

THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF
ST PAUL, HAMMERSMITH

ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

REGISTERED CHARITY NUMBER 1130490

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST PAUL, HAMMERSMITH

YEAR ENDED 31 DECEMBER 2020

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THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
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REFERENCE AND ADMINISTRATIVE INFORMATION

YEAR ENDED 31 DECEMBER 2020

Principal Address

The Parochial Church Council (PCC) of the Ecclesiastical Parish of St Paul Hammersmith
St Paul's Church
Queen Caroline Street
Hammersmith
London
W6 9PJ

Members of the PCC

Vicar:	The Revd Simon Downham
Associate Vicar:	The Revd Mark Ruoff
Curate SSM:	The Revd Dr Viv Thomas

Church Wardens:	Mrs Lizzie Barker Mr David Bell
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Deanery Synod Representatives:	Mr David Lindsay Mrs Helen Parry Miss Ellie Parsons Mr Jim O'Connell Mr Stephen Richards Mrs Margaret Rogers (Retired 15 th October 2020)
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Elected Members:	Ms Margie Crouch Mr Roland Durnford-Slater Mrs Alison Evans Miss Sharon Frood Mrs Amanda Graves Mr Conrad Law Miss Laura Opara Mr Stephen West Francis Ellison (Retired 1 st October 2020) Sam Mead (Resigned 1 st October) David Salisbury (Retired 1 st October 2020) Alex Starling (Resigned 1 st October) Sara Thomas (Retired 1 st October 2020)
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YEAR ENDED 31 DECEMBER 2020

Auditors

Alexander James & Company Ltd.
Upper Deck
Admiral's Quarters
Portsmouth Road
Thames Ditton
Surrey KT7 0XA

Solicitors

Winkworth Sherwood
35 Great Peter Street
Westminster
London
SW1P 3LR

Bankers

HSBC BANK PLC UK
2nd Floor
Space One
1 Beadon Road
London
W6 0EA

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
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ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2020

The Parochial Church Council (PCC) of St Paul's Hammersmith presents its annual report and the audited financial statements for the year ended 31st December 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Parochial Church Council (PCC) of St Paul's Hammersmith is a corporate body established by the Church of England. The PCC is governed by the Parochial Church Council (Powers) Measure 1956, the Church Representation Rules and the Charities Act 2011. As legally required since 2009, the PCC is registered as a charity (Charity Number 1130490) and the PCC members are registered trustees.

Appointment of PCC members

Members of the PCC are elected by the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules. Church members are invited to nominate candidates for election to the Parochial Church Council. Instruction is given as to the nature of the role, and to relevant qualities of potential candidates. Once elected, PCC members undergo an induction process and are invited to join a working group or are assigned a particular portfolio and invited to focus on that area of the church's life.

Organisation

The PCC carries out its aims and objectives through informal conversation, formal meetings, regular prayer and the work of three Working Groups – The HR Working Groups, The Finance Working Group and the Standing Committee (which carries responsibility for governance and strategy). A draft agenda for each meeting is agreed between the Vicar, the Lay Chair and the Standing Committee and members are invited to consider whether they wish to table other items.

The PCC met six times. After an in-person meeting in January, other meetings were via Zoom. Typically, the Vicar gives a report, and an aspect of the core ministry and mission of the church is presented by the relevant team. In addition to the set business of governance, finance, human resources and property, a significant amount of business during the year focussed on the PCC's response to Covid and government regulations and recommendations affecting the ministry and mission of St Paul's. Particular attention was paid to HR, Finance, and the pivot to online services and the demands of ministry and mission in Covid conditions.

The Standing Committee met weekly and absorbed the work of the Finance Working Group. The Church Wardens, Clergy and Senior leadership Team constituted a COVID19 Response Group meeting weekly. The HR working group continued to meet, paying attention to furlough and redundancy as well as the wellbeing of continuing staff members.

The PCC has committed itself to appointing and financing a paid staff team, working alongside the clergy. An annual budget is presented to the PCC and once approved the majority of decisions relating to expenditure are delegated to the senior staff team with quarterly management accounts and financial updates being presented to the PCC.

The staff team is there to develop the ministry and mission of the Church within parameters set by the PCC, and to motivate and guide congregational members in the development of their own ministries and callings. Hundreds of congregational members are actively involved in ministries within and outside St. Paul's.

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In pursuit of its objectives, the PCC co-operates with a number of other charities and trusts related to the church.

The PCC is the sole managing trustee of the St Paul's Church Hall Fund which holds the church and St Paul's Centre buildings and one residential property privately let with the income used to fund clergy accommodation. The PCC also works closely with Insights for Life, which is a registered charity set up in 2007 with the aim of supporting family life in our community; Resurgo, a registered charity set up in 2003 which houses the SPEAR programme; the St Paul's Money Advice Centre, a registered charity which operates the Hammersmith branch of Crosslight Advice; and TLG (Transforming Lives for Good), a registered charity which partners St Paul's in the operation of TLG West London Centre – our secondary school for pupils in danger of exclusion. See relevant sections of 'Activities during the Year' below.

Risk Policy

During 2020, the Risk Management process continued to identify and document all significant risks to which St Paul's may be exposed and ensure that appropriate safeguards are in place to mitigate the impact of those risks. Risk was considered under five principal categories (Governance, Operational, Financial, Compliance and External) with items owned by named staff and PCC members. As COVID19 broke the COVID Response Group moved to managing risk on a Business Continuity and a Health and Safety basis. Church of England Risk Assessment tools were adopted and adapted for incorporation within the PCC's own Risk Analysis.

Reserve Policy

Where cash flow permits, the PCC is accumulating monthly amounts with a longer-term view to establishing a reserve 'to ensure a resilient cashflow strategy. Taking account of the projected levels of income, the diverse sources of income and the relative timing of receiving income the PCC decided, in order to be confident of being able to smooth out episodic cash flow issues, to build up a reserve of £150,000, an amount that will cover three months of salaries. The interruption of Covid made it impossible to sustain such levels of reserve and as the organization has contracted reserve levels are under review. At the financial year-end the reserves stood at £93,347. In 2021 the PCC has successfully applied for a loan of £150,000 from Triodos Bank under the terms of the Coronavirus Business Interruption Loan Scheme to support cashflow.

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Covid 19 Response & New Activities & Initiatives

- Open church for prayer spring 2020 designated days & times
- Vicar's Teatime Facebook periodical messages across the year with the first announcements going live on 17th March having 1000 view.
- Children's Citykids interactive Facebook Page
- Youth Zoom Meetings & one to in person gatherings took place outside
- Monday - Friday Morning Prayer on Facebook April - July
- Midday & Midweek Prayer Wednesday on Facebook in August
- Weekly Thursday 7:30 AM Zoom Intercessions
- Monthly 1st Thursday 7:30pm Zoom Healing Room Prayers
- WhatsApp Prayer chains set up from May to share concerns and prayer needs
- 10-day 24/7 Pentecost Prayer Chain (21st to 31st May)
- Churches Together Kingdom Come 21st May with St Dionis & St Albans Congregations
- APCM online in Zoom
- Church services offered in person when not in lockdown
- Church service held outside on the green September
- Church services streamed online from April and are still currently available online
- Kingdome Come Worship Nights held in person and streamed online October
- SALT & LIGHT Pastoral Team trained & released to make acre calls in lockdown periods
- 2 Lifegroups started up
- A forum with members of our congregation took place mid-June to consider the SPH response to racism
- With partner suppliers delivered over 5000 readymade meals
- 350 crates of fresh food to other churches, schools, and community groups.
- Word for Weapons knife bin removed over 175 knives in the last year
- 500 Bags of Blessings delivered at Christmas

Membership

Average Sunday attendance since the date due for the last APCM (April 2020 but postponed due to Covid) has been calculated by making reasonable assumptions about digital connections and accounting for registrations for in-person services. ASA is 355 including staff, children and young people (350 in 2019). The electoral roll revised online at the 15th October APCM stood at 300 (267 in 2019).

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Ministries and Activities

The House of Prayer

Where encounter is our great value and where festival, celebration, worship and prayer are our principal activities. We are a presence centred House.

Occasional offices

There were no Baptisms, confirmations or weddings in 2020. There were two funeral services in the church building with subsequent committals at Mortlake Cemetery. There were six funerals at various crematoria and cemeteries.

Sunday Services

In response to Covid the 8:30 service was moved to 9:00am and the 10:30am service to 11:00am. During the first lockdowns the 9:00am and 11:00am services were streamed on Church Online. Initially these were pre-recorded but subsequently were filmed live from the Church building. The 5:00pm services continued on Zoom with a greater emphasis on community and discipleship. Where in person services were permitted extensive Covid safe protocols were established and extensive pre-registration for track and trace purposes was initiated. In person services where capacity was limited by social distancing requirements continued to be live streamed.

Tandy Ruoff led our monthly all age services with brilliant creativity and extensive family participation – whether pre-recorded or live streamed. There were two 'youth take overs'. Covid-safe Try Church services on the green took place in the autumn.

Festivals

Christmas. The theme for 2020 was 'Light' - The Light Shines in the Darkness. Family Carols with Christingles led by Tandy Ruoff was pre-recorded and Christingle packs were distributed to 80 St Pauls children and 190 children from the church primary school. Carols by candlelight was stripped back to a chamber orchestra and choir and there were two in person services and one live streamed service. 338 people attended in person. Led by Jemimah Paine and Lu Janes. The alternative carols morphed into Christmas Pathways an immersive multimedia walk through experience drawing on all the artists and poets and musicians and creatives in the house. Over 150 were able to participate. Cat Whitaker led out a brilliant Crib Service on Christmas Eve with over 150 children and adults in attendance.

333 people attended in person worship on Christmas Day. 150 enquirers packs were given out over the period.

Easter. On Maundy Thursday 224 participated in an online Seder meal led by Simon Lissak of Chosen People Ministries. Easter Sunday saw live streamed Easter Celebrations with over 200 participants.

Pentecost. In the season between Easter and Pentecost live streamed prayers were led each day from the church. A 10-day Pentecost Prayer chain was established with a virtual prayer room with over 100 members participating.

Worship and contemplative prayer

Worship in the sense of adoration and sung prayer is expressed in our Sunday services but also in occasional events, a partnership with the David Tent Worship movement, and in our regular prayer rooms. There have been three remarkable live streamed in person Kingdom Come prayer meetings.

The worship team has over 30 core members. A production or stream team has been established.

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Morning prayer, evening prayer

COVID restriction have led to a flowering of new rhythms of prayer. Weekly Thursday morning and Thursday evening Zoom prayer meetings continued through the year with a greater number participating than ever in the recent history of the church. In April to July morning prayer was offered online via Facebook live from Monday to Friday.

Intercessory Prayer

WhatsApp prayer chains have been established. A great online Kingdom Come prayer event with St Dionis and St Albans was held in May.

Restorative Prayer

Prayer ministry and counselling finds Bethel Sozo, Freedom Prayer and Healing Prayer being offered. The Healing Rooms have been established in zoom on Thursday evenings. Over 50 members of St Pauls are actively involved in offering prayer.

School of the Spirit

Where empowerment is our great value and where community formation, ministry, pastoral care and discipleship describe our principal activities.

Lent Discipleship Initiative

Using materials from the London Institute of Contemporary Christianity and the Bible Project 120 people began a study in Exodus. This pivoted online.

Life Groups

Community and Discipleship find a core expression in and through our Life Group system. Covid has seen a renewed emphasis on these groups with new groups emerging and many not attached to groups now joining in. With nearly 25 groups and over 200 participants and some 50 leaders these mid-week groups of 10-12 but often larger are a core part of our discipleship strategy. WhatsApp groups have been established for each group as well as new patterns of meeting largely on Zoom.

Socials

Parties, fun, performing arts, feasts. Culture is built and community secured in regular social activities. St Pauls Sports and Social fields cricket teams and runs a five a side football evening when lock down releases have permitted.

Ministry Training

We seek to school our members in a rule of life with training in the gifts of the spirit – and in particular healing, prophecy and evangelism.

City Kids

We have extensive children's ministry with over 124 children under-11 registered and pre lockdown a typical Sunday attendance of almost 50 children. There are 30 dedicated volunteers. A private Facebook page was set up with weekly messages and extensive resources for families. Activity packs and written resources were distributed regularly.

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Youth

We run a younger and older youth with 76 currently registered. Lock down has been particularly difficult. Regular attendance of over 35 tailed off as kids were weary of Zoom to core of 15 young people.

Partnerships with TLG and SPEAR have continued to be fruitful. We delivered Romance Academy in William Morris and Lady Margarets. We hosted the Alpha Course for St Pauls Boys School.

We have been supporting mental health and wellbeing of all our young people.

Pastoral Care

Pastoral care provision pivoted online. Online prayer ministry and appointments in Zoom were quickly established. A telephone check-in on a rolling basis of the entire adult membership was initiated and subsequently a dedicated and trained team, Salt and Light, again covered the hole congregation with calls to provide pastoral care.

People of Blessing

Where engagement is our great value and where welcome and hospitality, evangelism, mission and partnership describe our principal activities.

Welcome

2020 saw our principal points of welcome pivot online with means of connecting with and registering newcomers available in the chat sections of our Church Online platform. We estimate there have been up to 20 people making first time connections with our online services. Leaflet drops and banners saw 5 local people respond asking for prayer and pastoral support.

When in-person services were permitted new welcome teams managed Covid safe practices and registration and pre-registration and welcome.

Bags of blessing

Partnering with the national Love Your Neighbour initiative and receiving funding from the Dr Edwards and Bishop Kings charity we were able to expand our regular Christmas Bags of Blessing Initiative. Working with St Pauls Church Primary School, Bishop Creighton House, St Vincents Care Home and The St Pauls Money Advice Centre, St Pauls members in need and families in the parish in need we were able to make and distribute over 500 bags of blessing.

Covid Community Support

Over 5000 meals have been distributed to those in need in our parish and local communities. We have provided 350 crates of fresh food and other supplies in partnership with local churches, schools and community groups. We partnered St Pauls Girls School in providing hot meals for the staff of St Vincents, the care home in our parish. Members of the church have supported NHS workers at Charing Cross hospital, delivered medicines from pharmacies to those shielding in lockdown, joined in making and distributing PPE and have acted as volunteer delivery drivers. Many have supported and volunteered with Hammersmith and Fulham Foodbank and the London Borough of Hammersmith and Fulham voluntary service groups.

Digital Poverty

We partnered St Pauls Church Primary School to raise money to acquire over 110 Chrome Books to relieve digital poverty and enable access to virtual learning. In addition in partnership with our IT Support provider, Fluid IT we repurposed 15 desktop computers for distribution to church families to enable virtual learning.

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Evangelism

The January Alpha course began in person and finished online with 8 guests completing the course. A subsequent online Alpha during lockdown 1.0 did not take off as we had hoped.

St Pauls Centre

Pre-covid we would be welcoming over 50,000 people a year with 1200 meeting room hires. We were forced by COVID to begin reimagining the mission of the Centre. In 2020 the café closed and we were forced effectively to close the Centre. New partnerships were trialled with the NHS Blood Service and various youth charities (from Word for Weapons to Wipers and Key 4 Life). We have given space to social businesses such as Recognised Jewellery as well as hosting events which bless the whole community such as the Britain's Got Talent Christmas Special. We now house the West London Welcome Centre (see below). We have worked with the London Borough of Hammersmith and Fulham to house various responses to Covid.

St Paul's Church of England Primary School

Our church primary school is a one form entry school with currently 210 children on the roll. Several members of the church serve as governors and the Vicar of St Pauls is ex officio. We host regular assemblies, run Bible Clubs, operate prayer spaces, and run regular holiday clubs. Many regular activities were suspended during Covid times. We responded to food poverty seeking to serve particularly those children and families qualifying for free school meals. There have been regular food distributions both of pre-cooked meals and basic ingredients. Over 100 bags of blessing were distributed at Christmas time. 190 Christingle packs were sent out as the school community joined in the church's online Family Carols.

The St Pauls Money Advice Centre

St. Paul's Money Advice Centre jointly operates the Hammersmith branch of Crosslight Advice – a charity which is authorized and regulated by the Financial Conduct Authority – in order to provide debt advice and money education in the Hammersmith area to clients through a mix of appointments, phone calls, emails, and letters. The Centre is run by Stephan Wiedmer (Branch Manager), supported by two part-time advisers and 43 volunteers including five daytime Case Manager.

In Spring 2020 operations switched from face-to-face appointments to phone calls, all staff and volunteers worked from home and they signed up for an electronic document signing service so clients can sign necessary documents and return them. Despite the challenges they were able to hold 1,124 appointments with 333 different clients. 234 clients accessed our support for the first time. The team achieved a financial gain for 60% of the clients. The total financial gain for clients in 2020 was £709,487 (that figure includes debt written off by creditors and insolvencies). They supported eleven clients with a DRO and four bankruptcies. The team was able to stop eviction processes for 72% of the clients with rent arrears.

The popular budget workshops were moved to be run as an online course and we had 143 participants in 2020.

SPEAR

SPEAR is an employment initiative for young people not in employment education or training. The Hammersmith and Fulham SPEAR Centre closed in May and June and pivoted online using Zoom. Since then the Centre worked with 60 young people. The Centre is in touch with 98% of those graduating 12 months ago and 71% are still in work or education.

Torch

An initiative which follows on any graduates of the SPEAR scheme to build them into community and introduce them to Christ. There are six attendees from SPEAR graduates who are part of the Torch community.

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TLG West London Education Centre

In partnership with TLG the national charity we run an alternative provision education centre with a typical roll of 12 pupils who have been excluded from mainstream provision or are in danger of being so. Although some work went online the Centre was able to remain open and support children in the most vulnerable categories. The partnership with TLG was renegotiated and the West London Centre became 'owned' by TLG the national charity. Ben Nichols continued to provide support and the church facilitated the provision of hot meals for staff and children. More recently temporary accommodation for the Centre has been provided in the St Pauls Centre.

West London Welcome Refugee and Immigrant Centre and Foodbank

St Pauls has given a new home to West London Welcome. Many St Pauls members had been volunteering and it was good to be able to partner with WLW to open a Foodbank for refugees and support the Centre by collecting food, clothing and luggage and by sorting and delivering food to refugees and immigrants housed during lockdown in small local hotels. Over 75 refugees access the centre each week. We also provide hot meals, legal advice and language lessons.

Global Vision

Our global vision group encourages the church to keep a global perspective, prays for the persecuted church, supports our Global Vision partners, and manages our external giving. We support the Cheal Family working in Stockholm with Central Asian migrants, the Magambi family running There is Hope a charity working with refugees in Malawi, and Hafvenstien family working in Nepal where Joel is the Field Director of the United Missions to Nepal. In addition we support Elke Hanssmann and her international work with OM as a leadership trainer and coach. In addition significant support has been given to The International Justice Mission (UK) and the Refugee Support Network.

Communications

A new website was launched in in October. New Facebook Communities were established. Extensive social media programmes with Facebook, Instagram and Twitter along with Live streaming on Facebook Live, YouTube and Church Online were established in the digital revolution demanded by Covid and the banning of in person meetings.

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FINANCIAL REVIEW

The financial results for the year set out on pages 18 to 35 are the consolidated results of the PCC and St Paul's Church Hall Fund, of which the PCC is the sole Managing Trustee.

With the St Pauls Centre and café closed for most of the year and the partnership with TLG renegotiated and, since the year-end, the surrender of the PCC lease of St Paul's Place the main sources of funding for the PCC in respect of the general operations of the church derive from donations made by the congregation which account for £511,576 of incoming unrestricted funds. The rest is made up of church lettings, contributions towards specific church activities/courses, the operations of the St Paul's Centre, and income generated by The TLG & West London Centre. At the financial year-end the consolidated General Funds stood at £875,054

At the year-end date, restricted funds were negative by £268,293 As more fully disclosed in Note 20 to the Financial Statements, the negative fund relates to the construction of the St Pauls Centre and arose because of a shortfall between monies collected over monies expended on the eventual completion of the extension in October 2011. The shortfall at the time was met by a generous interest-free loan of £100,000 provided by a member of the congregation (now repaid) and through commercial loans obtained from the London Diocese Fund (now repaid) and a loan from Triodos Bank.

During the year the PCC reduced the Triodos loans by £5,177

2020 saw the 20th Anniversary of the renewal of St Pauls. An intended climatic celebration and fundraising event in September 2020 was postponed. Until such time as a fundraising appeal is successfully able to be launched, it is anticipated that the remaining Triodos loan will continue to be repaid by way of general giving, committed pledges and operating surpluses transferred from the General Fund in future years. The PCC is confident that it will be able to meet its commitment to service the loan as the repayments fall due.

The Triodos loan is secured on the property situated in Rannoch Road in Hammersmith, London which belongs to St Paul's Church Hall Fund and forms part of its Endowment Fund. The Endowment Fund as at the year- end date represents the estimated fair value of the property as at 27th January 2021

The PCC continues to manage the resources of the church primarily through the use of an annual budget covering each area of the church's ministry. The application of all resources held within the General Fund is determined by the PCC and senior staff. The 2020 budget objectives were reworked as the year unfolded and in light of the impact of Covid 19.

The PCC received a legacy of £10,000 from the estate of a long-standing St Paul's member Ms Sandy True who sadly died from lung cancer in May 2020.

The Covid 19 crisis led to a rigorous re-evaluation of the PCC's basic financial model.

Loss of income from the St Paul's Centre, hiring income from the hiring of St Paul's Church and the renegotiations of the TLG partnership, led to a renewed dependency on congregational giving. The HELP Appeal in April and May 2020 raised £118,000 in congregational donations.

Expenditure was cut through the postponement of replacing four staff leaving in the normal course, while four centre staff and one ministry team staff were made redundant. Use was made of the government furlough scheme

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Careful cashflow management saw the renegotiation of contracts (e.g. cleaning), capital repayment holidays on the Triodos loan reducing and Common Fund contributions to a cost covering basis. A successful application for a loan of £150,000 from Triodos under the UK government's Covid business interruption loan scheme was made after the balance sheet date.

FUTURE PLANS

Heaven on Hammersmith is the church's vision headline. We seek to glorify God by becoming a transforming community of hope filled disciples who deeply experience the love and presence of God and partner with Jesus to express the joy and power of His Kingdom in every area of life in the city so that Hammersmith and West London become a better place and everyone can flourish.

Covid 19 put the PCC into survival mode. Emerging plans focus on anticipating a post covid reset of the local church and its mission. Negotiations with a new café operator are advanced, the West London Refugee and Immigrant Welcome Centre and Foodbank has been given a longer-term home, new enquiries over use of the centre have been increasing.

The church anticipates a shift to even more effective disciple making strategies – seeing our members formed into likeness of Jesus is a greater priority than ever. There is a new and deeper dependency on prayer. There will be greater emphasis on community with increased resources particularly devoted to life groups:

The shift to personal renewal for social transformation, from project-led to more organic, relational and local ministries will be accelerated. Finally we will continue to negotiate our new engagement with the digital world.

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STATEMENT OF PAROCHIAL CHURCH COUNCIL MEMBERS' RESPONSIBILITIES

Charity law requires the PCC Members to prepare financial statements for each financial year that give a true and fair view of the PCC's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the PCC Members should follow best practice and:

- Select suitable accounting policies and then apply them consistently.
- Make judgments and estimates that are reasonable and prudent.
- Prepare financial statements on the going concern basis unless it is inappropriate to presume that the PCC will continue in operation.

The PCC Members are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the PCC and which enable them to ascertain the financial position of the Charity and which enable them to ensure that the financial statements comply with the Charities Act 2011 and the Church Accounting Regulations 2006. They are also responsible for safeguarding the assets of the PCC and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

In relation to the financial statements set out on pages 18 to 35:

- The Trustees approve these financial statements and confirm that they are responsible for them, including selecting the appropriate accounting policies, applying them consistently and making, on a reasonable and prudent basis, the judgments underlying them. They have been prepared on the going concern basis on the grounds that the Parochial Church Council of St Paul Hammersmith will continue in operation.
- The Trustees confirm that they have made available to the auditors, Alexander James and Co Ltd, all of the accounting records of the Parochial Church Council of St Paul Hammersmith and provided the auditors with all the information necessary for the compilation of the financial statements.
- The Trustees confirm that to the best of their knowledge and belief, the accounting records reflect all transactions of the Parochial Church Council of St Paul Hammersmith for the year ended 31st December 2020

We are immensely grateful to God for all He has done throughout the year.

Signed for and on behalf of the PCC of St Paul Hammersmith on 18 April 2021



The Reverend Simon Downham (Vicar)

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

Opinion

We have audited the financial statements of The Parochial Church Council of the Ecclesiastical Parish of St Paul, Hammersmith (the 'PCC of St Paul's Church Hammersmith') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Charity's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the PCC of St Paul's Church Hammersmith's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

Matters on which we are required to report by exception

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

- the information given in the accounts is inconsistent in any material respect with the Charity's Report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Charity's responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



Michael Morris Dobrin FCCA ACA (Senior Statutory Auditor)

for and on behalf of

Alexander James & Company Limited

Chartered Certified Accountants

Statutory Auditor

18 April 2021

Alexander James & Company Limited is eligible for appointment as auditor of the PCC of St Paul's Church Hammersmith by virtue of its eligibility as auditor of a company under section 1212 of the Companies Act 2006.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2020 £	Total 2019 £
Income from:						
Donations and legacies	3	511,576	21,782	-	533,358	515,418
Charitable activities	4	317,922	-	-	317,922	678,925
Rental income	5	126,605	-	-	126,605	115,734
Total income		956,103	21,782	-	977,885	1,310,077
Expenditure on:						
Raising funds	6	44,451	-	-	44,451	48,352
Charitable activities	7	959,176	-	-	959,176	1,266,077
Total resources expended		1,003,627	-	-	1,003,627	1,314,429
Net gains/(losses) on investments		-	-	(150,000)	(150,000)	150,000
Net (outgoing)/incoming resources before transfers		(47,524)	21,782	(150,000)	(175,742)	145,648
Gross transfers between funds		(437)	437	-	-	-
Net (expenditure)/income for the year/ Net movement in funds		(47,961)	22,219	(150,000)	(175,742)	145,648
Fund balances at 1 January 2020		141,308	(290,512)	1,200,000	1,050,796	905,148
Fund balances at 31 December 2020		93,347	(268,293)	1,050,000	875,054	1,050,796

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	11		52,143		75,815
Investment properties	12		1,050,000		1,200,000
			<u>1,102,143</u>		<u>1,275,815</u>
Current assets					
Debtors	14	22,441		60,205	
Cash at bank and in hand		140,966		95,646	
		<u>163,407</u>		<u>155,851</u>	
Creditors: amounts falling due within one year	15	111,395		96,592	
		<u>111,395</u>		<u>96,592</u>	
Net current assets			52,012		59,259
Total assets less current liabilities			1,154,155		1,335,074
Creditors: amounts falling due after more than one year	17		(279,101)		(284,278)
			<u>(279,101)</u>		<u>(284,278)</u>
Net assets			<u>875,054</u>		<u>1,050,796</u>
Capital funds					
Endowment funds			1,050,000		1,200,000
Income funds					
Restricted funds			(268,293)		(290,512)
Unrestricted funds			93,347		141,308
			<u>875,054</u>		<u>1,050,796</u>

The financial statements were approved by the Trustees and authorised for issue on 18 April 2021 and are signed on its behalf by:



The Revd Simon Downham
Trustee

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST PAUL, HAMMERSMITH**

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash absorbed by operations	23		(73,707)		(67,682)
Investing activities					
Purchase of tangible fixed assets		(2,401)		(80,735)	
Rent received		126,605		115,734	
Net cash generated from investing activities			124,204		34,999
Financing activities					
Repayment of bank loans		(5,177)		(19,950)	
Net cash used in financing activities			(5,177)		(19,950)
Net increase/(decrease) in cash and cash equivalents			45,320		(52,633)
Cash and cash equivalents at beginning of year			95,646		148,279
Cash and cash equivalents at end of year			140,966		95,646

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

The Parochial Church Council of the Ecclesiastical Parish of St Paul, Hammersmith is a corporate body established by the Church of England.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Church Representation Rules, the Parochial Church Council (Powers) Measure 1956, the PCC of St Paul's Church Hammersmith's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The PCC of St Paul's Church Hammersmith is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the PCC of St Paul's Church Hammersmith. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 December 2020 are the first financial statements of The Parochial Church Council of the Ecclesiastical Parish of St Paul, Hammersmith prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2019. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.2 Going concern

These financial statements are prepared on the going concern basis.

At the time of approving the financial statements, the Trustees have a reasonable expectation that the PCC of St Paul's Church Hammersmith has adequate resources to continue in operation existence for the foreseeable future.

Having taken suitable advice and carefully considered the financial and wider impact on the Charity of the various options and actions, the Trustees have continued to follow what they believe is an appropriate action plan.

The covid-19 crisis led to a rigorous re-evaluation of the PCC's basic financial model. Loss of income from the St Paul's Centre, loss of hiring income and the renegotiations of the TLG partnership, led to a renewed dependency on congregational giving.

Expenditure was cut through the postponement of replacing four staff, and through five centre staff and one ministry team staff being made redundant. Use was made of the government furlough scheme. Careful cashflow management saw the renegotiation of contracts for such as cleaning, and capital repayment holidays on the Triodos loan to assist cash flow. Grant funds were successfully applied for and received to support St Paul's community work. This will continue to be a strategy in applying for grants to facilitate specific community or capital projects.

Covid-19 put the PCC into survival mode. Emerging plans focus on anticipating a post-covid reset of the local church and its mission. Significant efforts are being made to identify a new cafe operator, while the West London Refugee and Immigrant Welcome Centre and Foodbank has been given a longer term home, new enquiries over use of the centre have been increasing.

A successfully application for a loan of £150,000 from Triodos Bank under the UK government's Covid business interruption loan scheme was made after the balance sheet date. This is to bolster the reserves and act as a buffer against any uncertainty over the next year. The strategy is to pay back this additional loan once the Covid situation has stabilised and it becomes unlikely there will be more lockdown and centre closures.

The Trustees are satisfied that their plan remains realistic, achievable and valid, and enables the Charity to continue as a going concern for a period of at least twelve months from the date of approval of these accounts.

The Trustees thus continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the PCC of St Paul's Church Hammersmith.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.4 Income

Income is recognised when the PCC of St Paul's Church Hammersmith is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the PCC of St Paul's Church Hammersmith has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the PCC of St Paul's Church Hammersmith has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income from investment properties and other rental income is recognised on the accruals basis.

1.5 Expenditure

Resources expended are recognised when a liability crystallises to pay funds to a third party for the supply of goods or services in pursuance of the Charity's objectives and general business.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant, equipment and machinery	At rates between 25% per annum and 33.3% per annum reducing balance basis
--------------------------------	--

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Impairment of fixed assets

At each reporting end date, the PCC of St Paul's Church Hammersmith reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.10 Financial instruments

The PCC of St Paul's Church Hammersmith has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the PCC of St Paul's Church Hammersmith's balance sheet when the PCC of St Paul's Church Hammersmith becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the PCC of St Paul's Church Hammersmith's contractual obligations expire or are discharged or cancelled.

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight-line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

In the application of the PCC of St Paul's Church Hammersmith's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

2 Critical accounting estimates and judgements

(Continued)

Key sources of estimation uncertainty

Key sources of estimation uncertainty which may have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

Investment property valuation

The Charity's investment property is stated at the estimated fair open market value based on a professional valuation as disclosed in note 13.

Legacies

Legacies are recognised on receipt or otherwise if the PCC of St Paul's Church Hammersmith has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020 £	2020 £	2020 £	2019 £	2019 £	2019 £
Donations and gifts	511,576	21,782	533,358	491,750	23,668	515,418

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

4 Income from charitable activities

	St Paul's Church	The Lighthouse Group	St Paul's Centre	One-Off Weekends & Other Events	Grants	Total	2019
	£	£	£	£	£	£	£
Income from charitable activities	34,481	127,194	74,218	2,368	79,661	317,922	678,925
Analysis by fund							
Unrestricted funds	34,481	127,194	74,218	2,368	79,661	317,922	
For the year ended 31 December 2019							
Unrestricted funds	158,600	249,889	248,618	21,818	-		678,925

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

5 Rental income

	Unrestricted funds £	Total 2020 £	Total 2019 £
Income from let properties	126,605	126,605	115,734
	<u>126,605</u>	<u>126,605</u>	<u>115,734</u>

Rental income represents £40,000 received from Resurgo Trust for its rental of St Paul's Place (2019 £40,000), £3,750 from the operators of the cafe (2019 £15,547), £10,000 from TLG for its rental of St Paul's Place and other rental income of £70,917 (2019 £60,187).

6 Raising funds

	Unrestricted funds £	Total 2020 £	Total 2019 £
Cost of renting and maintaining let properties	44,451	44,451	48,352
	<u>44,451</u>	<u>44,451</u>	<u>48,352</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

7 Expenditure on charitable activities

	St Paul's Church	The Lighthouse Group	External & Charitable Giving	St Paul's Centre	One-off Weekends & Other Events	Total	2019
	£	£	£	£	£	£	£
Church activities	513,264	100,707	5,956	-	-	619,927	850,750
Property costs and site management	74,492	20,483	-	184,614	-	279,589	355,300
	587,756	121,190	5,956	184,614	-	899,516	1,206,050
Share of support costs (see note 8)	28,181	4,589	-	16,128	-	48,898	49,265
Share of governance costs (see note 8)	10,762	-	-	-	-	10,762	10,762
	626,699	125,779	5,956	200,742	-	959,176	1,266,077
Analysis by fund							
Unrestricted funds	626,699	125,779	5,956	200,742	-	959,176	
	626,699	125,779	5,956	200,742	-	959,176	
For the year ended 31 December 2019							
Unrestricted funds	828,636	170,744	40,873	188,065	34,659	1,262,977	
Restricted funds	-	-	3,100	-	-	3,100	
	828,636	170,744	43,973	188,065	34,659	1,266,077	

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

8 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Central IT costs	32,245	-	32,245	34,353	-	34,353
Communications	250	-	250	2,078	-	2,078
Finance costs	5,732	-	5,732	1,293	-	1,293
Servicing of loans	10,671	-	10,671	11,541	-	11,541
Audit fees	-	10,762	10,762	-	10,762	10,762
	<u>48,898</u>	<u>10,762</u>	<u>59,660</u>	<u>49,265</u>	<u>10,762</u>	<u>60,027</u>
Analysed between						
Charitable activities	<u>48,898</u>	<u>10,762</u>	<u>59,660</u>	<u>49,265</u>	<u>10,762</u>	<u>60,027</u>

Explanation of basis of allocation

Central IT, communications, finance and central admin costs have been apportioned on the basis of an approximation of the staff time that was committed to organising, facilitating and managing the various activities.

The costs of servicing loans have been apportioned to the St Paul's Centre as the loans were used to facilitate the build of the centre.

Salaries relating to staff that were dedicated to a specific activity were allocated in full to that activity. The remaining general management and support staff costs were allocated in line with an approximation of the staff time that was committed in organising, facilitating and managing the various activities of the Charity.

St Paul's charitable and missional activities utilise the various owned and rented properties for office space, meetings, interviews and classrooms etc. Property costs have therefore been allocated to activities according to the space that they occupy on both a regular and ad hoc basis.

Governance costs includes amounts payable to the auditors of £10,792 (2019- £10,792) for audit fees.

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the PCC of St Paul's Church Hammersmith during the year.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
St Paul's Centre, site and facilities staff	4	5
Clergy, pastoral and ministry staff	10	11
Operations staff	4	3
TLG staff	3	5
	<u>21</u>	<u>24</u>

There were no employees whose annual remuneration was £60,000 or more.

11 Tangible fixed assets

Plant, equipment and machinery
£

Cost

At 1 January 2020

494,524

Additions

2,401

At 31 December 2020

496,925

Depreciation and impairment

At 1 January 2020

418,709

Depreciation charged in the year

26,073

At 31 December 2020

444,782

Carrying amount

At 31 December 2020

52,143

At 31 December 2019

75,815

12 Investment property

2020
£

Fair value

At 1 January 2020

1,200,000

Net gains or losses through fair value adjustments

(150,000)

At 31 December 2020

1,050,000

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

12 Investment property

(Continued)

Investment property comprises freehold residential land and buildings. The fair value of the investment property has been arrived at by the Trustees on the basis of a valuation carried out at 27th January 2021 by Marsh & Parsons Limited, a long established local real estate agent, who are not connected with the PCC of St Paul's Church Hammersmith. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

PCCs cannot own buildings and land in their own right. In compliance with the PCC (Powers) Measure Act 1956, parish property of buildings and land is vested in the London Diocesan Fund who act as the "Diocesan Authority" (custodian trustee), with the PCC acting as managing trustee. Although legal title to the property is registered in the name of the London Diocesan Fund, the London Diocesan Fund has no day-to-day control over the disposition of such custodian trusts and the PCC enjoys all rights and encumbrances as if it were the beneficial owner. Accordingly the PCC includes the value of the investment property in its own balance sheet.

13 Financial instruments	2020 £	2019 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost (debtors)	15,371	10,296
Carrying amount of financial liabilities		
Measured at amortised cost (creditors)	387,084	371,714

14 Debtors	2020 £	2019 £
Amounts falling due within one year:		
Other debtors	15,371	13,186
Prepayments and accrued income	7,070	47,019
	22,441	60,205

15 Creditors: amounts falling due within one year		2020 £	2019 £
	Notes		
Bank loans	16	20,984	20,984
Other taxation and social security		3,412	9,156
Other creditors and accruals		51,999	66,452
Dilapidations		35,000	-
		111,395	96,592

The dilapidations sum of £35,000 represents the agreed dilapidation costs arising from the decision to vacate rented premises at St Paul's Place during the year ended 31st December 2020 but due for payment after the balance sheet date.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

16 Loans and overdrafts

	2020 £	2019 £
Bank loans	300,085	305,262
Payable within one year	20,984	20,984
Payable after one year	279,101	284,278

The mortgage loan of £300,085 from Triodos Bank is secured by a fixed charge over the investment property to which it relates.

This long-term mortgage loan was drawn down in December 2011 and is contracted on a capital and interest repayment basis, originally over a term of 20 years. The interest rate on the loan is 3.25% above the Royal Bank of Scotland base rate. A short-term capital repayment holiday was agreed during the Covid pandemic and the final repayment instalment is now due on 2nd November 2032.

17 Creditors: amounts falling due after more than one year

	Notes	2020 £	2019 £
Bank loans	16	279,101	284,278

The terms of the mortgage loan are set out in the "loans and overdrafts" note above.

18 Retirement benefit schemes

The PCC of St Paul's Church Hammersmith operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the PCC of St Paul's Church Hammersmith in an independently administered fund.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

19 Endowment funds

These are endowment funds which are material to the PCC of St Paul's Church Hammersmith's activities made up as follows:

	Balance at 1 January 2019 £	Movement in funds			Balance at 1 January 2020 £	Movement in funds			Balance at 31 December 2020 £
		Incoming resources £	Resources expended £	Transfers £		Incoming resources £	Resources expended £	Transfers £	
Permanent endowments									
Land and buildings	1,050,000	-	-	-	150,000	-	-	-	1,050,000
	1,050,000	-	-	-	150,000	-	-	-	1,050,000

The endowment fund represents the long term capital funds that are required to be maintained as a permanent endowment. This fund cannot be used to make distributions that would otherwise be made out of income without the consent of the Charity Commission. The endowment fund can be expended in or towards land and buildings including community facilities in order to further the work of the Church without recoupment.

As required, the Trustees have had the assets within the endowment fund professionally revalued and these accounts record the assets at open market value at the balance sheet date as determined by the Trustees.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2019	Movement in funds			Movement in funds			Balance at 31 December 2020
	£	Incoming resources	Resources expended	Transfers	Balance at 1 January 2020	Incoming resources	Transfers	£
Extension Project (Stretch 21)	(325,212)	7,180	-	12,770	(305,262)	4,740	437	(300,085)
Specific purposes / charities	1,362	16,488	(3,100)	-	14,750	9,452	-	24,202
Sounddesk	-	-	-	-	-	7,590	-	7,590
	(323,850)	23,668	(3,100)	12,770	(290,512)	21,782	437	(268,293)

Extension Project (Stretch 21)

The deficit in relation to this fund represents the shortfall of monies expended over monies collected in relation to the building of the extension to the Church.

The PCC met the shortfall by way of medium and short term loans. The repayment of the deficit in this fund was expected to be met by way of general giving, committed pledges and operating surpluses in future years.

The Trustees have determined that in order to address the deficit on this fund in a manageable but prudent basis, the accumulated deficit will be reviewed annually and should be no more than the balance remaining on the loan owed to Triodos Bank.

This bank loan is repayable in full by instalments of capital and interest ending in November 2032 as disclosed in note 17 to these accounts.

If in any given year insufficient externally generated funds have been raised for this restricted fund to reduce the deficit to no more than the Triodos Bank loan balance at the year end date, a transfer will be made from unrestricted funds to achieve sufficient reduction of the fund deficit on an annual basis.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

20 Restricted funds

Specific purposes/charities

(Continued)

This fund represents the unexpended balance of monies collected towards specified external giving.

21 Analysis of net assets between funds

Fund balances at 31 December 2020 are represented by:

Tangible assets	Unrestricted 2020 £	Restricted 2020 £	Endowment 2020 £	Total 2020 £	Unrestricted 2019 £	Restricted 2019 £	Endowment 2019 £	Total 2019 £
Investment properties	52,143	-	-	52,143	75,815	-	-	75,815
Current assets/(liabilities)	-	-	1,050,000	1,050,000	-	-	1,200,000	1,200,000
Long term liabilities	41,204	10,808	-	52,012	65,493	(6,234)	-	59,259
	-	(279,101)	-	(279,101)	-	(284,278)	-	(284,278)
	<u>93,347</u>	<u>(268,293)</u>	<u>1,050,000</u>	<u>875,054</u>	<u>141,308</u>	<u>(290,512)</u>	<u>1,200,000</u>	<u>1,050,796</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

22 Related Party Transactions

St Paul's Church Hall Fund

St Paul's Church Hall Fund is connected to the PCC because it is required by its Trust Deed to apply funds towards the repairs and maintenance of the fixtures of St Paul's Church Hammersmith, in furthering the religious and other charitable work of the Church of England in the parish. The Trust is also permitted to apply its capital towards new church facilities.

As from 18 October 2011, following a Charity Commission order, the PCC became the sole Managing Trustee of the Fund and its assets and liabilities are consolidated with those of the PCC from that date.

Other Related Party Transactions

Simon Downham (Vicar) is also a trustee of Insights for Life, a registered charity and one that works closely with the PCC with the aim of improving family life. There were no disclosable transactions between the PCC and Insights for Life

Francis Ellison and Stephen Richards are also trustees of St Pauls Money Advice Centre, a registered charity which works closely with the PCC with the aim of providing members and the local community with hope and help with their finances and debt. There were no disclosable transactions during the year.

23	Cash generated from operations	2020 £	2019 £	
	(Deficit)/surplus for the year	(175,742)	145,648	
	Adjustments for:			
	Investment income recognised in statement of financial activities	(126,605)	(115,734)	
	Fair value gains and losses on investment properties	150,000	(150,000)	
	Depreciation and impairment of tangible fixed assets	26,073	14,915	
	Movements in working capital:			
	Decrease in debtors	37,764	43,352	
	Increase/(decrease) in creditors	14,803	(5,863)	
	Cash absorbed by operations	(73,707)	(67,682)	
24	Analysis of changes in net (debt)/funds			
		At 1 January 2020 £	Cash flows £	At 31 December 2020 £
	Cash at bank and in hand	95,646	45,320	140,966
	Loans falling due within one year	(20,984)	-	(20,984)
	Loans falling due after more than one year	(284,278)	5,177	(279,101)
		(209,616)	50,497	(159,119)