, the PCC held £663,564 in cash and on deposit at the year end. Charities are advised to hold cash where they plan to spend surplus funds within five years, and this is kept under review by the Finance Committee. Prior to deployment of the reserves, funds are held on deposit with HSBC and with the Central Board of Finance of the Church of England. During the year interest rates fell to almost zero but at the end of the year, interest rates started rising, with the overnight deposit rate at the CBFCE increasing to 0.20%.

In 2020 the PCC lent £57,424 to the Trustees of Holly Bush Vale (the Vicar & Churchwardens) who refurbished a house on the Hampstead Parochial School site for teacher accommodation. The loan

The Parish Church of St John-at-Hampstead

is interest free over 5 years and £10,000 was repaid in 2021 from the Trustees' rental income.

Risk Management

The PCC reviews the risk register every year and a theme in recent years has been the need to broaden the donor base. In 2021 there was some success in replacing donors but overall, the risk is increasing as the average age of generous donors is increasing as is the number of retirements from paid employment.

A substantial amount of cash is held following the receipt of legacies in recent years. The PCC has designated these gifts for investing in the fabric of the Church within five years and Charity Commission guidance advises against investing in funds which might put the capital at risk. In following this guidance, the PCC is cognisant of the need to take responsible steps to safeguard our reserves against the risk of rising inflation.

Impact of Coronavirus / COVID-19

The PCC continued to take careful note of the potential negative impact of the coronavirus pandemic on the church's financial and operational position and appropriate measures were implemented to mitigate and limit this as far as possible. The annual stewardship appeal, and a further trimming of expenditure, helped offset a reduction in certain regular sources of income caused by the pandemic. The dedicated efforts of the cleaning and welcoming teams enabled the church to remain open for the most part as a place of safety and welcome. Where appropriate or necessary, core activities were maintained online. The policy of holding surplus funds mainly in cash to finance planned future projects meant that reserves, and the stability of the church's finances, have not been adversely affected. The church's position therefore remains robust.

Investment Policy

The PCC's investment objective is to preserve the real value of investments as measured by the consumer price index over a five year period.

The PCC retains investments in property and pooled investment funds to provide an asset base on which borrowings can be secured if necessary to support major improvements and renovations such as the planned complete redecoration of the church.

Each pooled investment fund manager must have a responsible investment policy which is compatible with any guidance provided by the Church of England and the Diocese of London.

Reserves Policy

The PCC reviews its policy for the unrestricted fund each year and it remains unchanged - namely a free cash reserve is to be maintained in the range of £20,000 to £30,000 to ensure that there is sufficient working capital to meet expenditure as and when it is incurred without the need to make transfers from designated funds. At the end of the year the Financial Statements show that the unrestricted reserve was £37,500 (2020: £18,686) net of the deficit in the pension scheme of £4,401. During 2021, the pension scheme deficit was reduced by £12,767 following the triennial valuation and the amount added to unrestricted reserves. Reserves are now above the recommended range and will enable the PCC to fund a deficit in 2022 and possibly 2023.

The Parish Church of St John-at-Hampstead

Budget for 2022

We have provided for a rise in expenditure of 4.3% to reflect known increases in our main costs as well as the greater level of activities anticipated in 2022 when compared with the early part of 2021 when Covid-19 was rampant in London.

Income especially from voluntary giving is unlikely to match the inflation in costs as disposable incomes will be coming under pressure from higher energy costs. As such the budget shows a deficit for the year of £8,957. It is hoped that fund raising during the year will enable the deficit to be eliminated and hence avoid a drawdown of reserves.

Safeguarding

The PCC has complied with its duty under section 5 of the Safeguarding and Clergy Discipline Measure 2016 to have regard to the House of Bishops' guidance on safeguarding children and vulnerable adults.

Approved by the Parochial Church Council on 21 February 2022 and signed on its behalf by:



Jeremy Fletcher
Vicar and PCC Chairman

The Parish Church of St John-at-Hampstead

Statement of financial activities for the year ended 31 December 2021

	Notes					2021	2020
Income from:		General Fund £	Designated Fund £	Restricted Funds £	Endowment Funds £	Combined £	Combined £
Donations and legacies	3	274,395	-	25,756	-	300,151	435,069
Other trading activities	4	30,865	-	6,523	-	37,388	22,983
Investments	5	383	-	798	47,805	48,986	54,982
Total income		305,643	-	33,077	47,805	386,525	513,034
Expenditure on:							
Charitable activities	7	322,087	7,416	32,148	666	362,317	451,090
Raising funds	9	2,509	-	5,329	16,870	24,708	19,464
Total resources expended		324,596	7,416	37,477	17,536	387,025	470,554
Net income before gains and losses on investments		(18,953)	(7,416)	(4,400)	30,269	(500)	42,480
Gains/(Losses) on investments	14	-	-	3,713	5,895	9,608	(4,153)
Net income before transfers		(18,953)	(7,416)	(687)	36,164	9,108	38,327
Transfers between funds	12	25,000	-	-	(25,000)	-	-
Net income after transfers		6,047	(7,416)	(687)	11,164	9,108	38,327
Other recognised gains/losses:							
Actuarial gain/(losses) on defined benefit pension scheme	21	12,767	-	-	-	12,767	3,345
Net movement in funds		18,814	(7,416)	(687)	11,164	21,875	41,672
<i>Reconciliation of Funds</i>							
Total Funds brought forward		18,686	577,035	73,395	1,421,245	2,090,361	2,048,689
Total Funds carried forward		37,500	569,619	72,708	1,432,409	2,112,236	2,090,361

The attached notes (1 - 23) form part of these financial statements

The Parish Church of St John-at-Hampstead

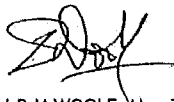
Balance Sheet at 31 December 2021

						2021	2020
	Notes	General Fund	Designated Fund	Restricted Funds	Endowment Funds	Combined	Combined
		£	£	£	£	£	£
Fixed assets							
Plant and equipment	13	-	-	1,124	-	1,124	2,249
Financial assets	14	-	-	29,671	1,428,941	1,458,612	1,449,003
Total fixed assets		-	-	30,795	1,428,941	1,459,736	1,451,252
Current assets							
Debtors							
Gift aid recoverable		1,469	-	-	-	1,469	3,674
Hollybush Vale Trustees	16	-	47,424	-	-	47,424	57,424
Trade debtors		692	-	-	-	692	639
		2,161	47,424	-	-	49,585	61,737
Cash at bank and in hand		62,934	522,195	49,967	28,468	663,564	647,843
Total current assets		65,095	569,619	49,967	28,468	713,149	709,580
Liabilities: amounts falling due within one year							
Creditors for goods and services		(5,050)	-	-	-	(5,050)	(5,517)
Clients account for 100 Frognal		-	-	(2,426)	-	(2,426)	(3,710)
Clients account Hollybush Vale		-	-	(5,628)	-	(5,628)	-
Other Creditors	15	(18,504)	-	-	(25,000)	(43,504)	(44,436)
		(23,554)	-	(8,054)	(25,000)	(56,608)	(53,663)
Net current assets		41,541	569,619	41,913	3,468	656,541	655,917
Creditors falling due after one year							
pension scheme liability	21	(4,041)	-	-	-	(4,041)	(16,808)
Net assets		37,500	569,619	72,708	1,432,409	2,112,236	2,090,361
Funds:							
Unrestricted General Fund		37,500				37,500	18,686
Designated for Future Repairs			569,619			569,619	577,035
Restricted Funds	17			72,708		72,708	73,395
Endowment Funds	18				1,432,409	1,432,409	1,421,245
		37,500	569,619	72,708	1,432,409	2,112,236	2,090,361

Approved by the Parochial Church Council on 21 February 2022 and signed on its behalf by:



J FLETCHER, Vicar



I R M WOOLF, Hon Treasurer

The attached notes (1 - 23) form part of these financial statements

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CASH FLOW STATEMENT AT 31 DECEMBER 2021

	2021		2020	
	£	£	£	£
Net cash from operating activities		(43,265)		1,344
Cash flows from investing activities				
Dividends, interest and rent from investments	48,986		54,982	
Proceeds from the sale of investments	-		19,945	
Purchase of investments	-		(20,000)	
Net cash provided by/(used in) investing activities	<u>48,986</u>	<u>48,986</u>	<u>54,927</u>	<u>54,927</u>
Cash flows from financing activities				
Loan repayments from Trustees of Holly Bush Vale	10,000	10,000		
Loan to Trustees of Holly Bush Vale	-	-	(57,424)	
Net cash provided by/(used in) financing activities		<u>10,000</u>	<u>(57,424)</u>	<u>(57,424)</u>
Change in cash and cash equivalents in the reporting period		15,721		(1,153)
Cash and cash equivalents at 1 January		<u>647,843</u>		<u>648,996</u>
Cash and cash equivalents at 31 December		<u>663,564</u>		<u>647,843</u>
Reconciliation of net income/(expenditure) before investment gains				
Net income before investment gains 31 December		(500)		42,480
Adjustments for:				
Depreciation charges		1,125		1,125
Dividends, interest and rent from investments		(48,986)		(54,982)
Interest paid on borrowings		-		-
Decrease/(increase) in debtors		2,151		13,158
(Decrease)/increase in creditors		<u>2,945</u>		<u>(437)</u>
Net cash provided by/(used in) operating activities		<u>(43,265)</u>		<u>1,344</u>
Analysis of cash and cash equivalents				
Cash in hand		46,921		37,668
Deposit for fixed period		200,000		200,000
Deposits less than 3 months		<u>416,643</u>		<u>410,175</u>
		<u>663,564</u>		<u>647,843</u>

The Parish Church of St John-at-Hampstead

Notes to the financial statements

Note 1: BASIS OF PREPARATION

The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006 governing the individual accounts of PCCs, and with the Regulations' "true and fair view" provisions, together with FRS102(2016) as the applicable accounting standards and the 2016 version of the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP(FRS 102)).

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets which are shown at fair value.

The Parochial Church Council (PCC) is a public benefit entity within the meaning of FRS 102.

1.2 GOING CONCERN

There are no material uncertainties related to events or conditions that cast significant doubt on the PCC's ability to continue as a going concern.

1.3 CHANGE IN ACCOUNTING POLICY

The accounts present a true and fair view and the accounting policies are as outlined in this note. There have been no changes of accounting policies in this period.

1.4 CHANGES TO ACCOUNTING ESTIMATES

There have been no changes to accounting estimates in this period.

1.5 MATERIAL PRIOR YEAR ERRORS

No material prior year errors have been identified in the reporting period.

Note 2: ACCOUNTING POLICIES

2.1 RECONCILIATION WITH PREVIOUS GENERALLY ACCEPTED ACCOUNTING POLICIES

No reconciliations with previous generally accepted accounting policies are required.

2.2 INCOME

Recognition of income

Congregational giving, donations, grants, interest, rents, dividends and other income are included in the Statement of Financial Activities (SOFA) when the PCC becomes entitled to the resources and the monetary value can be measured with sufficient reliability.

Offsetting

There has been no offsetting of assets and liabilities in the SOFA or income and expenses, unless required or permitted by the FRS 102 SORP.

Tax reclaims on donations and gifts

Gift aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid recovered on a donation is considered to be part of that gift and is credited to the same fund as the initial donation unless the donor has specified otherwise.

Legacies

Legacies are included in the SOFA when receipt is probable, that is, when there has been a grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the PCC or can be met.

Volunteer help

The value of voluntary help received is not included in the accounts but is described in the PCC's annual report.

Investment gains and losses

This includes any realized and unrealized gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

The Parish Church of St John-at-Hampstead

2.3 EXPENDITURE AND LIABILITIES

Liability recognition

Liabilities are recognized where it is more likely than not that there is a legal or constructive obligation committing the PCC to pay out resources and the amount of the obligation can be measured with reasonable certainty.

Governance

Governance costs are charged to 'Charitable Activities'.

Redundancy costs

The PCC has made no redundancy payments during the reporting period.

Deferred income

No material item of deferred income has been included in the financial statements.

Creditors

The PCC has creditors which are measured at settlement amounts less any trade discounts.

Certain interest free loans have been provided without a repayment date and these are accounted for as being repayable on demand.

Provisions for liabilities

A liability is measured at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

2.4 ASSETS

Tangible fixed assets for use by the PCC

Consecrated and beneficed property is excluded from the accounts by s.10(2)(a) and (c) of the Charities Act 2011. Other fixed assets are capitalized if they can be used for more than one year, and cost at least £2,000.

Movable church furnishings held by the Vicar and Churchwardens on special trust for the PCC, and which require a faculty for disposal, are accounted as inalienable property unless consecrated. They are listed in the church inventory, which can be inspected. Items acquired prior to 2000 are not valued in the accounts as there is insufficient cost information available.

Financial assets

Fixed asset investments in quoted shares and pooled investment funds are valued initially at cost and subsequently at fair value (market value) at the year end. The long leasehold properties are stated at estimated fair values for investment properties.

Debtors

Debtors including trade debtors and gift aid recoverable are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the PCC. Subsequently they are measured at the cash or other consideration expected to be received.

Cash at bank

Cash at bank and in hand include deposits with the Central Board of Finance of the Church of England.

These deposits are repayable on demand. There is also a fixed term deposit maturing within 12 months.

2.5 FUNDS

Unrestricted Funds represent the remaining income funds of the PCC that are available for spending on the general purposes of the PCC.

The **Designated Fund** is an unrestricted fund which represents the amount set aside by the PCC to meet future repair liabilities; it is not regarded as part of the 'free reserves' as disclosed in the PCC's report. Income earned on the cash balances held by the Fund is recorded in the General Unrestricted Fund.

The **Restricted Funds** are income funds that must be spent on restricted purposes and details of the funds held and restrictions provided are set out in Note 17.

The **Endowment Funds** are all individual funds, of which the Parish Development Fund is the most significant, where there is a discretionary power to spend capital as income. Full details of the funds and their restrictions are set out in Note 18.

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Note 3 Donations and legacies

	Notes	General Fund	Designated Funds	Restricted Funds	Endowment Funds	2021 Combined	2020 Combined
Planned giving including gift aid		156,030		-	-	156,030	176,859
Income tax recoverable		40,765		-	-	40,765	41,017
Collections: ordinary services		13,589		-	-	13,589	9,862
Collections: special services		-		3,953	-	3,953	1,736
Donations		6,737		5,377	-	12,114	28,158
Voluntary rate		-		16,426	-	16,426	6,336
Legacies	6	53	-	-	-	53	101,000
Social events		1,210		-	-	1,210	322
Grants received:							
Friends of the Drama	16	4,000		-	-	4,000	3,500
Hampstead Church Music Trust	16	50,070		-	-	50,070	52,500
Listed Places of Worship re VAT		1,941		-	-	1,941	13,779
		274,395	-	25,756	-	300,151	435,069

Note 4 Other trading activities

Fees for use of Church		5,315		-	-	5,315	2,920
Parish rooms		18,118		-	-	18,118	12,194
Spring fair and other events		6,464		385	-	6,849	1,363
Printing and books		20		-	-	20	50
Community choir		-		3,799	-	3,799	3,422
Feed in Tariff		948		-	-	948	549
Traidcraft stall		-		2,339	-	2,339	2,485
		30,865	-	6,523	-	37,388	22,983

Note 5 Income from Investments

Rent Dennington Park Mansions		-		-	4,900	4,900	6,000
Rent 100 Frognal		-		-	40,680	40,680	40,526
Dividends and Interest		383		798	2,225	3,406	8,456
		383	-	798	47,805	48,986	54,982

Note 6 Legacies received

		-	-	-	-	-	-
The Estate of P George		-		-	-	-	-
- final distribution		53	-	-	-	53	-
The Estate of E Spottiswoode		-	-	-	-	-	100,000
The Estate of E Rose		-	-	-	-	-	1,000
		53	-	-	-	53	101,000

The Parish Church of St John-at-Hampstead

Note 7 Activities relating directly to the work of the Church

		General	Designated	Restricted	Endowment	2021	2020
	Notes	Fund	Fund	Funds	Funds	Combined	Combined
Ministry: diocesan common fund		90,000		-	-	90,000	90,000
clergy expenses	10	3,735		-	-	3,735	4,943
accommodation		6,804		-	-	6,804	9,503
Children & Youth worker	11	26,927		-	-	26,927	26,400
Parish Administrator	11	27,265		-	-	27,265	26,884
Pension deficit apportionment	11	3,954		-	-	3,954	3,838
Music staff	11	31,877		3,362	149	35,388	30,110
Choir - adults and children		42,967		-	-	42,967	49,720
Other music costs		2,402		115	67	2,584	7,454
Children and Youth		1,179		-	-	1,179	1,591
Heat & light		9,396		-	-	9,396	6,827
Fabric expenditure/maintenance		7,578	7,416	14,126	-	29,120	70,175
Parish rooms		11,093		-	-	11,093	11,310
recoverable VAT on repairs		1,941		-	-	1,941	8,137
Depreciation	13	-		1,125	-	1,125	1,125
Insurance		10,597		-	-	10,597	11,306
General expenses		12,571		-	-	12,571	16,931
IT and communications		4,554		-	-	4,554	5,555
Social events		424		-	-	424	135
Flowers		-		601	-	601	587
Grants made	8	24,573		5,559	450	30,582	64,116
Refugee sponsorship				7,260		7,260	2,193
Independent Examination fee		2,250		-		2,250	2,250
		<u>322,087</u>	<u>7,416</u>	<u>32,148</u>	<u>666</u>	<u>362,317</u>	<u>451,090</u>

Note 8 Grants made

Church overseas:							
- missionary societies		5,400		-	-	5,400	5,400
- relief and development agencies		7,000		975	-	7,975	7,715
UK missions/other Church Societies		8,600		2,695	-	11,295	12,449
Secular charities		2,573		1,889	-	4,462	6,440
Churches together in Hampstead		-		-	-	-	30,562
Individuals for relief of poverty		-		-	450	450	550
Hampstead Parochial School		1,000		-	-	1,000	1,000
	22	<u>24,573</u>		<u>5,559</u>	<u>450</u>	<u>30,582</u>	<u>64,116</u>

Note 9 Expenditure on raising funds

Services, voluntary rate & events		-		2,708	-	2,708	2,209
Printing and books		2,509		-	-	2,509	2,490
Traidcraft stall		-		2,621	-	2,621	1,114
Dennington Park Mansions		-		-	3,753	3,753	1,461
100 Froggnal		-		-	13,117	13,117	12,190
		<u>2,509</u>		<u>5,329</u>	<u>16,870</u>	<u>24,708</u>	<u>19,464</u>

Note 10 Expenses paid to Members of the Parochial Church Council

Expenses of the Clergy, who are members of the PCC, totalling £3,735 (2020: £4,943) were reimbursed. Members of the PCC engaged in teaching in the Junior Church had their expenses reimbursed as did the Churchwardens' relevant expenses.

The Parish Church of St John-at-Hampstead

Note 11 Staff costs

The Clergy are paid by the Church Commissioners but funded by the Parish's contributions to the Common Fund. During the year the PCC employed a parish administrator, a children and youth worker and 3 part time staff.

	2021	2020
Salaries	84,482	78,666
Social Security	1,230	961
Pension costs	7,822	8,240
	<u>93,534</u>	<u>87,867</u>

No employee received employee benefits in excess of £60,000.

The PCC operates a money purchase scheme through IPI Retirement Solutions for staff.

Note 12 Transfers between funds

£25,000 grant from Parish Development Fund to the General Fund (2020: £25,000).

Note 13 Fixed assets - equipment

	Equipment	Depreciation	Net Book Value
Assets at start of year	25,679	(23,430)	2,249
Additions	-	(1,124)	(1,124)
Disposals	-	-	-
Assets at end of year	<u>25,679</u>	<u>(24,554)</u>	<u>1,125</u>

Note 14 Financial assets

The significance of financial investments to the PCC's financial position is set out in the PCC's annual report.

Investments at fair value:	1 January 2021	Purchases (Sales)	Investment Gains(Losses)	31 December 2021
-Restricted				
1267 CBF Investment Fund shares	25,957	-	3,713	29,670
	<u>25,957</u>	-	3,713	<u>29,670</u>
-Endowment				
Freehold of 100 Frognal and long lease of Flat A	981,000	-	-	981,000
Long lease of Flat 10a, Dennington Park Mansions	399,500	-	-	399,500
2,338 CBF Investment Fund shares	21,944	-	3,139	25,083
1,501 M & G Charifund units	20,602	-	2,756	23,358
	<u>1,423,046</u>	-	5,895	<u>1,428,941</u>

The freehold and long leasehold properties are valued as investment properties by Inigo Woolf FCIB, a member of the PCC, as at 31 December 2021.

Investments at cost:	1 January 2021	Purchases	Sales	31 December 2021
-Restricted				
1267 CBF Investment Fund shares	5,909	-	-	5,909
	<u>5,909</u>	-	-	<u>5,909</u>
Freehold of 100 Frognal and long lease of Flat A	784,700	-	-	784,700
Long lease of Flat 10a, Dennington Park Mansions	438,500	-	-	438,500
2,338 CBF Investment Fund shares	20,000	-	-	20,000
1,501 M & G Charifund units	18,000	-	-	18,000
	<u>1,261,200</u>	-	-	<u>1,261,200</u>

The Parish Church of St John-at-Hampstead

Note 15 Creditors

Other Creditors include related party balances due to the Friends of the Drama £15,509 and a £25,000 interest free loan from Parishioners. (2020: £11,896 and £25,000 respectively). Note 16 has further details on related parties.

Note 16 Related parties

Hampstead Parochial Charities (established 1617) provides relief for the poor in the former Metropolitan Borough of Hampstead. The Trustees comprise the Vicar and Churchwardens.

Hampstead Additional Burial Ground (established 1810) provides a discrete burial ground in Church Row. The Trustees comprise the Vicar, Churchwardens and up to 21 trustees who are resident in the former Metropolitan Borough of Hampstead. Collected income of £4,676 and paid expenses of £6,237 in year (2020: collected £837 and paid £500).

- Trustees of Holly Bush Vale (established 1856) provide a site and teacher accommodation for Hampstead Parochial School. The Trustees of this educational charity are the Vicar and Churchwardens. The interest free unsecured loan of £57,424 drawn down in 2020 is due to be repaid through quarterly payments from rental income, with full repayment by 31 December 2026. Repaid £10,000 in 2021.

Friends of the Music, Hampstead Parish Church (established 1947) supports the choirs and promotes non-liturgical music at Hampstead Parish Church. The Friends receive no funding from the PCC.

Hampstead Church Music Trust (established 1975) maintains and promotes the performance and appreciation of church music in Hampstead and in particular Hampstead Parish Church. The Trustees comprise the Vicar, up to two trustees appointed by the PCC, up to three trustees appointed by the Friends of the Music and up to four trustees appointed by the trustees themselves. At 31 December 2021 three trustees were also members of the PCC. The PCC received grants of £50,070 towards the cost of the choir (£52,500 in 2020) and £1,500 towards staff cost for the Hampstead Community Choir.

The Friends of the Drama, Hampstead Parish Church (established 1977) seeks to promote the mission of the Church and in particular Hampstead Parish Church through the medium of drama. The Vicar & Churchwardens are ex officio members of the General Committee. The PCC received A grant of £4,000 for the General Fund (£3,500 in 2020). In addition the Friends participated in fundraising events for the Fabric Repair Reserve Fund.

Note 17 Restricted funds	Balances 1 January 2021	Income	Expenditure	Transfers	Gains on investments	Balances 31 December 2021
Fabric and Plant Reserve	56,047	17,624	(17,959)		3,713	59,425
Giving Away Fund	-	5,536	(5,536)			-
Traidcraft	1,371	2,339	(2,621)			1,089
Flowers	2,793	400	(601)			2,592
Refugee sponsorship	12,454	3,356	(7,260)			8,550
Community Choir	122	3,799	(3,362)			559
Donald Barnes Memorial Fund	608	-	-			608
	73,395	33,054	(37,339)	-	3,713	72,823
2020	91,589	31,299	(51,163)	-	1,670	73,395

Fabric and Plant Reserve

The purpose of the reserve is to hold sufficient funds to meet the repair obligations placed upon the trustees of the Church by the Act of Parliament of 1827 Paragraph 51. The Voluntary Rate, donations and earmarked gifts from parishioners are the main sources of income. In addition to the restricted reserve there is an unrestricted designated repair reserve with a balance of £569,619 (2020: £577,035).

Traidcraft

Goods purchased from Traidcraft are sold to parishioners and surplus funds are gifted to Traidcraft Exchange.

The Parish Church of St John-at-Hampstead

Refugee Sponsorship and Churches Together in Hampstead
Support for refugees coming from the Middle East to live in North London.

Donald Barnes Memorial Fund

Fund created in 2013 in memory of the late Revd. Donald Barnes for the purpose of holding an annual lecture at St Peter's Church, Belsize Park. The lectures are organized by the Hampstead Christian Study Centre.

Note 18 Endowment funds	Balances 1 January 2021	Income	Expenditure	(Losses)/ Gains on investments	Transfers between Funds	Balances 31 December 2021
Frances Grossfield Memorial Fund	9,760	447	(67)	1,108		11,248
John Cooling Fund	15,596	515	(450)	1,279		16,940
Frederick Eickhoff Memorial Fund	2,869	149	(149)	369		3,238
Parish Development Fund	1,393,020	46,694	(16,870)	3,139	(25,000)	1,400,983
	<u>1,421,245</u>	<u>47,805</u>	<u>(17,536)</u>	<u>5,895</u>	<u>(25,000)</u>	<u>1,432,409</u>
2020	1,414,997	51,765	(14,694)	(5,823)	(25,000)	1,421,245

Frances Grossfield Memorial Fund (established 1994) encourages young musicians to participate in the choir thereby maintaining and enhancing the musical tradition of Hampstead Parish Church.

John Cooling Fund for relief of poverty (established 1997) can be used by the Vicar for such charitable purposes for the relief of poverty as he, in his absolute discretion, shall think fit.

Frederick Eickhoff Memorial Fund (established 2008) supports the training of the junior choir.

Parish Development Fund (established 2000) to be used by the PCC for investment in parish projects with income generated within the Fund to be used at its discretion.

Each Fund is an Expendable Endowment as defined by the Charities Act, 2011.

Note 19 Contingent liabilities There are no contingent liabilities (2020: nil).

Note 20 Capital commitments Contracted by the PCC nil (2020: nil).
Authorised by the PCC but not contracted nil (2020: nil)

Note 21 Pensions liability

SCHEME: TPT Retirement Solutions- The Growth Plan

The PCC participates in the scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the PCC to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the PCC is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

The Parish Church of St John-at-Hampstead

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions: From 1 April 2022 to 31 January 2025: £3,312,000 per annum (payable monthly).

The scheme's previous valuation was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

From 1 April 2019 to 31 January 2025: £11.24m per annum (payable monthly and increasing by 3% on each 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the PCC has agreed to a deficit funding arrangement, the PCC recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

	31 December 2021 £	31 December 2020 £
PRESENT VALUES OF PROVISION		
Present value of provision	4,041	16,808

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

Provision at start of year	16,808	20,153
Unwinding of the discount factor (interest expense)	40	204
Deficit contribution paid	(3,953)	(3,838)
Remeasurements - impact of any change in assumptions	(46)	289
Remeasurements - amendments to the contribution schedule	(8,808)	-
	<u>(12,767)</u>	<u>(3,345)</u>
Provision at end of year	<u>4,041</u>	<u>16,808</u>

IMPACT ON STATEMENT OF FINANCIAL ACTIVITIES

Interest expense	40	204
Remeasurements - impact of any change in assumptions	(46)	289
Remeasurements - amendments to the contribution schedule	(8,808)	-
Contributions paid in respect of future service*	3,664	4,402
Costs recognised in income and expenditure account	Note 7	42,967
		3,838

*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

ASSUMPTION	31 December	Combined	2020	2019
Rate of discount	1.18%	0.27%	1.13%	

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The Parish Church of St John-at-Hampstead

Note 22 Grants and donations to charities	2021 Unrestricted	2021 Restricted	2021 Combined	2020 Combined	2020 £
Church Overseas- Missionary Societies					
ALMA	1,800	-		1,800	
Embrace the Middle East	1,800			1,800	
US. unrestricted	1,800	-		1,800	
	<u>5,400</u>	<u>-</u>	<u>5,400</u>		<u>5,400</u>
Overseas- Relief & Development Agencies					
Asra Hawariat School	1,000	-		1,000	
Bethlehem Arab Society for Rehabilitation	1,000	-		1,000	
Practical Action	1,000	-		1,000	
Island Hospice Zimbabwe	1,000	-		1,000	
Send a Cow	-	975		715	
Sightsavers	1,000	-		1,000	
Christian Aid	2,000	-		2,000	
	<u>7,000</u>	<u>975</u>	<u>7,975</u>		<u>7,715</u>
UK Missions and other Church organisations					
Bishop of Edmonton's Discretionary Fund	-	695		-	
Bishop of London's Lent Appeal	-	919		-	
Caris HarIngey	2,000	156		4,489	
Church of England's Children Society	2,000	862		2,641	
Caris Camden/Caris Families	2,000	-		2,688	
London Churches Refugee Fund	2,000	-		2,000	
C4WS	-	63		31	
PSALM	600	-		600	
	<u>8,600</u>	<u>2,695</u>	<u>11,295</u>		<u>12,449</u>
Hampstead Parochial School	1,000	-	1,000	1,000	1,000
Relief of Poverty (John Cooling Fund)		450	450	550	550
Secular charities					
Citizens UK	-	-		700	
Marie Curie	-	209		-	
Solace	-	-		640	
Soldiers Sailors & Airmen's Families Assn	-	735		-	
Age UK (Camden)	-	-		1,500	
Traidcraft Foundation	-	465		600	
XLP	573	427		1,000	
Freedom from Torture	2,000	53		2,000	
	<u>2,573</u>	<u>1,889</u>	<u>4,462</u>		<u>6,440</u>
TOTAL	24,573	6,009	30,582		33,554

The Parish Church of St John-at-Hampstead

Note 23 Prior period comparative statement of financial activities.

Statement of Activities for year ending 31 December 2020

Income from:	General Fund £	Designated Fund £	Restricted Funds £	Endowment Funds £	Combined £
Donations and legacies	307,551	100,000	27,518	-	435,069
Other trading activities	16,519	-	6,464	-	22,983
Investments	2,127	-	1,090	51,765	54,982
	<u>326,197</u>	<u>100,000</u>	<u>35,072</u>	<u>51,765</u>	<u>513,034</u>
Expenditure on:					
Raising funds	349,648	48,786	51,613	1,043	451,090
Charitable activities	2,490	-	3,323	13,651	19,464
Total resources expended	<u>352,138</u>	<u>48,786</u>	<u>54,936</u>	<u>14,694</u>	<u>470,554</u>
Net income before gains on investments	(25,941)	51,214	(19,864)	37,071	42,480
Net Gain on investments	-	-	1,670	(5,823)	(4,153)
Net income before transfers	(25,941)	51,214	(18,194)	31,248	38,327
Transfers between funds	25,000	-	-	(25,000)	-
Net income after transfers	(941)	51,214	(18,194)	6,248	38,327
Other recognised gains/losses:					
Actuarial gain on defined benefit pension scheme	21 3,345	-	-	-	3,345
Net movement in funds	2,404	51,214	(18,194)	6,248	41,672
Reconciliation of Funds					
Total Funds brought forward	<u>16,282</u>	<u>525,821</u>	<u>91,589</u>	<u>1,414,997</u>	<u>2,048,689</u>
Total Funds carried forward	<u>18,686</u>	<u>577,035</u>	<u>73,395</u>	<u>1,421,245</u>	<u>2,090,361</u>

The Parish Church of St John-at-Hampstead

Independent examiner's report to the members of the Parochial Church Council of St John-at-Hampstead (registered charity 1129264)

I report to the PCC on my examination of the accounts of the PCC of St John-at-Hampstead for the year ended 31 December 2021.

Responsibilities and basis of report

As the members of the PCC you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

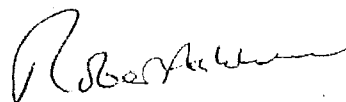
I report in respect of my examination of the PCC's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 154(5)(b) of the Act. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

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 charity as required by section 130 of the Act; or
2. the accounts do not comply 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 to enable a proper understanding of the accounts to be reached.



Robert Ashdown
Chartered Accountant
75 Brookville Road, London, SW6 7BH
21 February 2022

Accounts

THE PARISH CHURCH OF ST JOHN-AT-HAMPSTEAD

Registered Charity No 1129264

ANNUAL REPORT AND FINANCIAL STATEMENTS OF THE PAROCHIAL CHURCH COUNCIL for the year ended 31 December 2020

Vicar

The Revd Jeremy Fletcher

Churchwardens

Jenny Lupa
Martin Evans

Bankers

HSBC Bank plc
12 Hampstead High Street
London NW3 1PY

Independent Examiner

Robert Ashdown ACA
75 Brookville Road
London SW6 7BH

The Parish Church of St John-at-Hampstead

Reference and Administrative Details

Full Name: The Parochial Church Council of the Ecclesiastical Parish of St John-at-Hampstead ("the PCC").

Charity Registration Number: 1129264

Address and Website: Church Row, London NW3 6UU / www.hampsteadparishchurch.org.uk

Trustees under an Act of Parliament of 1827

Ex Officio

The Revd Jeremy Fletcher	Vicar
Martin Evans	Churchwarden
Jenny Lupa	Churchwarden
The Revd Dr Ayla Lepine	Assistant Curate (until 6 September 2020)

Membership of the PCC

Ex Officio

The Revd Jeremy Fletcher *	Vicar and PCC Chairman
Martin Evans *	Churchwarden
Jenny Lupa *	Churchwarden and PCC Vice Chairman (also an elected member)
The Revd Dr Ayla Lepine	Assistant Curate (until 6 September 2020)

As lay members of the London Diocesan Synod

Peter Ginnings	(also an elected member and an ex officio and (until 30 November 2020) elected member of the Deanery Synod)
Inigo Woolf *	Treasurer (also an ex officio member and (from 1 December 2020) elected member of the Deanery Synod and (until 20 October 2020) an elected member)

As lay members of the North Camden Deanery Synod

John Barker	
Vanessa Fitzpatrick	(also an elected member)
Angela Gardner *	Deputy Churchwarden
Rosemary Loyd	

Elected Members

Gaynor Basse-Fish	
Elizabeth Beesley	
Sarah Cheriton-Jones	(from 20 October 2020)
Jonathan Davey	
Helen Evans	
Karunesh Evans	(from 20 October 2020)
Seka Graovac	
Jean Harrison	
Andrew Penny	(until 20 October 2020)
Jon Siddall *	Deputy Churchwarden
Handley Stevens	
Nicholas Walser *	PCC Secretary
Deborah Zandstra	Safeguarding Officer

Co-opted Member

The Revd Jan Rushton	Associate Priest
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(Those marked with an asterisk * served as members of the Standing Committee for all or part of the year)

The Parish Church of St John-at-Hampstead

Background

The church of St John-at-Hampstead, commonly known as Hampstead Parish Church, was consecrated in 1747 as the latest in a series of buildings on this site, which are believed to go back to 986.

The PCC has the responsibility of co-operating with the incumbent in the task of participation in God's mission to the world, and taking counsel together for the sake of the pastoral, evangelistic, educational, social and ecumenical ministry of the church in the ecclesiastical parish which covers a large part of central Hampstead.

Aims and Objectives

Building an inclusive community of Christian love, faith, witness and action

The current Mission Action Plan for 2018-2022 was adopted in November 2018 following a comprehensive review of the church's vision, mission and strategy. The plan is kept under regular review to ensure that the church's activities remain consistent with its aims and objectives and in keeping with its headline priorities.

Our Aims

Hampstead Parish Church aims to be:

- a compassionate, open church, both locally rooted and globally connected;
- confidently sharing the good news of God, Father, Son and Holy Spirit;
- seeking justice, welcoming all, and walking alongside another in love and faith.

Our Objectives

With God's help, Hampstead Parish Church is committed to:

- growing in impact and numbers;
- offering open welcome and active invitation;
- helping people of all ages to come to and deepen faith;
- being creative and generous in offering worship, developing mission and working for justice;
- acting in partnership with others to pursue shared goals.

Our Values

In every aspect of church life Hampstead Parish Church aims to be:

- inclusive and loving;
- reflective and experimental;
- transparent and accountable;
- accessible and participative.

The PCC is committed to monitoring its activities so that these values permeate every aspect of the church's language, behaviours, meeting pattern and use of resources.

The Parish Church of St John-at-Hampstead

Achievements and Performance

The year was largely defined by the coronavirus pandemic, the impact of which was closely felt across the full range of the church's many activities. The original lockdown in early March which led to the full or partial closure of the church and its facilities for the remainder of the year - and the consequential loss or reduction in attended services, children's activities and the Spring Fair amongst others - meant that different and creative ways had to be found to respond to this extraordinary challenge. Foremost in this, starting from understandably modest beginnings, was the successful development and delivery of a wide range of online services, prayers, meetings and music which called into question how the church had managed without them previously. The collective response of many, when coupled with the magnificent response to the Vicar's appeal to fund a serious projected deficit in the General Fund, was testament to the resolve and commitment of the church community. From these difficult times many positives have emerged.

In responding to this very challenging situation, the PCC met five times during the year (as well as immediately following the re-scheduled Annual Parochial Church Meeting in October primarily for the purpose of electing the Officers and appointing the Standing Committee). Apart from the first meeting in February all meetings were held remotely by Zoom with all decisions confirmed and recorded in accordance with the applicable rules and guidance.

While a number of activities have understandably been placed on hold as a result of the ongoing pandemic, and the limitations that this has imposed, further steps have been taken where practical to deliver the PCC's headline priorities and outcomes as set out in the Mission Action Plan - and, in so doing, to learn the lessons of the pandemic. Key developments have included:

Headline Priorities

- *A Church known for Invitation, Inclusion, Outreach and Service* - the development of a significant online presence has meant that we have been able to reach a broader group as well maintaining existing links. Our determination to fulfil our commitment to the C4WS night shelter for the homeless by providing volunteers to help staff the shelter 'off site' once again illustrates the church's care for the marginalised in society.
- *New Ways for People to Worship and Grow in Faith* - a new Arts and Faith initiative combined with the continued provision online of Rosary Prayer, 'Inside Out' and the Bible Book Club, alongside regular services and daily prayers answered the needs of a captive audience. The introduction of Prayer for the Week and 'Church Chat' also helped to keep people connected.
- *Attract and Retain 20s-30s* - efforts have largely been placed on hold although the recent appointment of a young member to the PCC reflects the importance placed on this age group.
- *Support and Develop Work with Children and Young People* - the emergence of the 'Bubble Service' has proved an inspired and popular experiment in providing a different and engaging form of worship for children and their households, along with other members of the church, both online and, when circumstances permitted, in church. Although the normal participation of the Junior Choir has been impractical, the provision of remote singing lessons has compensated for this in part.
- *Ensure Facilities and Buildings facilitate the Vision and Reduce Environmental Impact* - a major project to replace and extend the external lighting of the church and churchyard evidenced our commitment to provide a safe and welcoming environment for all visitors.

The Parish Church of St John-at-Hampstead

Headline Outcomes

- *Growth in Numbers across Generations / Background* - it is not possible to make year on year comparisons but our online presence has attracted a new audience. The online 11.00 and 'Bubble' Sunday services have typically drawn Zoom attendances of 45 and 12 households respectively. Encouragingly, the number of regular givers has increased in response to an appeal to replace collection plate income 'lost' during the church closure with online giving.
- *Positive Collaborations with External Partners* - the development of new relationships has been difficult with the notable exception of the highly regarded Hampstead Collective, formed as a direct response to the pandemic and its detrimental impact on the arts and church music. We gave committed and practical support to Age UK Camden, notably through the emergency food hub operating from Henderson Court. In collaboration with Songhaven, we hosted a dementia friendly online concert for Camden Carers in December. Our existing partnerships remain valued and strong pending a return to more normal circumstances.
- *Deepening of Faith, Confidence and Understanding* - the extended provision of activities and materials online has added a further effective means of achieving this both individually and collectively.
- *Increased Working for Reconciliation, Justice and Righteousness* - we have continued our strong support of a refugee family under the Vulnerable Persons Resettlement Scheme as well enhancing our involvement with local foodbanks during these very difficult times for many. The establishment of the Racial Justice Working Party with a brief to listen to the perspectives and experiences of others, and take steps to build our awareness and understanding on matters of race or ethnicity, evidenced our commitment in this area.
- *Increased Creativity in all we do* - the pandemic showed the value of creativity which was amply demonstrated through an enhanced presence on Facebook and the launch of the church's own YouTube channel. The website was skilfully adapted to provide a range of information and news remotely during the enforced absence from church. The thought-provoking display in church to mark 'Black Lives Matter' was another powerful illustration.
- *A Culture of Compassion, Generosity, Invitation and Hospitality* - the pandemic meant that we could not extend our customary invitation to the community to use the church's facilities although we continued to host local support groups within government guidelines and, through the commendable efforts of volunteers, the church was opened daily for private prayer after the initial full lockdown. The church's well-established financial commitment to support selected local, national and international charitable activities remained undiminished.

Future Plans

The Mission Action Plan remains at the heart of the church's future plans and the main priorities unchanged. The pace at which further progress is made in delivering these priorities is closely aligned to how soon and how well we are able to adapt to, and learn from, the impact of the pandemic. Many of the key actions identified previously remain apposite:

- reviewing the nature and content of our services in the light of the pandemic so that they offer an appropriate range of opportunities for worship and growth in faith, including online participation.
- building on our work in providing pastoral care, recognising in particular the needs of the lonely and isolated including those most affected by the pandemic.
- deepening our relationship with Hampstead Parochial School and developing our engagement with other local schools, establishing further out of school and holiday activities.
- identifying new ways of meeting the needs of those in social housing within the parish as part of our commitment to supporting the most disadvantaged in our community.

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- further developing our social media presence including through the creation of a new website to better address the needs of all key audiences and supporters.
- agreeing the next phase of a costed and prioritised programme for the further refurbishment and upgrading of the church's facilities to accommodate present and anticipated needs.
- identifying and securing additional sources of regular income to meet recurring annual costs.

The church remains committed to continuing the rolling programme of capital projects to facilitate and enable the delivery of our full range of activities. The significant legacy income received in recent years provides a sound basis for achieving this target when combined with reserves that have been set aside for this purpose and any dedicated fundraising for specific projects. It therefore remains vital to maintain the encouraging signs of growth in planned giving in 2020 and achieve an increase in other regular income in order to cover the church's annual running costs without having to call on the church's designated reserves and legacy income.

Public Benefit

The PCC is aware of the Charity Commission's guidance on public benefit and the advancement of religion. It believes that working with the Vicar, Assistant Curate and Associate Priest for the promotion of the mission of the Church in the parish, and in the wider community, it benefits the public, in particular, by providing:

- 1) a variety of forms of public worship, pastoral care and spiritual, moral and intellectual development for the wide range of its members and for any member of the public wishing to take advantage of the services and opportunities which the church offers;
- 2) space, facilities and encouragement for educational and community activities and for recreation; and
- 3) financial, moral and practical support for numerous other charities which benefit sections of the public that are in need locally and national and international charities.

Structure, Governance and Management

Act of Parliament relating to St John-at-Hampstead

The Church building and the Churchyard are vested in the Vicar. Under an Act of Parliament of 14 June 1827 ("the Act") a group of trustees was established in whom were vested the organ, fixtures and furniture of the Church, and who have responsibility for maintaining the Church in good repair, and insuring the buildings, fixtures and furniture against damage by fire. The Act provides for the election of up to 21 trustees to serve for a period of nine years although the qualification for election as a trustee (being liable for poor relief rate) is now obsolete as is the trustees' source of funding (pew rents). The Vicar, churchwardens, and curate(s) are trustees *ex officio*. In 2013 it was decided to elect no new trustees which means that, since April 2019, the sole trustees under the Act are the Vicar, churchwardens, and any licensed assistant curate(s) *ex officio*.

The PCC

The PCC is a corporate body established by the Church of England. It operates under the Parochial Church Council Powers Measure 1956 (as amended) and the Church Representation Rules. It is also a registered charity.

The appointment of PCC members is governed by the Church Representation Rules. Membership of the PCC comprises: the licensed clergy, the two churchwardens, and lay members of the

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diocesan and deanery synods (ex officio); and 15 lay members elected by the Annual Parochial Church Meeting ("the APCM") who serve three year terms. In addition, the PCC may co-opt up to three members annually.

The churchwardens are elected annually at the meeting of Parishioners immediately preceding the APCM and, by custom, serve a maximum of four years consecutively.

Members must be communicants of sixteen years and upwards and on the electoral roll of the parish. The PCC normally meets five times a year. At the first meeting of the new PCC after the APCM an introduction is given to the responsibilities of the PCC members and the regulations which control their conduct of business.

Joint Meetings of the Trustees under the Act and the PCC

Since the responsibilities of the trustees under the Act relating to the fabric of the building overlap with those of the PCC relating to the life of the church, it has long been the custom to agree, at the first meeting of the PCC after the APCM, that the trustees under the Act and PCC members (who are themselves registered with the Charity Commission as trustees of the charity) should meet jointly.

Electoral Roll

There were 234 names on the Electoral Roll at 1 January 2020. During the calendar year three new names were added and five removed either through death or relocation. This resulted in a total Electoral Roll of 232 at 31 December 2020.

Standing Committee

As required by the Church Representation Rules, a Standing Committee is appointed annually by the PCC. It has full power to transact the business of the PCC between its meetings, subject to such directions as the PCC may give. Its function is to support the Vicar in his role as the promoter and "guardian" of the parish's Mission Action Plan and it also monitors and encourages implementation of agreed plans by the PCC's Committees and Working Parties. It meets between the full meetings of the PCC and in an emergency if necessary.

Committees and Working Parties

The PCC appoints a number of Committees and Working Parties to support and carry out the plans and programme of activities approved by the PCC:

- The *Buildings Working Party* sustains and develops our physical heritage. Its role is to ensure the good repair, safety and functioning of the church buildings.
- The *Children and Young People's Committee* supports and encourages our work with children and young people and oversees parish policy on safeguarding.
- The *Communications Working Party* helps to build community through informing members and the wider community about church activities.
- The *Finance and Fundraising Committee* reviews budgets and financial results, and promotes the link between faith and financial responsibility through a culture of giving.
- The *Pastoral Care Group* helps build an inclusive and caring community attentive to the needs of all its members. It reviews and develops the pastoral care of the congregation.
- The *Racial Justice Working Party* reflects on the perspectives and experiences of others, and takes steps to build our awareness and understanding on matters of race or ethnicity.
- The *Social Action, Charity and Outreach Working Party* focuses on our engagement with the world and community around us. It plans our charitable giving and leads our response to

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issues of social justice and social need.

- The *Discipleship, Spirituality and Worship Forum* advises the Vicar on the presentation of the liturgy and exploration of possible developments in the liturgy, pattern or style of services.

The number, remit and composition of the Committees and Working Parties is kept under regular review. Ad hoc Development and Project groups are formed as appropriate to develop proposals and to perform specific time-limited tasks.

Annual Meetings

Due to the coronavirus pandemic, the Bishop of London issued special directions for Annual Meetings held in 2020, extending the time allowed for holding these meetings up to 31 October, and permitting meetings to be held using an online platform.

At the meeting of Parishioners held by Zoom on 20 October 2020, Martin Evans and Jenny Lupa were re-elected as churchwardens. Angela Gardner and Jon Siddall were elected as deputy churchwardens.

At the Annual Parochial Church Meeting which followed, John Barker, Vanessa Fitzpatrick, Angela Gardner, Rosemary Loyd and Inigo Woolf were elected to serve a three year term as parochial representatives of the laity on the Camden Deanery Synod. Elizabeth Beesley, Sarah Cheriton-Jones, Jonathan Davey, Nesh Evans and Seka Graovac were elected as parochial representatives of the laity on the PCC for a three year term.

The Vicar paid tribute to the ministry and staff teams and the many volunteers who had contributed so much in this extraordinary year by responding so willingly and so well in meeting the many challenges created by the coronavirus pandemic. It had been a very difficult year but he was confident that the church would be stronger for the experience. He recorded his particular thanks to Andrew Penny who was standing down from the PCC after many years of dedicated service during which he had completed two separate terms as churchwarden as well as serving as PCC Secretary. Happily, he would remain active in his role as Lay Minister as well as in his capacity as Chair of C4WS, the success of which in recent years owed much to his dedicated involvement.

On behalf of the membership, Jon Siddall expressed sincere thanks to the Vicar for his extraordinary efforts in leading the church successfully and with such determination through this most difficult of years, ably supported by Julia.

Clergy, Lay Ministers and Staff Team

The Reverend Jeremy Fletcher successfully led a rather different year in the church's ministry as Vicar, fully supported by the Reverend Dr Ayla Lepine (Assistant Curate), the Reverend Jan Rushton (Associate Priest), and Handley Stevens and Andrew Penny (Lay Ministers). Ayla's appointment as Chaplain of King's College Cambridge in September not only confirmed her exceptional talents but continued a long tradition of those who have trained in Hampstead going on to important involvements elsewhere. Happily, the membership was able to express its appreciation for all that she had done at her farewell service after the re-opening of the church following the first lockdown.

The investment during 2019 in up to date office technology meant that Courtney Terwilliger, as Parish Administrator, was able to make full use of her skills and play a key role in keeping the

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church operational through the year. Maureen Smith skilfully adapted her role as Children and Youth Worker to meet the different working conditions and was instrumental in devising and delivering the new 'Bubble Service'.

The continued significant support of the Hampstead Church Music Trust meant that the PCC was able to retain the services of the professional choir under the accomplished direction of Peter Foggitt, ably supported by Geoffrey Webber as the newly-appointed Organist and Assistant Director of Music. The magnificent and ever-present contributions of the choir, both live and recorded, to the main church services provided a vital and greatly appreciated boost. Aidan Coburn's appointment as Director of the Junior Choir and Director of the Community Choir was warmly welcomed and both choirs look forward to reaping the full benefit of his expertise and infectious enthusiasm once a live presence in church is again permitted.

Financial Review

2020 was a most unusual year. The closure of the church for worship during successive lockdowns and the inability to raise income in previously normal ways was a challenge which had not been predicted in setting the budget. The PCC benefited from a successful fundraising appeal in the Autumn when parishioners generously responded to a predicted serious deficit in the General Fund.

It will be important in future years to note that 2020 was exceptional financially and is not a year to compare easily to others in terms of trends of income and expenditure.

With the benefit of a generous legacy of £100,000 from the estate of Estelle Spottiswoode, combined income for the year was £513,034 against £457,640 in 2019 and the 2019 deficit of £52,258 replaced with a surplus of £38,327 before the unwinding of part of the historic pension fund deficit.

General Unrestricted

The timing of the receipt of the £100,000 legacy was a blessing as it enabled the PCC to maintain services and ministry during lockdown with a degree of confidence. When it became apparent that closure of the building would have a significant impact on income - loss of collections at services, hire income and cancelled events totalled almost £41,000 - it was decided to invite the congregation and parishioners to give towards making good this deficit, so that the church could maintain its policy that legacy reserves are used for investment projects. For the first time the appeal was made by video and the generosity of parishioners was exceptional. This, combined with a careful trimming of expenditure and a growth in regular giving, meant that the loss of income was covered.

It was decided during lockdown to retain the services of the professional choir and move services online; continuing pastoral support and several activities for families with young children has been appreciated. There was some investment in technical equipment for recording and streaming services but, overall, costs have been managed carefully with the result that the General Fund ended the year with a net positive movement in funds of £2,404.

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Designated Unrestricted Fund

The PCC has a policy of placing legacies in a designated unrestricted fund where the funds are not going to be spent within the year of receipt.

In 2020, £100,000 was added from the estate of Estelle Spottiswoode and £48,786 was spent on redoing the external lighting. £577,035 remains in the Designated Fund of which £132,000 was set aside in prior years for repairs and £445,035 relates to legacies.

Restricted - Fabric Repair Reserve Fund

The PCC also operates a restricted fund for repairing the fabric. We were fortunate to be able to prepare the Voluntary Rate letters before lockdown in March. Income from the Rate was spent on repairs during the year and following receipt of other donations, the fund increased from £50,971 to £56,047. The donations received in 2020 will be spent in 2021.

Expendable Endowment Funds including the Parish Development Fund

The main assets of the Parish Development Fund are two properties. One is a leasehold flat in West Hampstead which was purchased some years ago to house a curate and the other is the freehold of 100 Frognal together with the leasehold of a flat there. The combined value of the two properties is £1.4m. The Flat at Frognal has been let throughout the year and £25,000 of this income has been transferred to the General Fund as a grant in support of ministry to children and young people.

During the year investments in individual shares that had been gifted to the PCC some years ago were sold and the proceeds of £20,000 were reinvested in a pooled investment fund.

Giving to Charities

The PCC gives 10% of the previous year's unrestricted income away (after deducting grants and legacies received) to charities. On this basis the PCC gave £27,468 from the unrestricted General Fund. Restricted funds were received during the year especially for the work of CARIS in Camden and Haringey including food banks. The total amount given to charities was £33,554 (£39,313 in 2019).

In addition, the PCC had been holding funds for Churches Together in Hampstead for a refugee family. Following a change in policy, Churches Together in Hampstead requested that their funds of £30,562 should be distributed to a number of charities. Within this sum, £3,773 was donated to the restricted fund that the PCC holds for its sponsorship of a refugee family. At the year end there was £12,454 in the PCC's sponsorship fund (2019: £10,407).

Cash Management

Following the receipt of a number of legacies in recent years, the PCC was holding £700k in cash in its balance sheet. Charities are advised to hold cash where they plan to spend surplus funds within five years and this is the case for Hampstead Parish Church. Prior to deployment of the reserves, funds are held on deposit with HSBC and with the Central Board of Finance of the Church of England. Interest rates have fallen to almost zero, and during the year the PCC lent £57,424 to the Trustees of Holly Bush Vale (the Vicar & Churchwardens) who have refurbished a house on the Hampstead Parochial School site for teacher accommodation. The loan is interest

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free and is being repaid from rental income over an expected five year period.

Risk Management

The PCC reviews the risk register every year and a theme in recent years has been the need to broaden the donor base. The successful fundraise in 2020 brought in some new donors as well as addressing the anticipated shortfall that had been exacerbated by the coronavirus pandemic.

Impact of Coronavirus / COVID-19

The PCC carefully considered the potential negative impact of the coronavirus on the church's financial and operational position and took appropriate steps to mitigate and limit this as far as possible. The various measures taken, including a one-off appeal to cover the resulting loss or reduction in certain regular sources of income and, in parallel, a trimming of expenditure meant that most core activities were maintained albeit mainly online. This was facilitated by a further modest investment in technology, following an earlier upgrade in 2019, which enabled links with core audiences to be maintained and demonstrated one way that the pandemic could be turned to advantage. The dedicated efforts of the cleaning and welcoming teams ensured that the church, when open, remained a place of safety and welcome. The policy of holding surplus funds mainly in cash to finance planned future projects meant that reserves, and the stability of the church's finances, have not been adversely affected. The church's position therefore remains robust.

Investment Policy

The PCC's investment objective is to preserve the real value of investments as measured by the consumer price index over a five year period.

The PCC retains investments in property and pooled investment funds to provide an asset base on which borrowings can be secured if necessary to support major improvements and renovations such as the planned complete redecoration of the church.

Each pooled investment fund manager must have a responsible investment policy which is compatible with any guidance provided by the Church of England and the Diocese of London.

Reserves Policy

The policy for the unrestricted general fund is to retain a free cash reserve in the range of £20,000 to £30,000 to ensure that there is sufficient working capital to meet expenditure as and when it is incurred without the need to make transfers from designated funds. At the end of the year the Financial Statements show that the unrestricted reserve was £18,686 (2019: £16,282) net of the deficit in the pension scheme of £16,808. Covid-19 has shown the extent to which the income of the church falls when the building is closed for three months. However, 2020 also demonstrated that parishioners are willing to offer financial support when the unexpected happens; we therefore do not propose to change this reserves policy.

Budget for 2021

The Budget for 2021 is being prepared on the basis that the church will not be able to be fully open until at least June, that normal fundraising during the first half of the year will not be

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possible, and that some fundraising will be required in Autumn 2021 once the full financial impact on the PCC's Accounts for 2021 can be quantified. The result from 2020 is a remarkable testament to the support and generosity of parishioners, but as the economic effects of the pandemic make themselves plain, the PCC is aware of the need to ensure that all expenditure is tied to mission imperatives, and that income generation is a priority.

Safeguarding

The PCC has complied with its duty under section 5 of the Safeguarding and Clergy Discipline Measure 2016 to have regard to the House of Bishops' guidance on safeguarding children and vulnerable adults.

Approved by the Parochial Church Council on 22 February 2021 and signed on its behalf by:



Jeremy Fletcher
Vicar and PCC Chairman

The Parish Church of St John-at-Hampstead

Statement of financial activities for the year ended 31 December 2020

	Notes	General Fund	Designated Fund	Restricted Funds	Endowment Funds	2020 Combined	2019 Combined
		£	£	£	£	£	£
Income from:							
Donations and legacies	3	307,551	100,000	27,518	-	435,069	348,932
Other trading activities	4	16,519	-	6,464	-	22,983	51,133
Investments	5	2,127	-	1,090	51,765	54,982	57,575
Total income		326,197	100,000	35,072	51,765	513,034	457,640
Expenditure on:							
Charitable activities	7	349,648	48,786	51,613	1,043	451,090	495,974
Raising funds	9	2,490	-	3,323	13,651	19,464	23,733
Total resources expended		352,138	48,786	54,936	14,694	470,554	519,707
Net income before gains and losses on investments		(25,941)	51,214	(19,864)	37,071	42,480	(62,067)
Gains/(Losses) on investments	14	-	-	1,670	(5,823)	(4,153)	9,809
Net income before transfers		(25,941)	51,214	(18,194)	31,248	38,327	(52,258)
Transfers between funds	12	25,000	-	-	(25,000)	-	-
Net income after transfers		(941)	51,214	(18,194)	6,248	38,327	(52,258)
Other recognised gains/losses:							
Actuarial gain/(losses) on defined benefit pension scheme	21	3,345	-	-	-	3,345	7,337
Net movement in funds		2,404	51,214	(18,194)	6,248	41,672	(44,921)
<i>Reconciliation of Funds</i>							
Total Funds brought forward		16,282	525,821	91,589	1,414,997	2,048,689	2,093,610
Total Funds carried forward		18,686	577,035	73,395	1,421,245	2,090,361	2,048,689

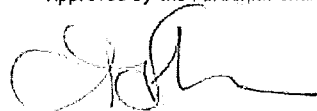
The attached notes (1 - 23) form part of these financial statements

The Parish Church of St John-at-Hampstead

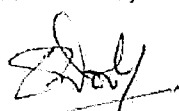
Balance Sheet at 31 December 2020

						2020	2019
	Notes	General Fund	Designated Fund	Restricted Funds	Endowment Funds	Combined	Combined
		£	£	£	£	£	£
Fixed assets							
Plant and equipment	13	-	-	2,249	-	2,249	3,374
Financial assets	14	-	-	25,957	1,423,046	1,449,003	1,453,101
Total fixed assets		-	-	28,206	1,423,046	1,451,252	1,456,475
Current assets							
Debtors							
Gift aid recoverable		3,661	-	13	-	3,674	4,802
Hollybush Vale Trustees	16	-	57,424	-	-	57,424	-
Trade debtors		639	-	-	-	639	12,669
		4,300	57,424	13	-	61,737	17,471
Cash at bank and in hand		56,147	519,611	48,886	23,199	647,843	648,996
Total current assets		60,447	577,035	48,899	23,199	709,580	666,467
Liabilities: amounts falling due within one year							
Creditors for goods and services		(5,517)	-	-	-	(5,517)	(3,707)
Clients account for 100 Frogna		-	-	(3,710)	-	(3,710)	(3,606)
Other Creditors	15	(19,436)	-	-	(25,000)	(44,436)	(46,787)
		(24,953)	-	(3,710)	(25,000)	(53,663)	(54,100)
Net current assets		35,494	577,035	45,189	(1,801)	655,917	612,367
Creditors falling due after one year							-
pension scheme liability	21	(16,808)	-	-	-	(16,808)	(20,153)
Net assets		18,686	577,035	73,395	1,421,245	2,090,361	2,048,689
Funds:							
Unrestricted General Fund		18,686				18,686	16,282
Designated for Future Repairs			577,035			577,035	525,821
Restricted Funds	17			73,395		73,395	91,589
Endowment Funds	18				1,421,245	1,421,245	1,414,997
		18,686	577,035	73,395	1,421,245	2,090,361	2,048,689

Approved by the Parochial Church Council on 22 February 2021 and signed on its behalf by:



J FLETCHER, Vicar



I R M WOOLF, Hon Treasurer

The attached notes (1 - 23) form part of these financial statements

The Parish Church of St John-at-Hampstead

Cash Flow Statement 31 December 2020

	2020		2019	
	£	£	£	£
Net cash from operating activities		1,344		(261,880)
Cash flows from investing activities				
Dividends, interest and rent from investments	54,982		57,575	
Proceeds from the sale of investments	19,945		-	
Purchase of investments	(20,000)		-	
Net cash provided by/(used in) investing activities	54,927	54,927	57,575	57,575
Cash flows from financing activities				
Loan to Trustees of Holly Bush Vale	(57,424)	(57,424)	-	-
Net cash provided by/(used in) financing activities		(57,424)	-	-
Change in cash and cash equivalents in the reporting period		(1,153)		(204,305)
Cash and cash equivalents at 1 January		648,996		853,301
Cash and cash equivalents at 31 December		647,843		648,996
Reconciliation of net income/(expenditure) before investment gains				
Net income before investment gains 31 December		42,480		(62,067)
Adjustments for:				
Depreciation charges		1,125		1,125
Dividends, interest and rent from investments		(54,982)		(57,575)
Interest paid on borrowings		-		-
Decrease/(increase) in debtors		13,158		(2,768)
(Decrease)/increase in creditors		(437)		(140,595)
Net cash provided by/(used in) operating activities		1,344		(261,880)
Analysis of cash and cash equivalents				
Cash in hand		37,668		38,516
Deposit for fixed period		200,000		400,000
Deposits less than 3 months		410,175		210,480
		647,843		648,996

The Parish Church of St John-at-Hampstead

Notes to the financial statements

Note 1: BASIS OF PREPARATION

The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006 governing the individual accounts of PCCs, and with the Regulations' "true and fair view" provisions, together with FRS102(2016) as the applicable accounting standards and the 2016 version of the Statement of Recommended Practice: Accounting and Reporting by Charities {SORP(FRS 102)}.

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets which are shown at fair value.

The Parochial Church Council (PCC) is a public benefit entity within the meaning of FRS 102.

1.2 GOING CONCERN

There are no material uncertainties related to events or conditions that cast significant doubt on the PCC's ability to continue as a going concern.

1.3 CHANGE IN ACCOUNTING POLICY

The accounts present a true and fair view and the accounting policies are as outlined in this note. There have been no changes of accounting policies in this period.

1.4 CHANGES TO ACCOUNTING ESTIMATES

There have been no changes to accounting estimates in this period.

1.5 MATERIAL PRIOR YEAR ERRORS

No material prior year errors have been identified in the reporting period.

Note 2: ACCOUNTING POLICIES

2.1 RECONCILIATION WITH PREVIOUS GENERALLY ACCEPTED ACCOUNTING POLICIES

No reconciliations with previous generally accepted accounting policies are required.

2.2 INCOME

Recognition of income

Congregational giving, donations, grants, interest, rents, dividends and other income are included in the Statement of Financial Activities (SOFA) when the PCC becomes entitled to the resources and the monetary value can be measured with sufficient reliability.

Offsetting

There has been no offsetting of assets and liabilities in the SOFA or income and expenses, unless required or permitted by the FRS 102 SORP.

Tax reclaims on donations and gifts

Gift aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid recovered on a donation is considered to be part of that gift and is credited to the same fund as the initial donation unless the donor has specified otherwise.

Legacies

Legacies are included in the SOFA when receipt is probable, that is, when there has been a grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the PCC or can be met.

Volunteer help

The value of voluntary help received is not included in the accounts but is described in the PCC's annual report.

Investment gains and losses

This includes any realized and unrealized gains or losses on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

The Parish Church of St John-at-Hampstead

2.3 EXPENDITURE AND LIABILITIES

Liability recognition

Liabilities are recognized where it is more likely than not that there is a legal or constructive obligation committing the PCC to pay out resources and the amount of the obligation can be measured with reasonable certainty.

Governance

Governance costs are charged to 'Charitable Activities'.

Redundancy costs

The PCC has made no redundancy payments during the reporting period.

Deferred income

No material item of deferred income has been included in the financial statements.

Creditors

The PCC has creditors which are measured at settlement amounts less any trade discounts.

Certain interest free loans have been provided without a repayment date and these are accounted for as being repayable on demand.

Provisions for liabilities

A liability is measured at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

2.4 ASSETS

Tangible fixed assets for use by the PCC

Consecrated and beneficed property is excluded from the accounts by s.10(2)(a) and (c) of the Charities Act 2011. Other fixed assets are capitalized if they can be used for more than one year, and cost at least £2,000.

Movable church furnishings held by the Vicar and Churchwardens on special trust for the PCC, and which require a faculty for disposal, are accounted as inalienable property unless consecrated. They are listed in the church inventory, which can be inspected. Items acquired prior to 2000 are not valued in the accounts as there is insufficient cost information available.

Financial assets

Fixed asset investments in quoted shares and pooled investment funds are valued initially at cost and subsequently at fair value (market value) at the year end. The long leasehold properties are stated at estimated fair values for investment properties.

Debtors

Debtors including trade debtors and gift aid recoverable are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the PCC. Subsequently they are measured at the cash or other consideration expected to be received.

Cash at bank

Cash at bank and in hand include deposits with the Central Board of Finance of the Church of England.

These deposits are repayable on demand. There is also a fixed term deposit of £200,000 with HSBC maturing on 3 April 2021.

2.5 FUNDS

Unrestricted Funds represent the remaining income funds of the PCC that are available for spending on the general purposes of the PCC.

The Designated Fund is an unrestricted fund which represents the amount set aside by the PCC to meet future repair liabilities; it is not regarded as part of the 'free reserves' as disclosed in the PCC's report. Income earned on the cash balances held by the Fund is recorded in the General Unrestricted Fund.

The Restricted Funds are income funds that must be spent on restricted purposes and details of the funds held and restrictions provided are set out in Note 17.

The Endowment Funds are all individual funds where there is a discretionary power to spend capital as income. Full details of the funds and their restrictions are set out in Note 18.

The Parish Church of St John-at-Hampstead

Note 3 Donations and legacies

	Notes	General Fund	Designated Funds	Restricted Funds	Endowment Funds	2020 Combined	2019 Combined
Planned giving including gift aid		176,859		-	-	176,859	131,622
Income tax recoverable		41,017		-	-	41,017	35,012
Collections: ordinary services		9,862		-	-	9,862	29,740
Collections: special services		-		1,736	-	1,736	8,754
Donations		9,712		18,446	-	28,158	16,931
Voluntary rate		-		6,336	-	6,336	8,312
Legacies	6	1,000	100,000	-	-	101,000	12,000
Social events		322		-	-	322	971
Grants received:							
Friends of the Drama	16	2,500		1,000	-	3,500	6,000
Hampstead Church Music Trust	16	52,500		-	-	52,500	62,500
Listed Places of Worship re VAT		13,779		-	-	13,779	37,090
		<u>307,551</u>	<u>100,000</u>	<u>27,518</u>	<u>-</u>	<u>435,069</u>	<u>348,932</u>

Note 4 Other trading activities

Fees for use of Church		2,920		-	-	2,920	16,002
Parish rooms		12,194		-	-	12,194	21,146
Spring fair and other events		806		557	-	1,363	8,276
Printing and books		50		-	-	50	1,431
Community choir		-		3,422	-	3,422	-
Solar Panels - Feed in Tariff		549		-	-	549	-
Traidcraft stall		-		2,485	-	2,485	4,278
		<u>16,519</u>	<u>-</u>	<u>6,464</u>	<u>-</u>	<u>22,983</u>	<u>51,133</u>

Note 5 Income from Investments

Rent Dennington Park Mansions		-		-	6,000	6,000	7,200
Rent 100 Frognal		-		-	40,526	40,526	41,424
Dividends and Interest		2,127		1,090	5,239	8,456	8,951
		<u>2,127</u>	<u>-</u>	<u>1,090</u>	<u>51,765</u>	<u>54,982</u>	<u>57,575</u>

Note 6 Legacies received

The Estate of E Spottiswoode		-	100,000	-	-	100,000	-
The Estate of E Rose		1,000		-	-	1,000	-
The Estate of M Cantril		-		-	-	-	1,000
The Estate of P Gardner		-		-	-	-	1,000
The Estate of P George		-		-	-	-	10,000
		<u>1,000</u>	<u>100,000</u>	<u>-</u>	<u>-</u>	<u>101,000</u>	<u>12,000</u>

The Parish Church of St John-at-Hampstead

Note 7 Activities relating directly to the work of the Church

		General	Designated	Restricted	Endowment	2020	2019
	Notes	Fund	Fund	Funds	Funds	Combined	Combined
Ministry: diocesan common fund		90,000		-	-	90,000	87,000
clergy expenses	10	4,943		-	-	4,943	7,544
accommodation		9,503		-	-	9,503	8,784
recruitment costs		-		-	-	-	1,663
Children & Youth Worker	11	26,400		-	-	26,400	26,606
Parish Administrator	11	26,884		-	-	26,884	20,143
Pension deficit apportionment	11	3,838		-	-	3,838	3,784
Music staff	11	30,110		-	-	30,110	29,166
Choir - adults and children		49,720		-	-	49,720	51,403
Other music costs		3,661		3,300	493	7,454	6,770
Children and Youth		1,591		-	-	1,591	3,263
Heat & light		6,827		-	-	6,827	8,073
Fabric expenditure/maintenance		13,079	48,786	8,310	-	70,175	92,954
Parish rooms		11,310		-	-	11,310	15,599
recoverable VAT on repairs		8,137		-	-	8,137	39,026
Depreciation	13	-		1,125	-	1,125	1,125
Insurance		11,306		-	-	11,306	10,506
General expenses		16,931		-	-	16,931	19,511
IT and communications		5,555		-	-	5,555	16,723
Social events		135		-	-	135	1,140
Flowers		-		587	-	587	900
Grants made	8	27,468		36,098	550	64,116	39,313
Refugee sponsorship		-		2,193	-	2,193	3,778
Independent Examination fee		2,250		-	-	2,250	1,200
		<u>349,648</u>	<u>48,786</u>	<u>51,613</u>	<u>1,043</u>	<u>451,090</u>	<u>495,974</u>

Note 8 Grants made

Church overseas:							
- missionary societies		5,400		-	-	5,400	7,478
- relief and development agencies		7,000		715	-	7,715	7,600
UK missions/other Church Societies		8,600		3,849	-	12,449	15,181
Secular charities		5,468		972	-	6,440	8,054
Churches together in Hampstead		-		30,562	-	30,562	-
Individuals for relief of poverty	18	-		-	550	550	-
Hampstead Parochial School		1,000		-	-	1,000	1,000
	22	<u>27,468</u>		<u>36,098</u>	<u>550</u>	<u>64,116</u>	<u>39,313</u>

Note 9 Expenditure on raising funds

Services, voluntary rate & events		-		2,209	-	2,209	2,179
Printing and books		2,490		-	-	2,490	4,676
Traidcraft stall		-		1,114	-	1,114	3,608
Dennington Park Mansions		-		-	1,461	1,461	285
100 Frognaal		-		-	12,190	12,190	12,985
		<u>2,490</u>		<u>3,323</u>	<u>13,651</u>	<u>19,464</u>	<u>23,733</u>

Note 10 Expenses paid to Members of the Parochial Church Council

Expenses of the Clergy, who are members of the PCC, totalling £4,943 (2019: £7,544) were reimbursed. Members of the PCC engaged in teaching in the Junior Church had their expenses reimbursed as did the Churchwardens' relevant expenses.

The Parish Church of St John-at-Hampstead

Note 11 Staff costs

The Clergy are paid by the Church Commissioners but funded by the Parish's contributions to the Common Fund. During the year the PCC employed a parish administrator, a children and youth worker and 3 part time staff.

	2020	2019
Salaries	78,666	72,109
Social Security	961	1,486
Pension costs	8,240	6,104
	<u>87,867</u>	<u>79,699</u>

No employee received employee benefits in excess of £60,000.

The PCC operates a money purchase scheme through TPT Retirement Solutions for staff.

Note 12 Transfers between funds

£25,000 relates to a grant from Parish Development Fund to the General Fund to help fund work with children and young people (2019: £25,000 grant from the Parish Development Fund to the General Fund).

Note 13 Fixed assets - equipment

	Equipment	Depreciation	Net Book Value
Assets at 1 January 2020	25,679	(22,305)	3,374
Additions	-	(1,125)	(1,125)
Assets at 31 December 2020	<u>25,679</u>	<u>(23,430)</u>	<u>2,249</u>

Note 14 Financial assets

The significance of financial investments to the PCC's financial position is set out in the PCC's annual report.

Investments at fair value:	1 January 2020	Purchases (Sales)	Investment Gains(Losses)	31 December 2020
- Restricted				
1,267 CBF Investment Fund shares	24,287	-	1,670	25,957
	<u>24,287</u>	<u>-</u>	<u>1,670</u>	<u>25,957</u>
- Endowment				
Freehold of 100 Frogna and long lease of Flat A	981,000	-	-	981,000
Long lease of Flat 10a, Dennington Park Mansions	399,500	-	-	399,500
1,267 CBF Investment Fund shares	-	20,000	1,944	21,944
2,052 Barclays Bank shares	4,608	(3,111)	(1,497)	-
12,222 AMP Ltd Ordinary shares	12,405	(10,306)	(2,099)	-
343 Janus Henderson Group shares	6,375	(6,528)	153	-
1,501 M & G Charifund units	24,926	-	(4,324)	20,602
	<u>1,428,814</u>	<u>55</u>	<u>(5,823)</u>	<u>1,423,046</u>

The freehold and long leasehold properties are valued as investment properties by Inigo Woolf FCIB, a member of the PCC, as at 31 December 2020.

Investments at cost:	1 January 2020	Purchases	Sales	31 December 2020
- Restricted				
1,267 CBF Investment Fund shares	5,909	-	-	5,909
	<u>5,909</u>	<u>-</u>	<u>-</u>	<u>5,909</u>
- Endowment				
Freehold of 100 Frogna and long lease of Flat A	784,700	-	-	784,700
Long lease of Flat 10a, Dennington Park Mansions	438,500	-	-	438,500
1,071 CBF Investment Fund shares	0	20,000	-	20,000
2,052 Barclays Bank shares	11,110	-	(11,110)	-
12,222 AMP Ltd Ordinary shares	63,789	-	(63,789)	-
343 Janus Henderson Group shares	1,603	-	(1,603)	-
1,501 M & G Charifund units	18,000	-	-	18,000
	<u>1,317,702</u>	<u>20,000</u>	<u>(76,502)</u>	<u>1,261,200</u>

The Parish Church of St John-at-Hampstead

Note 15 Creditors

Other Creditors include related party balances due to the Friends of the Drama of £11,896, Hampstead Additional Burial Ground £1,561 and a £25,000 interest free loan from Parishioners. (2019: £14,442, £1,225 and £25,000 respectively). Note 16 has further details on related parties.

Note 16 Related parties

- **Hampstead Parochial Charities (established 1617)** provides relief for the poor in the former Metropolitan Borough of Hampstead. The Trustees comprise the Vicar and Churchwardens.

- **Hampstead Additional Burial Ground (established 1810)** provides a discrete burial ground in Church Row. The Trustees comprise the Vicar, Churchwardens and up to 21 trustees who are resident in the former Metropolitan Borough of Hampstead. Collected income of £837 and paid expenses of £500 in year.

- **Trustees of Holly Bush Vale (established 1856)** provide a site and teacher accommodation for Hampstead Parochial School. The Trustees of this educational charity are the Vicar and Churchwardens. The interest free unsecured loan of £57,424 is due to be repaid through quarterly payments from rental income, with full repayment by 31 December 2026.

- **Friends of the Music, Hampstead Parish Church (established 1947)** supports the choirs and promotes non-liturgical music at Hampstead Parish Church. The Friends receive no funding from the PCC. No transactions took place during the Year.

- **Hampstead Church Music Trust (established 1975)** maintains and promotes the performance and appreciation of church music in Hampstead and in particular Hampstead Parish Church. The Trustees comprise the Vicar, up to two trustees appointed by the PCC, up to three trustees appointed by the Friends of the Music and up to four trustees appointed by the trustees themselves. At 31 December 2020 three trustees were also members of the PCC. The PCC received grants of £52,500 towards the cost of the choir (£62,500 in 2019 including £12,000 for repairs to the organ).

- **The Friends of the Drama, Hampstead Parish Church (established 1977)** seeks to promote the mission of the Church and in particular Hampstead Parish Church through the medium of drama. The Vicar & Churchwardens are ex officio members of the General Committee. The PCC received a grant of £2,500 for the General Fund (£5,000 in 2019 plus £1,000 for the Fabric Repair Reserve Fund). In addition the Friends participated in fundraising events for the Fabric Repair Reserve Fund.

Note 17 Restricted funds	Balances 1 January 2020	Income	Expenditure	Transfers	Gains on investments	Balances 31 December 2020
Fabric and Plant Reserve	50,971	15,050	(11,644)		1,670	56,047
Giving Away Fund	-	5,536	(5,536)			-
Traidcraft	-	2,485	(1,114)			1,371
Flowers	2,745	635	(587)			2,793
Refugee sponsorship	10,407	467	(2,193)	3,773		12,454
Community Choir	-	3,422	(3,300)			122
Churches Together in Hampstead	26,858	3,704	(26,789)	(3,773)		-
Donald Barnes Memorial Fund	608	-	-			608
	91,589	31,299	(51,163)	-	1,670	73,395
2019	93,590	37,976	(43,804)	-	3,827	91,589

- Fabric and Plant Reserve

The purpose of the reserve is to hold sufficient funds to meet the repair obligations placed upon the trustees of the Church by the Act of Parliament of 1827 Paragraph 51. The Voluntary Rate, donations and earmarked gifts from parishioners are the main sources of income. In addition to the restricted reserve there is an unrestricted designated repair reserve with a balance of £577,035 (2019: £525,821).

- Traidcraft

Goods purchased from Traidcraft are sold to parishioners and surplus funds are gifted to Traidcraft Exchange.

The Parish Church of St John-at-Hampstead

- Refugee Sponsorship and Churches Together in Hampstead

Support for refugees coming from the Middle East to live in North London.

- Donald Barnes Memorial Fund

Fund created in 2013 in memory of the late Revd. Donald Barnes for the purpose of holding an annual lecture at St Peter's Church, Belsize Park. The lectures are organized by the Hampstead Christian Study Centre.

Note 18 Endowment funds	Balances 1 January 2020	Income	Expenditure	(Losses)/ Gains on investments	Transfers between Funds	Balances 31 December 2020
Frances Grossfield Memorial Fund	11,453	405	(358)	(1,740)		9,760
John Cooling Fund	13,995	4,156	(550)	(2,005)		15,596
Frederick Eickhoff Memorial Fund	3,448	135	(135)	(579)		2,869
Parish Development Fund	1,386,101	47,069	(13,651)	(1,499)	(25,000)	1,393,020
	<u>1,414,997</u>	<u>51,765</u>	<u>(14,694)</u>	<u>(5,823)</u>	<u>(25,000)</u>	<u>1,421,245</u>
2019	1,397,914	54,154	(18,053)	5,982	(25,000)	1,414,997

- Frances Grossfield Memorial Fund (established 1994) encourages young musicians to participate in the choir thereby maintaining and enhancing the musical tradition of Hampstead Parish Church.

- **John Cooling Fund for relief of poverty** (established 1997) can be used by the Vicar for such charitable purposes for the relief of poverty as he, in his absolute discretion, shall think fit.

- Frederick Eickhoff Memorial Fund (established 2008) supports the training of the junior choir.

- **Parish Development Fund** (established 2000) to be used by the PCC for investment in parish projects with income generated within the Fund to be used at its discretion.

Each Fund is an Expendable Endowment as defined by the Charities Act, 2011.

Note 19 Contingent liabilities	There are no contingent liabilities (2019: nil).
Note 20 Capital commitments	Contracted by the PCC nil (2019: nil). Authorised by the PCC but not contracted nil (2019: nil)

Note 21 Pensions liability

SCHEME: TPT Retirement Solutions- The Growth Plan

The PCC participates in the scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the PCC to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the PCC is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

The Parish Church of St John-at-Hampstead

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 31 January 2025: £11.24m per annum (payable monthly and increasing by 3% on each 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the PCC has agreed to a deficit funding arrangement, the PCC recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

	31 December 2020 £	31 December 2019 £
PRESENT VALUES OF PROVISION		
Present value of provision	20,153	20,153

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

Provision at start of year	20,153	27,490
Unwinding of the discount factor (interest expense)	204	369
Deficit contribution paid	(3,838)	(3,784)
Remeasurements - impact of any change in assumptions	289	390
Remeasurements - amendments to the contribution schedule	-	(4,312)
	<u>(3,345)</u>	<u>(7,337)</u>
Provision at end of year	<u><u>16,808</u></u>	<u><u>20,153</u></u>

IMPACT ON STATEMENT OF FINANCIAL ACTIVITIES

Interest expense		204	369
Remeasurements - impact of any change in assumptions		289	390
Remeasurements - amendments to the contribution schedule		-	(4,312)
Contributions paid in respect of future service*		4,402	2,944
Costs recognised in income and expenditure account	Note 7	3,838	3,784

*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes.

ASSUMPTION	31 December	2020	2019	2018
Rate of discount		0.27%	1.13%	1.75%

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan

The Parish Church of St John-at-Hampstead

Note 22 Grants and donations to charities	2020 Unrestricted	2020 Restricted	2020 Combined	2019 Combined	2019 £
Church Overseas- Missionary Societies					
ALMA	1,800	-		3,450	
Delhi Brotherhood	-	-		628	
Embrace the Middle East	1,800			1,700	
US. unrestricted	1,800	-		1,700	
	<u>5,400</u>	<u>-</u>	<u>5,400</u>		<u>7,478</u>
Overseas- Relief & Development Agencies					
Asra Hawariat School	1,000	-		1,000	
Bethlehem Arab Society for Rehabilitation	1,000	-		1,000	
Practical Action	1,000	-		1,000	
Island Hospice Zimbabwe	1,000	-		1,000	
Send a Cow	-	715		600	
Sightsavers	1,000	-		1,000	
Christian Aid	2,000	-		2,000	
	<u>7,000</u>	<u>715</u>	<u>7,715</u>		<u>7,600</u>
UK Missions and other Church organisations					
Bishop of Edmonton's Discretionary Fund	-	-		517	
Bishop of London's Lent Appeal	-	-		2,408	
Caris Haringey	2,000	2,489		3,000	
Church of England's Children Society	2,000	641		2,531	
Caris Camden/Caris Families	2,000	688		3,920	
London Churches Refugee Fund	2,000	-		2,000	
North Camden Deanery	-	-		205	
C4WS	-	31		-	
PSALM	600	-		600	
	<u>8,600</u>	<u>3,849</u>	<u>12,449</u>		<u>15,181</u>
Hampstead Parochial School	1,000	-	1,000	1,000	1,000
Secular charities					
Citizens UK	700	-		700	
Hampstead Counselling Service	-	-		1,000	
Solace	-	640		-	
Soldiers Sailors & Airmen's Families Assn	-	-		694	
Age UK (Camden)	1,500	-		2,000	
Traidcraft Foundation	268	332		330	
XLP	1,000	-		1,000	
Freedom from Torture	2,000	-		2,330	
	<u>5,468</u>	<u>972</u>	<u>6,440</u>		<u>8,054</u>
Sub-total	<u>27,468</u>	<u>5,536</u>	<u>33,004</u>		<u>39,313</u>
Churches Together in Hampstead		30,562	30,562		
TOTAL	27,468	36,098	63,566		39,313

The Parish Church of St John-at-Hampstead

Note 23 Prior period comparative statement of financial activities.

Statement of Activities for year ending 31 December 2019

Income from:	General Fund £	Designated Fund £	Restricted Funds £	Endowment Funds £	Combined £
Donations and legacies	310,374	-	36,058	2,500	348,932
Other trading activities	50,552	-	581	-	51,133
Investments	4,584	-	1,337	51,654	57,575
	<u>365,510</u>	<u>-</u>	<u>37,976</u>	<u>54,154</u>	<u>457,640</u>
Expenditure on:					
Raising funds	390,387	59,179	41,625	4,783	495,974
Charitable activities	8,284	-	2,179	13,270	23,733
Total resources expended	<u>398,671</u>	<u>-</u>	<u>43,804</u>	<u>18,053</u>	<u>519,707</u>
Net income before gains on investments	(33,161)	-	(5,828)	36,101	(62,067)
Net Gain on investments	-	-	3,827	5,982	9,809
Net income before transfers	(33,161)	-	(2,001)	42,083	(52,258)
Transfers between funds	25,000	-	-	(25,000)	-
Net income after transfers	(8,161)	-	(2,001)	17,083	(52,258)
Other recognised gains/losses:					
Actuarial gain on defined benefit pension scheme	21 7,337	-	-	-	7,337
Net movement in funds	(824)	-	(2,001)	17,083	(44,921)
Reconciliation of Funds					
Total Funds brought forward	<u>17,106</u>	<u>585,000</u>	<u>93,590</u>	<u>1,397,914</u>	<u>2,093,610</u>
Total Funds carried forward	<u>16,282</u>	<u>585,000</u>	<u>91,589</u>	<u>1,414,997</u>	<u>2,048,689</u>

The Parish Church of St John-at-Hampstead

Independent examiner's report to the members of the Parochial Church Council of St John-at-Hampstead (registered charity 1129264)

I report to the PCC on my examination of the accounts of the PCC of St John-at-Hampstead for the year ended 31 December 2020.

Responsibilities and basis of report

As the members of the PCC you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

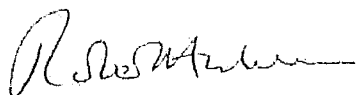
I report in respect of my examination of the PCC's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 154(5)(b) of the Act. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

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 charity as required by section 130 of the Act; or
2. the accounts do not comply 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 to enable a proper understanding of the accounts to be reached.



Robert Ashdown
Chartered Accountant
75 Brookville Road, London, SW6 7BH

22 February 2021