

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

ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2021

REGISTERED CHARITY NUMBER 1130490

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

YEAR ENDED 31 DECEMBER 2021

CONTENTS

	Page No.
Administrative information	2-3
Annual Report	4-14
Auditor's Report	15-17
Statement of Financial Activities	18
Balance Sheet	19
Statement of Cash Flows	20
Notes to the Financial Statements	21-37



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

REFERENCE AND ADMINISTRATIVE INFORMATION

YEAR ENDED 31 DECEMBER 2021

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 (Resignation effective 17 <sup>th</sup> April 2022)
Associate Vicar and Vicar Designate:	The Revd Pete Wynter
Associate Vicar:	The Revd Mark Ruoff
Curate SSM:	The Revd Dr Viv Thomas

Church Wardens:	Mrs Lizzie Barker Mr David Bell
-----------------	------------------------------------

Deanery Synod Representatives:	Mr Max Harris (Resigned January 2022) Mr David Lindsay (Resigned January 2022) Mrs Helen Parry (Resigned January 2021) Mrs Ellie Cullura Mr Jim O'Connell Mr Steve Richards
--------------------------------	--

Elected Members:	Ms Margie Crouch Mr Roland Durnford-Slater Mrs Alyson Evans Miss Sharron Frood Mrs Amanda Graves Ms Helen Rowlandson Mr Conrad Law Miss Laura Opara Mr Stephen West
------------------	---



**ST PAUL'S**  
HAMMERSMITH

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

REFERENCE AND ADMINISTRATIVE INFORMATION

YEAR ENDED 31 DECEMBER 2021

**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

ST PAUL, HAMMERSMITH

## ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2021

The Parochial Church Council (PCC) of St Paul's Hammersmith presents its annual report and the audited financial statements for the year ended 31<sup>st</sup> December 2021.

**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. 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 Group, 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. Until September 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 continued to focus 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 Covid regulations compliance, HR, Finance (and cashflow particularly) and the appointment of Pete Wynter and the transition of leadership.

The Standing Committee began the year meeting weekly and had absorbed the work of the Finance Working Group, and the Church Wardens, Clergy and Senior leadership Team constituted a COVID19 Response Group meeting weekly. As the year progressed the Standing Committee moved to a fortnightly and then monthly meeting. The Finance Working Group was reinstated. The HR Working Group began to meet occasionally.

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. Congregational members are actively involved in ministries within and outside St Paul's.

## THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF

ST PAUL, HAMMERSMITH

## ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2021

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 The St Paul's Money Advice Centre which operates the Crosslight Advice Centre at St Paul's. We continue to partner Resurgo in hosting the Hammersmith and Fulham Spear Centre and during the year partnered with West London Welcome Immigrant and Refugee Centre.

*Risk Policy 1*

During 2021, 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 the pandemic continued throughout the year the COVID Response Group and Standing Committee continued to manage 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. This was such an amount as to cover three months of salaries. The interruption of Covid made it impossible to sustain these levels of reserve and the PCC successfully applied for a loan of £150,000 from Triodos Bank under the terms of the Coronavirus Business Interruption Loan Scheme to support cashflow. In addition, the PCC was awarded a grant of £279,900 from the Heritage Culture Recovery Fund of which £140,000 was expressly committed to the replenishment of reserves.

The Triodos Business Interruption Loan was repaid in full on 25th February 2022.

## THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF

ST PAUL, HAMMERSMITH

## ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2021

## GENERAL

*Membership*

Average Sunday attendance since the last APCM (noted in October 2021) was 330 in-person & 24 on line including staff, children and young people. The electoral roll stands at 320 (304 in 2021).

*Communications & Creative*

Communication centred on a new website, extensive social media posting on Instagram and email updates and monthly newsletters.

*Welcome and Hospitality*

2021 saw a gradual transition from online-only services to in-person services. Welcome teams continued to manage changing COVID restrictions well. By EOY 2021 we were able to enjoy fewer restrictions and drop 'check in' and registration functions, and were happy to reintroduce food and refreshment.

Welcome T-shirts were launched and gave the team more prominence and visibility on Sundays and at events.

Newcomer connecting was rethought, with the ChurchSuite app and QR codes replacing paper connect cards, over 100 people were added to the church database in 2021.

The welcome teams across the services have 40 members

## HOUSE OF PRAYER

Festivals, Sunday Gatherings, Prayer and Worship

*Festivals**Christmas*

The 2021 theme was 'on earth peace'. Over the Advent period there were 1200 people who attended in person and over the 24<sup>th</sup> – 25<sup>th</sup> there were 282 people who attended in person services. There were 100 Enquirer Packs given out over the festive period. We hosted nine local schools with over 5500 guests attending special services and carol Concerts. A highlight was the newly introduced Carols on the Green with a Christmas Fair feel and the Church Primary School Choir. Carols by Candlelight returned with a choir and orchestra with 800 attending across two services.

Due to a rise in the Covid Omnicom variants the Crib service was cancelled.

*Easter*

Covid 19 forced a nationwide lockdown in January. Lent began with an in-person Ash Wednesday Holy Communion service with the Imposition of Ashes. Easter saw a special Good Friday Service on the green. A special parish prayer walks initiative which was launched throughout lent also focused prayer on Good Friday. Easter Day Celebrations saw 224 attendees with services also offered online.

## THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF

ST PAUL, HAMMERSMITH

## ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2021

*Pentecost*

A joint open-air service was held on the green with St Mary's West Kensington on Pentecost Sunday

*Sunday Services*

Our regular pattern of Sunday services remains 9am, 11am and 5pm. In lockdown periods the 5pm was suspended and bible studies in 1 Peter took place until April. The 5pm relaunched in person from 11<sup>th</sup> April. Streaming was offered and initially trialled on Zoom and church online for the 9am and 11am. The chat, online giving and prayer options of church online best supported the flexibility of offering live stream or pre-recorded resulting in the year's services being available to those who were shielding, isolating or out of London during one of the lockdowns.

A highlight was the sermon series in Nehemiah – Re-build: Reviving the Church to Restore the City.

*Baptism & Confirmations*

8 infant and toddlers, 4 children & youth and 4 adults were baptised. There were no confirmations.

*Weddings & Funerals*

Due to Covid related restrictions after June 1<sup>st</sup> there were 2 weddings, 2 funerals and 1 service administered by the clergy at the crematorium.

*Worship*

2021 was a time of transition with Elijah and Eve Dobner leaving for Lee Abbey. Sam Udy arrived from Bethel Church in Redding as Worship Pastor and Jake Isaac arriving as Creative Director.

The worship and production community continues to grow post-covid, with around 30 volunteers involved. We began to schedule not just musicians and production volunteers but intercessors as part of our "team" who pray before and during our worship times.

*Prayer Life*

The prayer activities of the church were primarily in the online realm with the faithful Thursday morning hour of power prayer group on Zoom. Multiple WhatsApp prayer platforms continued into the summer of 2021.

A Prayer card was produced in Lent – calling us to pray daily and Recall, rejoice, repent, renew before the Lord. This sat alongside the online Lent Discipleship series. We received extraordinary input from visiting ministers over four consecutive weeks – helping us grow in the Life of the Spirit, Healing and the Prophetic ministry: Sandy Millar, Lizzie Barker & Uli Pflanz, Giles & Sheila Udy, Simon Braker & Wole Agbaje.

The prayer room was refreshed and repositioned into the old youth room and 'Prayer Room Nights' began in September downstairs in the Newbiggin, led by Sam, Louise Powell & Ben Graves, that has 30-40 gathering each week for worship and prayer.



## THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF

ST PAUL, HAMMERSMITH

## ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2021

We had Kingdom Come nights in August, September and November. The latter two having 60-80 in attendance. We also hosted David's Tent in October and January, for the first time since before lockdown, with over 500 in attendance at each.

Ben Graves developed a wonderful parish prayer walking initiative that ran from Lent through to the summer term, where a group of volunteers prayed over sectors of the parish for God's Kingdom to come!

The Healing Rooms online continued on the first Thursday each month. Each time the team of around 10 people were joined by 4-5 guests coming to receive healing prayer.

Mark Ruoff ran a three-week Prayer Ministry course in November with 8 people receiving training. Prayer ministry returned in person at Sunday services in the Autumn.

The Bethel Sozo team trained by Tandy Ruoff and led by Yolanda Petronelli launched with Monday night Sozo sessions online and in-person; in-person Freedom Prayer has also continued under Lizzie Barker's guidance.

## SCHOOL OF THE SPIRIT

Discipleship, Life Groups, Rising Generations and Pastoral Care

Alpha re-launched in October 2021 and we hosted 80 for the sessions which is a record number.

*Rising Generations, Children & Families*

The vision is to see the different generational groups rising up through the church from Babies to Students equipping kids to grow in faith & relationship with God, to know their identity in Christ through their Youth years, and prepared for Godly impact as they become adults.

2021 saw relaunched CityKids programmes after nearly a year and a half. (For children aged 4-11 years old) the addition of a younger age group to the CityKids programme to cater for 2-year-olds, a Bright Party at the Church during the 5pm service with over 80 children and a launch of two Stay & Play group for parents.

At the end of 2021 the volunteer team number was 35. 120 children are registered and we connect with an additional 180 children from our Church Primary School every week.

*Youth*

Covid regulations and lockdowns had a significant impact on our young people. Over 50 youth remain registered and a growing team of volunteer youth leaders who number 15. Over the year we transitioned from fully online to weekly in person gatherings for younger youth at 11:00am and older youth at 12:30pm on Sundays.

A Focus Alive Youth Event was held in coordination with St Alban's Fulham, a Friday night Youth Club and a monthly worship night launched, and the youth ran three Youth Take-overs at the 5:00pm service.

Extensive team training focussed in particular on Mental Health First Aid, Suicide Prevention and Safeguarding.

## THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF

ST PAUL, HAMMERSMITH

## ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2021

*Leadership College London*

During the autumn the PCC agreed to relaunch Leadership College London as part of the ministry of St Pauls. A small team of volunteers have been working on the relaunch, doing planning and strategy development and applying for grants. The LCL will provide multiple opportunities for discipleship within the church, and will help resource the wider church as we seek to connect and shape distinctively Christian leaders for the transformation of every sphere of society.

*Lifegroups*

Lifegroups continued to run primarily online with some in-person social gatherings up until the summer of 2021. With up to 20 groups giving key pastoral support, care and encouragement to those involved in a difficult season of Covid.

The Young Adults held an autumn weekend away with 70 attending. Lifted restrictions from covid provided the opportunity to build relationships, hold extended ministry sessions and receive dynamic teaching from Pete Wynter.

A major initiative was launched in autumn 2021 to reinvigorate the Life Groups in the church. 6 new groups have launched and all Life Group leaders receiving regular updates and opportunities for support and training. We Held 3 zoom life group evenings. By the end of the year, 200 people were involved in Life Groups with a clear aim for the future is that 100% of those who belong to SPH will be involved in Life Groups.

*Pastoral Care*

The Salt and Light Pastoral Team continued in 2021. Phone calls were resumed by the team to reach the isolated, vulnerable and those on the margins. In person visits continued and specific support by members of this lay pastors group of 10.

The clergy team met on a monthly basis to review the 'pastoral list' of sick and vulnerable and to work on how we can best pastor into their lives and situations, deploying Salt & Light where appropriate. Clergy team home visits have also continued frequently though this period.

Supporting letters and specific support has been given to assist asylum seekers and refugees who have come to Christ and been baptised either in their home countries or subsequently.

## PEOPLE OF BLESSING

## Evangelism and Mission

*Alpha*

Online Alpha courses were held in January and May with a total of 14 guests completing. October saw a relaunch of in person Alpha with 80 registered guests.

## THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF

ST PAUL, HAMMERSMITH

## ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2021

*St Paul's Money Advice Centre*

SPMAC operates the Hammersmith Crosslight Advice Centre and works to alleviate poverty through the provision of holistic, end-to-end debt advice, financial education and budgeting support.

In 2021 the Crosslight Hammersmith Centre was run by a branch manager, three part-time Debt/Case advisers and supported by around 40 volunteers, clients and their families were supported with money and debt advice through 1,066 appointments (mainly by phone but increasing in person towards the year end) of which 26 were benefits advice appointments with the rest focused on money and debt advice.

Financial gains worth £819,563 (this figure includes write-offs by creditors and insolvencies) were achieved and 12 clients successfully supported with a Debt Relief Order and 4 clients with their bankruptcy applications.

*The Spear Programme/Resurgo*

The Spear Programme works with 16–24 year-olds, supporting them into work and education. Spear Hammersmith and Fulham continued running the online delivery of the programme in 2021 through to September when we moved back to in-person delivery at St Paul's Centre.

The Spear team has undergone staff changes. In August 2021, Marthina Amarachi was appointed as our Graduate Coach and has been in role for 6 months on a year-long contract. Benji Grew also joined our team in October 2021 as our Lead Coach on a permanent contract. Hannah Ripamonti continues to manage the centre as Centre Manager.

Over 2021, Spear Hammersmith and Fulham enrolled 82 young people onto the programme, 76% of young people were EET (in Education, Employment or Training) at the year-mark, 52 of whom were residents of H&F borough.

Torch is a process which seeks to introduce SPEAR students to the Christian Faith and church. Young people were engaging each week towards the end of 2021 when we trialled running Torch in collaboration with Alpha. At the autumn Alpha there was a 'Torch table' up to 5.

*St Paul's Centre & Community*

2021 saw mass cancellations of scheduled enquiries and bookings, with a slow return in the autumn. Networks within the community have seen us expand the outreach that we have been able to provide and allowed us the chance to reach many more people and impact more lives than we have previously.

Hiring income was up £20k from 2020. A new café partner, Greenbirds, trialled the café space from June 2021 and revived the space to being open again to the public. Previous clients returned such as the BNI (Business Network International) Hammersmith Branch, Resurgo, Keys4Life and Hammersmith Council.

The St Pauls centre was increasingly busy as the SPEAR Programme returned to in person sessions, Crosslight returned in to increased in person appointments and Church Ministry activities (Alpha in the atrium, a refreshed Prayer Room, Encounter Worship in the basement, Newcomers Welcome Evenings, Women's breakfast and Leadership meetings) returned in force.

A weekly Baby Café started with a core membership of five families.

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

YEAR ENDED 31 DECEMBER 2021

The Mental health Recovery Group returned to weekly in person coffee mornings.

In the Summer, the St Paul's Centre partnered with Hammersmith Bid to host music on the green over August and welcomed local residents and workers to the events.

Bags of Blessing received a grant of £1k from Dr Edwards and Bishop Kings and £2,750 from the Love Your Neighbour initiative. This was combined with the generous donations of congregation members which resulted in the extensive reach to 300 individuals and families in need. Bags were distributed to the elderly of Bishop Creighton House, SPSP families, members of the parish and congregation and refugees linked to the WLW and refugees living in hotel accommodation. SPH linked with the #loveyourneighbour initiative for greater awareness of what the church was doing nationwide.

#### *St Paul's Primary School*

St Paul's Church of England Primary School is a one form entry primary school where several church members serve as governors. In September the school returned to in person assemblies in the church for a weekly worship experience and evangelistic message. We are recruiting volunteers to support breakfast and dinner clubs aimed at supporting children who are affected by poverty.

We were able to invite all the school children to the Bright Party in October, Family Carols & Christingle service and to Carols on the Green. The school choir performed 2 songs at the Carols on the Green which brought great joy and engagement from the local community.

#### *West London Welcome and Refugee Support*

The WLW took up residency running from St Paul's church and centre in August 2020 and departed in August 2021 as the café reopened and centre and church bookings clients returned to use the building. Whilst in residence WLW provided free weekly drop-in centre for refugees, asylum seekers and migrants and is the first of its kind in the area. It caters primarily to vulnerable displaced individuals and communities who have settled in the London Borough of Hammersmith and Fulham and neighbouring parts of the city. Up to 75 visitors access hot meals, by donated food suppliers, a Foodbank, clothing, English lessons and legal advice, all provided free by a team of 20 volunteers.

#### *Global Vision*

The Global Vision initiative seeks to is to promote interest in global issues in the congregation at St Paul's, to highlight the needs of Christians persecuted for their faith overseas, and to support St Paul's' Global Vision partners.

In addition to prayer and pastoral encouragement financial support is provided. Matt and Sveta Cheal, with four children, working among Central Asian migrants in Stockholm, Joel and Fiona Hafvenstein with two children in Nepal, where Joel is Field Director for the United Missions to Nepal; Florisa and Innocent Magambi, with three children, running a charity called There is Hope among refugees in Malawi; and Elke Hanssmann, with a travelling ministry, running coaching workshops for OM leaders in many countries.

## THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF

ST PAUL, HAMMERSMITH

## ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2021

## FINANCIAL REVIEW

The financial results for the year set out on pages 17 to 36 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 much of the year, the radically reduced capacity for the hiring out of the church building and the surrender of the PCC lease of St Pauls Place and the ending of a formal partnership with TLG, the main source of funding for the PCC in respect of the general operations of the church derived from donations made by the congregation which account for £548,645 of unrestricted funds. During the course of the year the PCC promoted a Spring Giving Initiative and an Autumn Giving Initiative. These raised £160,557 in congregational donations.

The PCC deemed it prudent to avail itself to a government backed COVID Business Interruption Loan and received through Triodos Bank a loan of £150,000. The PCC resolved to restrict the loan and only to have recourse to the funds as a matter of last resort. The loan was repaid in full after the year end on 25<sup>th</sup> February 2022.

The PCC was awarded a grant of £279,900 under COVID related Heritage Culture Recovery Scheme on 8<sup>th</sup> December 2021. £ 139,950 of the grant was received on 24<sup>th</sup> January 2022. At the year end of the consolidated General Funds stood at £268,618

At the year-end date, restricted funds were negative by £247,315. As more fully disclosed by note 21, 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 way of 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 Triodos. During the year the PCC reduced the Triodos loans by £15,835.

2021 saw the 21<sup>st</sup> Anniversary of the renewal of St Pauls. An intended climatic celebration and fundraising event in September 2021 was postponed as a consequence of ongoing COVID uncertainties. 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 the 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 3<sup>rd</sup> February 2022.

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 2021 budget objectives were reworked as the year unfolded and in light of the impact of Covid 19 and rigorous cash flow management.

## THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF

ST PAUL, HAMMERSMITH

## ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2021

## 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 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 pandemic reset of the local church and its mission.

During the course of the year Peter Wynter was appointed Associate Vicar and Vicar Designate with a view to succeeding Simon Downham as vicar of St Paul's after 17<sup>th</sup> April, 2022 when Simon's resignation takes effect. A transition process has involved building into the shifts emerging in 2021. The passionate pursuits of God's transforming presence has seen new staff recruited in the worship team and a renewed emphasis on prayer. The reappropriation of discipleship making mission has seen the new appointment of a Rising Generations Pastor and refreshment of team and vision; the relaunch of a life group system with 6 new life groups; the reworking of welcome integration pathways; the revival of the 5:00pm service; and the planned introduction and integration of the Leadership College London. The cultural recovery fund grant has enabled the recruitment of a new Receptionist and Bookings Manager and the award of an apprentice under the Kick Start Scheme has lead to the appointment of a new site assistant all to underpin the planned relaunch of St Paul's Centre as an integral part of the Church Mission Strategy.



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

YEAR ENDED 31 DECEMBER 2021

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:

- o Select suitable accounting policies and then apply them consistently.
- o Make judgments and estimates that are reasonable and prudent.
- o 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.

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 14<sup>th</sup> April 2022

The Reverend Peter Wynter (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 2021 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 2021 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

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

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

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

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



# 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.

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

Based on our understanding of the Charity and the sector, and on discussions with Parochial Church Council members and other management regarding policies and procedures relating to compliance with laws and regulations, we identified that the principal risks of non-compliance with laws and regulations related to the Charity and sector-specific regulations as well as unethical and prohibited practices, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as relevant charity regulations in the UK, and the legal and regulatory framework of Financial Reporting Standards and the Charities Act 2011. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls).

Based on this understanding we designed our audit procedures to identify non-compliance with laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified risk. These procedures included: identifying and testing journals entered on the accounting system; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and discussions with management and those charged with governance, including consideration of any known or suspected instances of non-compliance with laws and regulations and fraud; challenging assumptions and judgements made by management and those charged with governance in their significant accounting estimates; and were designed to provide reasonable assurance that the financial statements were free from fraud or material error.

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

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

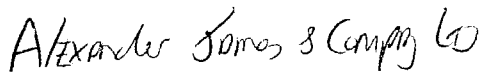
### TO THE TRUSTEES OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

---

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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

14 April 2022

**ALEXANDER JAMES & COMPANY LIMITED**

**Chartered Certified Accountants**

**Statutory Auditor**

is eligible for appointment as auditor of the PCC of St Paul's Church Hammersmith by virtue of its eligibility for appointment 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

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2021 £	Total 2020 £
<b><u>Income from:</u></b>						
Donations and legacies	3	548,645	59,403	-	608,048	533,358
Charitable activities	4	292,665	106,508	-	399,173	317,922
Investment income	5	33,302	-	-	33,302	126,605
<b>Total income</b>		<u>874,612</u>	<u>165,911</u>	<u>-</u>	<u>1,040,523</u>	<u>977,885</u>
<b><u>Expenditure on:</u></b>						
Raising funds	6	<u>1,604</u>	<u>-</u>	<u>-</u>	<u>1,604</u>	<u>44,451</u>
Charitable activities	7	<u>643,123</u>	<u>199,547</u>	<u>-</u>	<u>842,670</u>	<u>959,176</u>
<b>Total resources expended</b>		<u>644,727</u>	<u>199,547</u>	<u>-</u>	<u>844,274</u>	<u>1,003,627</u>
Net gains/(losses) on investments	11	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>50,000</u>	<u>(150,000)</u>
<b>Net incoming/(outgoing) resources before transfers</b>		<u>229,885</u>	<u>(33,636)</u>	<u>50,000</u>	<u>246,249</u>	<u>(175,742)</u>
Gross transfers between funds		<u>(10,965)</u>	<u>10,965</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		<u>218,920</u>	<u>(22,671)</u>	<u>50,000</u>	<u>246,249</u>	<u>(175,742)</u>
Fund balances at 1 January 2021		<u>49,698</u>	<u>(212,652)</u>	<u>1,050,000</u>	<u>875,054</u>	<u>1,050,796</u>
<b>Fund balances at 31 December 2021</b>		<u><u>256,626</u></u>	<u><u>(235,323)</u></u>	<u><u>1,100,000</u></u>	<u><u>1,121,303</u></u>	<u><u>875,054</u></u>

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

## BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	12		33,418		52,143
Investment properties	13		1,100,000		1,050,000
			<u>1,133,418</u>		<u>1,102,143</u>
<b>Current assets</b>					
Debtors	15	371,156		22,441	
Cash at bank and in hand		200,014		140,966	
			<u>571,170</u>		<u>163,407</u>
<b>Creditors: amounts falling due within one year</b>	17	314,870		111,395	
			<u>256,300</u>		<u>52,012</u>
<b>Net current assets</b>					
			<u>1,389,718</u>		<u>1,154,155</u>
<b>Total assets less current liabilities</b>					
<b>Creditors: amounts falling due after more than one year</b>	18		(268,415)		(279,101)
			<u>1,121,303</u>		<u>875,054</u>
<b>Net assets</b>					
<b>Capital funds</b>					
Endowment funds	20		1,100,000		1,050,000
<b>Income funds</b>					
Restricted funds	21		(235,323)		(224,644)
Unrestricted funds			256,626		49,698
			<u>1,121,303</u>		<u>875,054</u>

The financial statements were approved by the Trustees and authorised for issue on 14 April 2022 and are signed on its behalf by:

The Revd Peter Wynter  
Trustee

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

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	25		(86,880)		(73,707)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(21,539)		(2,401)	
Rent received		33,302		126,605	
<b>Net cash generated from investing activities</b>			11,763		124,204
<b>Financing activities</b>					
Repayment of bank loans		134,165		(5,177)	
<b>Net cash generated from/(used in) financing activities</b>			134,165		(5,177)
<b>Net increase in cash and cash equivalents</b>			59,048		45,320
Cash and cash equivalents at beginning of year			140,966		95,646
<b>Cash and cash equivalents at end of year</b>			200,014		140,966

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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

---

### 1 Accounting policies

#### Charity information

The Parochial Church Council of the Ecclesiastical Parish of St Paul, Hammersmith is a 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 2021 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 2020. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

#### 1.2 Going concern

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 operational existence for the foreseeable future. Thus the Trustees 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.

#### 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.

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

---

### 1 Accounting policies

(Continued)

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.

Government grants are recognised as due when there is reasonable assurance that:

- the Charity will comply with the conditions attached to the payments; and
- the grants or contributions will be received.

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 the statement of financial activities.

#### 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 2021

---

### 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 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the PCC of St Paul's Church Hammersmith is demonstrably committed to terminate the employment of an employee or to provide termination benefits.



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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 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.

#### 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
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	548,645	59,403	608,048	511,576	21,782	533,358

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 4 Income from charitable activities

	St Paul's Church	The Lighthouse Group	St Paul's Centre	One-Off Weekends & Other Events	Grants	Total	2020 £
Income from charitable activities	£ 76,968	£ -	£ 75,697	£ -	£ 246,508	£ 399,173	£ 317,922
Analysis by fund							
Unrestricted funds	76,968	-	75,697	-	140,000	292,665	
Restricted funds	-	-	-	-	106,508	106,508	
	76,968	-	75,697	-	246,508	399,173	
For the year ended 31 December 2020							
Unrestricted funds	34,481	127,194	74,218	2,368	79,661		317,922

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 5 Investment income

	Unrestricted funds £	Total 2021 £	Total 2020 £
Income from let properties	33,288	33,288	126,605
Interest receivable	14	14	-
	<u>33,302</u>	<u>33,302</u>	<u>126,605</u>

Rental income represents £nil received from Resurgo Trust for its rental of St Paul's Place (2020 £40,000), £2,569 from the operators of the cafe (2020 £3,750), £nil from TLG for its rental of St Paul's Place (2020 £10,000) and other rental income of £30,719 (2020 £70,917).

### 6 Raising funds

	Unrestricted funds £	Total 2021 £	Total 2020 £
Cost of renting and maintaining let properties	1,604	1,604	44,451
	<u>1,604</u>	<u>1,604</u>	<u>44,451</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 2021

### 7 Expenditure on charitable activities

	St Paul's Church	The Lighthouse Group	External & Charitable Giving	St Paul's Centre	Total	2020
	£	£	£	£	£	£
Church activities	430,946	62	213,044	-	644,052	619,927
Property costs and site management	74,023	-	-	59,715	133,738	279,589
	<u>504,969</u>	<u>62</u>	<u>213,044</u>	<u>59,715</u>	<u>777,790</u>	<u>899,516</u>
Share of support costs (see note 8)	44,331	-	-	13,026	57,357	48,898
Share of governance costs (see note 8)	7,523	-	-	-	7,523	10,762
	<u>556,823</u>	<u>62</u>	<u>213,044</u>	<u>72,741</u>	<u>842,670</u>	<u>959,176</u>
<b>Analysis by fund</b>						
Unrestricted funds	556,823	62	13,497	72,741	643,123	
Restricted funds	-	-	199,547	-	199,547	
	<u>556,823</u>	<u>62</u>	<u>213,044</u>	<u>72,741</u>	<u>842,670</u>	
<b>For the year ended 31 December 2020</b>						
Unrestricted funds	626,699	125,779	5,956	200,742		959,176
	<u>626,699</u>	<u>125,779</u>	<u>5,956</u>	<u>200,742</u>		<u>959,176</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 2021

### 8 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Central IT costs	32,942	-	32,942	32,245	-	32,245
Communications	3,119	-	3,119	250	-	250
Finance costs	10,975	-	10,975	5,732	-	5,732
Servicing of loans	10,321	-	10,321	10,671	-	10,671
Audit fees	-	7,523	7,523	-	10,762	10,762
	<u>57,357</u>	<u>7,523</u>	<u>64,880</u>	<u>48,898</u>	<u>10,762</u>	<u>59,660</u>
Analysed between						
Charitable activities	<u>57,357</u>	<u>7,523</u>	<u>64,880</u>	<u>48,898</u>	<u>10,762</u>	<u>59,660</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 £7,523 (2020- £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 2021

### 10 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
St Paul's Centre, site and facilities staff	1	4
Clergy, pastoral and ministry staff	6	10
Operations staff	4	4
TLG staff	-	3
Total	11	21

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

### 11 Net gains/(losses) on investments

	Total 2021 £	Total 2020 £
Revaluation of investment properties	50,000	(150,000)

The freehold land and buildings have been included in these accounts by the trustees based upon the professional open market valuation provided to them by an independent valuer, Marsh & Parsons Limited which is a long established local real estate agents with ongoing relevant experience in the location and class of the property being valued. Revaluation gains and losses are recorded in full in these accounts.

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 12 Tangible fixed assets

	Plant, equipment and machinery £
<b>Cost</b>	
At 1 January 2021	496,925
Additions	21,539
Fully depreciated assets written out	(387,948)
	<hr/>
At 31 December 2021	130,516
	<hr/>
<b>Depreciation and impairment</b>	
At 1 January 2021	444,782
Depreciation charged in the year	40,264
Fully depreciated assets written out	(387,948)
	<hr/>
At 31 December 2021	97,098
	<hr/>
<b>Carrying amount</b>	
At 31 December 2021	33,418
	<hr/>
At 31 December 2020	52,143
	<hr/>

The cost and accumulated depreciation of tangible fixed assets have been adjusted (reduced) by the same amount of £387,948 to eliminate amounts relating to assets acquired before 1st January 2016 that have now been fully written off in these accounts.

### 13 Investment property

	2021 £
<b>Fair value</b>	
At 1 January 2021	1,050,000
Net gains or losses through fair value adjustments	50,000
	<hr/>
At 31 December 2021	1,100,000
	<hr/>

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 3rd February 2022 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.

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 13 Investment property (Continued)

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.

14 Financial instruments	2021 £	2020 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost (debtors)	83,586	15,371
	<u>          </u>	<u>          </u>
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost (creditors)	576,657	387,084
	<u>          </u>	<u>          </u>

15 Debtors	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Trade debtors	77,815	-
Other debtors	5,771	15,371
Prepayments and accrued income	287,570	7,070
	<u>          </u>	<u>          </u>
	371,156	22,441
	<u>          </u>	<u>          </u>

16 Loans and overdrafts	2021 £	2020 £
Bank loans	434,250	300,085
	<u>          </u>	<u>          </u>
Payable within one year	165,835	20,984
Payable after one year	268,415	279,101
	<u>          </u>	<u>          </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 2021

### 16 Loans and overdrafts

(Continued)

The mortgage loan of £284,250 (2020 £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.

A further loan of £150,000 was arranged with Triodos Bank and drawn down in May 2021 under the Coronavirus Business Interruption Loan Scheme ("CBILS"). This new loan is repayable over 6 years, with the first 12 months' interest being covered by the central government "Business Interruption Payment" scheme. This loan is supported by the bank's existing legal charge over the investment property at Rannoch Road, and carries a fixed interest rate of 6.349%

This CBILS loan of £150,000 has been repaid in full since the year end, with the final balance paid to the bank on 25th February 2022. Accordingly it has been included in amounts falling due within one year.

### 17 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Bank loans	16	165,835	20,984
Other taxation and social security		6,628	3,412
Trade creditors		12,176	-
Other creditors and deferred income		109,160	51,999
Accruals		21,071	35,000
		<u>314,870</u>	<u>111,395</u>

Included in accruals is a sum of £nil (2020 £35,000) representing 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.

### 18 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loans	16	<u>268,415</u>	<u>279,101</u>

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

### 19 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 2021

### 20 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 2020	Movement in funds				Movement in funds				Balance at 31 December 2021	
		Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Balance at January 2021	Incoming resources	Resources expended	Transfers		Revaluations gains and losses
	£	£	£	£	£	£	£	£	£	£	
Permanent endowments											
Land and buildings	1,200,000	-	-	-	(150,000)	1,050,000	-	-	-	50,000	1,100,000
	1,200,000	-	-	-	(150,000)	1,050,000	-	-	-	50,000	1,100,000

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 2021

### 21 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:

	Movement in funds			Movement in funds			Balance at 1 January 2021	Movement in funds			Balance at 31 December 2021
	Incoming resources	Transfers	Adjustment	Incoming resources	Transfers	Adjustment		Incoming resources	Resources expended	Transfers	
	£	£	£	£	£	£	£	£	£	£	£
Extension Project (Stretch 21)	(305,262)	4,740	437	-	(300,085)	4,870	(284,250)	4,870	-	10,965	(284,250)
Specific purposes / charities	14,750	9,452	-	55,641	79,843	161,041	43,778	161,041	(197,106)	-	43,778
Sounddesk	-	7,590	-	-	7,590	-	5,149	-	(2,441)	-	5,149
	(290,512)	21,782	437	55,641	(212,652)	165,911	(235,323)	165,911	(199,547)	10,965	(235,323)

### 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 16 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 2021

21	Restricted funds	(Continued)									
	Specific purposes/charities										
	This fund represents the unexpended balance of monies collected towards specified external giving.										
22	Analysis of net assets between funds										
	Fund balances at 31 December 2021 are represented by:										
	Tangible assets	Unrestricted 2021 £	Restricted 2021 £	Endowment 2021 £	Total 2021 £	Unrestricted 2020 £	Restricted 2020 £	Endowment 2020 £	Total 2020 £		
	Investment properties	33,418	-	-	33,418	52,143	-	-	52,143		
	Current assets/(liabilities)	223,208	-	1,100,000	1,100,000	-	-	1,050,000	1,050,000		
	Long term liabilities	-	33,092	-	256,300	41,204	10,808	-	52,012		
		-	(268,415)	-	(268,415)	-	(279,101)	-	(279,101)		
		256,626	(235,323)	1,100,000	1,121,303	93,347	(268,293)	1,050,000	875,054		

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 23 Capital commitments

Malcolm Fryers Architects of 22 Highbury Grove, N5 2EF had conducted an Quinquennial Inspection survey of St Paul's Hammersmith, with inspections carried out on 10th December 2020 and 20th April 2021. The report was issued in May 2021 and concluded that the church is well maintained and generally in fair condition following the extensive internal and external repair projects in the past. However, there remain outstanding repair items which require attention, most notably in relation to the Jones Table Tomb and the churchyard railings. With regards to the repair of the tomb, these have been currently hoarded as protection, and their repair will be evaluated further in the medium term and funded via appeal or donations. With regards to the repair of the railings, this is the responsibility of the London Borough of Hammersmith & Fulham, and the council will be reminded to deal with the repair as a matter of priority. There is a plan to further prioritise, evaluate and undertake other improvement works identified over time, as aligned with the availability of funding.

### 24 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

Stephen Richards is also a trustee 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.

25 Cash generated from operations	2021 £	2020 £
Surplus/(deficit) for the year	246,249	(175,742)
Adjustments for:		
Investment income recognised in statement of financial activities	(33,302)	(126,605)
Fair value gains and losses on investment properties	(50,000)	150,000
Depreciation and impairment of tangible fixed assets	40,264	26,073
Movements in working capital:		
(Increase)/decrease in debtors	(348,715)	37,764
Increase in creditors	58,624	14,803
<b>Cash absorbed by operations</b>	<b>(86,880)</b>	<b>(73,707)</b>

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

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 26 Analysis of changes in net (debt)/funds

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	140,966	59,048	200,014
Loans falling due within one year	(20,984)	(144,851)	(165,835)
Loans falling due after more than one year	(279,101)	10,686	(268,415)
	<u>(159,119)</u>	<u>(75,117)</u>	<u>(234,236)</u>

### 27 Prior period adjustment

#### Changes to the balance sheet

	At 31 December 2020		
	As previously reported £	Adjustment £	As restated £
Capital funds			
Endowment funds	1,050,000	-	1,050,000
Income funds			
Restricted funds	(268,293)	55,641	(212,652)
Unrestricted funds	93,347	(55,641)	37,706
<b>Total equity</b>	<u>875,054</u>	<u>-</u>	<u>875,054</u>

During the prior period the Charity received grants to assist with covid impact related expenditure where those grant monies had not been fully expended prior to the balance sheet date. The proportion of those grants which remained unexpended should have been carried forward in restricted funds. A prior period adjustment has therefore been made in these accounts. During the current year that restricted grant income has been fully expended.