

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

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

CHARITY NO. 1130490

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL'S,
HAMMERSMITH
FOR THE YEAR ENDED 31 DECEMBER 2022**

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REFERENCE AND ADMINISTRATIVE INFORMATION

Charity Number

1130490

Principal & Registered Office

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:	Pete Wynter
Associate Vicar:	Andy Wooldridge
Honorary Curate:	Viv Thomas

Church Wardens:	Lizzie Barker
	David Bell

PCC Members:	Melissa Asimolowo
	Margie Crouch
	Alyson Evans
	Sharon Frood
	Amanda Graves
	Conrad Law
	Nnamdi Nwaneri
	Laura Opara
	Steve Richards
	Helen Rowlandson
	Sam Stephens
	Stephen West

Auditor

Knox Cropper LLP, 65 Leadenhall Street, London EC3A 2AD

Solicitor

Winckworth Sherwood, 35 Great Peter Street, Westminster, London SW1P 3LR

Bank

HSBC Bank Plc UK, 25 Notting Hill Gate, London W11 3JJ

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL'S,
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**ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

The Parochial Church Council (PCC) of St Paul's Hammersmith presents its annual report and the audited financial statements for the year ended 31 December 2022.

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 Finance Committee, The Safeguarding Committee and The Standing Committee which carries responsibility for governance and strategy. A draft agenda for each PCC 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 generally meets six times per year. Typically, the Vicar gives a report, and an aspect of the core ministry and mission of the church is presented by the relevant team and other important updates on Finance, Operations, HR and Safeguarding are included as items on the Agenda.

The Standing Committee generally meets on a monthly basis to make operational review and decisions. The Finance Committee generally meets three to four times per year to review financial results / budget forecasts and engage in detailed discussion on financial issues.

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 regular management accounts and financial updates being presented to the PCC. New reporting structures have been put in place, a finance policy and clear budgeting process are in place to support the team.

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

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. The PCC also works closely with The St Paul's Money Advice Centre, which operates the Crosslight Advice Centre at St Paul's. The PCC continued to partner with the Resurgo Trust in hosting the Hammersmith and Fulham Spear Centre.

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Risk Policy

During 2022, 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. Risks are considered under five principal categories (Governance, Operational, Financial, Compliance and External), with items owned by staff and PCC members. The Church of England Risk Assessment tools were adopted and adapted for incorporation within the PCC's own Risk Analysis.

Reserve Policy

Taking into account the projected levels of income, the diverse sources of income and the relative timing of receipts & payments, the PCC aims to build up an unrestricted reserve of £250,000 over time, approximating to three months of operating costs. The financial challenges arising from the Covid pandemic had significantly depleted the unrestricted reserve, but 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 subsequently awarded a grant of £279,900 from the Heritage Culture Recovery Fund in December 2021, of which £140,000 was expressly committed to the replenishment of the unrestricted reserve. This enabled the Triodos Business Interruption Loan to be repaid in full on 25th February 2022.

The unrestricted reserve balance as of 31 December 2022 was £62,990. With rental income stream returning to pre-COVID level and growing congregation number in the church services, the PCC is optimistic to make another significant inroad towards the target unrestricted reserve level in 2023.

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GENERAL

Membership

Average Sunday adult attendance since the last APCM was 370 in-person and 40 online. There was a weekly average of 75 under 18-year-olds.

The electoral roll stands at 329 (304 in 2021).

Communications & Creative

In 2022, the team worked to establish good rhythms of communication with the congregation, including:

- regular monthly emails
- printed term cards
- regular social media posting

The website was updated to include relevant and current information, which is an ongoing project to finish in 2023. Communication has been streamlined by setting up internal systems to ensure the right information was getting through to the right audiences, aiming to find a balance to avoid 'information overload' while also giving enough notice for upcoming events and ministries. An external consultant provided creative content and helped with a rebrand for the Leadership College London.

Welcome and Hospitality

2022 saw significant growth in attendance in person with steady online attendance.

Newcomer connection and integration into church life was an important focus throughout the year, with the ChurchSuite app and QR codes. People are connecting in person, online and via Alpha. Each person is encouraged to sign up to ChurchSuite as they engage with church life. Newcomers receive a welcome email, a telephone call and an invitation to the next Newcomers' event. They join the wider community who receive monthly news and have access to their own ChurchSuite user account for rotas and calendar events.

The following are some statistics of the growth:

- 226 adults were added to the church database.
- Welcome Teams have grown to 58 members.
- 8 Newcomers' Events.

Festivals, Sunday Gatherings, Prayer and Worship

Christmas

The 2022 theme was 'JOY to the World'. Over the Advent period, there were 1,349 people who attended in person. 355 people attended the services held on 24th – 25th December. There were over 200 Enquirer Packs given out over the festive period. The return of School Carol Concerts resulted in 9 local schools with over 8,000 guests attending special services and concerts. Community and congregation services and activities held include Carols on the Green, Alternative Carols, All-Age Christingle, Carols in the Pub and Carols by Candlelight. Particularly, Carols by Candlelight returned in 2022 with a full choir and orchestra, with 550 attending across two services.

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The annual Bags of Blessing campaign resulted in over 160 bags donated to the elderly at Bishop Creighton House, families at the St Pauls CE Primary School and Crosslight debt clients.

Easter

Lent began with an in-person Ash Wednesday Holy Communion and the Imposition of Ashes. Other services held during the week included the Maundy Thursday Service that led with feet washing, as well as the Good Friday All-Age Service on the Green in the morning, which was followed by Meditation and silent prayer in the afternoon. The prayer room was set aside as a reflective space for all to use during Lent. Easter Day Celebration saw 150 attendees in the morning service. Overall, there were a total of over 400 attendees during the Holy Week.

Sunday Services

The regular pattern of Sunday services saw a change at the start of October from 9:00am to 8:30am for the weekly Holy Communion service. The 11am and 5pm services remain unchanged at the same time. Online streaming continued at 11am, with Laura Opara formally recognised as Online Chaplain in October. The chat, online giving and prayer options of church online best supported those who were shielding, isolating, or connecting from around the globe -- approximately 40 continued to join each week.

Associate Vicar, Revd Andy Wooldridge, joined the team in August. Revd Rachel Wooldridge took up the post as curate. Both now lead and preach across all three congregations.

Visiting speakers during the year included Mike Pilavachi, who addressed a Leader's Lunch in June and spoke at the 11am and 5pm services. A highlight was the autumn sermon series 'Uncontainable' Building a House of Worship, including guest Speaker Chuck Parry from Bethel, California.

Baptism & Confirmations

Seven infant and toddlers, 2 children and youth and 9 adults were baptised. There were no confirmations.

Weddings & Funerals

With all former Covid restrictions lifted, there were 5 weddings, 2 funerals and 1 service administered by the clergy at the crematorium.

Worship

2022 was a year of growth for the Worship community. The team welcomed 23 new volunteers, and currently has 50 people serving regularly as part of the team and attending the monthly team nights. The launch of a weekly worship gathering, 'The Worship Room', hosted 40-50 attendees every Monday. SPH hosted 'London's Calling', a 24-hour worship and prayer event involving ten local churches. Over the last year, the team resourced 150 services or gatherings with a worship band and production - almost one every other day!

Prayer Life

The Prayer Room was reset for Lent along with a 24/7 prayer chain for 1st-6th March, with sign-ups online to cover six days of non-stop prayer for the church, the nation, and the world.

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An Encounter Night was held in September to launch the Autumn Term, with people from all generations gathering together to worship and pray for the Kingdom of God to come both locally and globally.

10 – 14 individuals continue to make up a remarkable group to pray faithfully to lift the life of the church and community to God each Thursday morning on Zoom. We are convinced that their faith-filled prayers will make a world of difference.

The revitalising of the Prayer Ministry Team was launched in November, gathering more than 100 people from the life of the church for an initial interest meeting / training. These 100 have since attended the CofE Safeguarding Training alongside some 'refresh' training. There are new protocol, structures and prayer ministry lanyards planned for 2023.

The Healing Rooms Team meet in the church building on the first Sunday of each month and continue to see God moving in miraculous ways. Testimonies of these miracles are being shared monthly within our Sunday services to encourage, inspire faith, and invite those who may need prayer. The Sozo team and Freedom Prayer offer individuals with prayer both in-person and online (via Zoom).

Farewells & Commissioning the new Vicar of Hammersmith

After 22 years of faithful service, a fitting tribute was held to honour Simon and Anna Downham on Saturday 12th March, with an evening of storying telling, music and comedy. A wall banner of history lined the north side of the church, recording activities from the erection of the church through the past 22 years since its planting from HTB. Many former members returned to celebrate the past and hope for the future. On Sunday 3rd April, Simon preached his final message and handed over to Pete Wynter. The Ruoff family who had served for 5 years set out for Devon in June and Bishop Graham Tomlin was thanked by the London clergy and South Kensington Diocese at a service co-hosted at St Paul's in July.

The collation and Induction of Pete Wynter was held on 21st June, as he was formally acknowledged as the Vicar of St Paul's Hammersmith. There were prayers for Pete, Sarah and their family, followed by a reception in the atrium.

Queen's Jubilee & Death

The Queen's Platinum Jubilee was marked by prayers at all services on Pentecost Sunday 5th June, as the nation enjoyed holiday weekend celebrations. The Queen's passing on 8th September was marked at St Paul's by a special service of mourning at 9am on the day of the state funeral.

Volunteer Thank You event

A Volunteer Thank You event was held in July with over 100 joining, as the staff team honoured and celebrated the vast contribution of these key volunteers who contribute to church life and the wider community. The silent disco was a fabulous success that was enjoyed by all.

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Discipleship, Life Groups, Rising Generations and Pastoral Care

Rising Generations, Children & Families

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

2022 saw a steady increase in attendance at all CityKids programmes (for children aged 5-11 years old) and the emergence of a Sunday Group for pre-schoolers. The Bright Party took place after school with over 100 children. On a weekly basis, 10 attended the Stay & Play for infants, toddlers, and their parents. Highlights included children praying for healing for each other in CityKids groups, and worship returning to the Sunday sessions.

At the end of 2022, the volunteer team number was 35. 120 children are registered, and weekly school assemblies connect with an additional 180 children from the St. Paul's CE Primary School. Highlights included 1 child being healed at an assembly and 2 children enquiring about getting baptised.

Youth

Emerging from COVID restrictions provided face-to-face opportunities in 2022. A Friday night Youth gathering started. Over 50 youths are now registered and there is a growing team of 17 volunteer youth leaders. During the year, arrangements have transitioned for the youths to initially join worship at the 11am service before gathering in their own groups. Youth Take-overs at the 5:00pm service took place in the spring term. Over 100 youths attended many events and services during the year.

Special summer holiday activities in August included different weekly outings of games in the park, visit to the Oxygen trampoline centre, a pizza movie night, and a trip to Go Ape with up to 16 youth attending each week.

Life Groups

There are more than 25 Life Groups gathering across West-London, offering pastoral support, discipleship, and community for the St. Paul's congregation. Most of these take place in people's homes, one within the church, and some meeting online to support those who are less able to gather in-person.

The 'Life Group Central' gathering in the church building has been particularly fruitful in helping new people to find community. There will also be Life Groups ready to launch out of this group in 2023.

An emerging 'Gap' Year group was started for Gen Z, which takes place before the 5pm service every week. About 15 gather each week with non-church friends joining in.

As well as our termly Leaders Advance lunch gatherings to connect and grow together in leadership, zoom meetings have taken place to upskill and encourage one another in the role of Life Group Leaders.

Increased support has been given to Life Group Leaders both in material (through a new website) and in the establishing of 'Life Group Chaplains' who are available to pray, support and advise Life Groups leaders.

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Discipleship

The Lent Discipleship Series ran for four consecutive weeks in March. The evenings were attended by over 80 people, with a choice of three streams being offered:

- Bible Study
- Spiritual Disciplines
- Worship

Two men's gatherings were held, with Paul Manwaring addressing a men's breakfast hosting 75 in February and an autumn curry night when 40 men gathered for a social off-site. Over 120 women gathered in November, building community across the generations which included breakfast, testimony and sharing, and opportunities to worship and pray together. The Focus retreat at the end of July was attended by 160 attendees linked to St Paul's, with the SPH marques becoming a point of gathering to socialise and eat together between scheduled sessions.

The Young Adults Weekend was a remarkable time of worship, input, and community, attended by 108 people. The group travelled to Northampton. Inspiring teaching was given by Johnny and Amy Hughes of Trinity Church Nottingham, as well as guest speaker Pippa Baker.

Pastoral Care

Monthly reviews of acute needs are held by a core team of clergy, staff and lay pastor volunteers. The group of 12 people provide in-person visits, calls and specific support for those identified as ill, vulnerable, on the margins or in bereavement. Clergy team home visits continued frequently through this period.

Evangelism and Mission

Alpha

Alpha was held in the Spring Term with between 20 -30 guests in attendance.

The Autumn Term of Alpha had 6 groups and a brilliant team of hosts, helpers and 'A-Team' from the church. More than 55 guests had attended, and we were overjoyed to celebrate 2 baptisms from those attending, as well as helping others to join Life Groups.

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 Pauls' Global Vision partners.

Over £10k has been used to support a global mission ministry of which the following are included:

- Matt & Sveta Cheal - working among Central Asian migrants;
- Joel & Fiona Hafvenstienn – UMN Project Funding;
- Florisa & Innocent Magambi – There is Hope in Malawi;
- Elke Hanssman - running coaching workshops for OM leaders in many countries and
- Hospices of Hope – a charity which provides palliative care in Romania.

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A special collection of £1,315 was also taken in June for Hospices of Hope – to further supplement the work, as they have supported patients from Ukraine. Pete Wynter visited the hospices in July.

At Christmas, an additional £6k was raised for four charities. Two local charities – Crosslight Advice and The Spear Program benefitted, whilst the amount also went to support:

- An African Dream – for projects in the Kasese district in Western Uganda that provide sustainable micro-enterprise opportunities for the local community and enable the training of local church pastors.
- The GoGo Trust - supporting Widows and Orphans in Kwazakhele and Surrounding Township Communities in Port Elizabeth South Africa

The 2023 budget will further increase support to global missions by 50%.

Leadership College London ("LCL")

Following the relaunch of LCL in early 2022, two courses have been launched. The first was the Distinctive Leadership Course, which is a 4-day programme held at St Paul's Church with 53 delegates attending. In September, a new Programme Coordinator was hired. Towards the end of the year, the Executive Programme in Leadership and Management that is also accredited by The Institute of Leadership and Management started to take bookings. This course is 6 months long and is a hybrid of in-person and online sessions. Twenty-two students have been registered for 2023. All the activities of the LCL feed into the wider vision of St Paul's becoming City-shapers.

Shelter Community

Shelter Community is providing emergency and temporary accommodation for up to seven young people (18-24 years old) in housing need in a community setting. The charity is supported by local churches, including St Paul's Hammersmith.

In 2022, the charity was run by two part-time staff and supported by 25 *volunteers*. In addition, the young guests received support from social workers from the partner organisations including New Horizon Youth Centre and Housing Justice. Shelter Community welcomed and supported *twelve young people*, who would otherwise be on the street or in unsafe places, to their Youth Community Home in 2022, for a total of 2,320 *nights*.

Onelife

Onelife seeks to equip the local church to raise up godly characterful young people through events, training, and resources to lead in all areas of society through character and leadership development.

St Paul's welcomed the Onelife team to a new office in the church building in June 2022. Throughout the year, Onelife had approximately 75 volunteers at various events and training courses. From January to July, Onelife ran a training certificate for youth workers.

In 2022, Onelife had 17 delegates on the Certificate of Leadership, 34 delegates on the School of Leadership and over 100 sign-ups for the online resource for young people. 96 young people attended the annual Onelife Conference in February.

Onelife ran a day Conference in February, a Certificate in Leadership made up of 5 Zoom calls, 2 in-person events running from January to July, The School of Leadership in August (5 day residential) and 2 one-day fundraisers in June and November.

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St Paul's Money Advice Centre ("SPMAC")

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 2022, the Crosslight Hammersmith Centre was run by a branch manager, four part-time Debt/Case advisers and supported by around 44 volunteers. 393 clients (85 case work clients) and their families were supported with money and debt advice through 1,191 appointments, of which 26 were benefits advice appointments, with the rest focused on money and debt advice.

Financial gains worth £499,587 (including write-offs by creditors and insolvencies) were achieved. Seven clients were successfully supported with a DRO (Debt Relief Order) and one client with a bankruptcy application.

The Spear Programme/Resurgo

The Spear Programme works with 16–24-year-olds, supporting them into work and education. The programme has operated on in-person basis throughout 2022 at St Paul's Centre.

Throughout 2022, Spear had enrolled 65 young people onto over 5 programmes, whereby 85% of young people were EET (in Education, Employment or Training) at the year-mark, 42 of whom were residents of the Hammersmith & Fulham borough. Over 100 volunteers supported the programme in various capacities, from mock interviews to Spear Celebration events.

2022 brought an increased amount of safeguarding for staff. As a result, relationships have been rebuilt with council referrers and their young people.

Torch is a process which seeks to introduce SPEAR students to the Christian Faith and church, and ran during the first term of 2022. However, due to staff changes and the absence of a church youth worker, this has now been paused.

Onelife, Crosslight and Spear are all independent charities and have their own governance structures. The PCC provides office space and meeting space in the Centre to these charities free of charge. Otherwise, the financial statements do not include the financial activity of these independent charities.

St Paul's Centre & Community

In 2022, St Paul's Centre was busy with most rooms fully booked throughout the year. We have increased our links with the Hammersmith Apollo again, with several of their clients using the Centre as their overflow space, as well as with Britain's Got Talent returning to hire our space. We were also able to continue offering space to some community groups for free, for example the Hammersmith and Fulham Crisis Team who offer a mental health recovery service to members of the community.

SPEAR and Crosslight continued to use the Centre to offer support to their clients, as well as various church ministries (Alpha, Prayer Room, Healing Rooms, The Worship Room, Newcomers Events, Women's Socials). We continued to host our Stay & Play café for parents and babies. A member of our congregation began hosting a ladies group for women in the local community, which was very well attended and a huge blessing to the women. In the summer, 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. We also continued renting one of the rooms in the Centre to Recognised Store.

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Hiring income has doubled from 2021 to 2022, bringing in £242k in comparison to £121k in 2021. Greenbirds Café finished operating out of St Paul's Centre in May 2022, which saw the café space close to the public while the centre remained open to congregation for co-working and fellowship. We went through a new tender process for the café and appointed Hospices of Hope to run the café from Spring 2023.

St Paul's CE Primary School

St Paul's CE Primary School is a one-form entry primary school where several church members serve as governors. Assemblies take place in the church for a weekly worship experience and evangelistic message. The Head of the school, Claire Fletcher, joined a staff meeting in November to share vision and the team was able to pray for the school.

Children were specifically invited to the Bright Party in October, and families to the Family Carols & Christingle services, and Carols on the Green. Over 50 Bags of Blessing were provided to support needy families at Christmas. The school hosted its own Carol Concert in December, and bibles were given to all year 6 graduates in July.

FINANCIAL REVIEW

The financial results for the year set out on pages 17 to 32 are the aggregated results of the PCC and St Paul's Church Hall Fund, of which the PCC is the sole Managing Trustee.

With a steady increase in the number of people attending Sunday services, the level of regular giving has increased from £19k per month in January to £28k in December. The church was further blessed with significant funds raised during the Spring and Autumn Gift Days. The March appeal specifically raised £250k for the 484 Fund to transform the acoustic infrastructure of the church, which would be matched by an equal amount of grant from the Dacre Trust. The Autumn Gift Day raised £94k to resource the operational needs of the church.

The hiring of the church and the St. Paul's centre have resumed to a pre-COVID level, with an annual rental income achievement of £237k for 2022.

St Paul's also benefited from new sources of income following the launch of the Leadership College London, with a total course fee income of £29k for its first short course and a £35k grant to support the costs of a Programme Coordinator for 12 months.

During the year, the property on Rannoch Road became occupied by the newly joined Associate Vicar and is therefore no longer available for rent. This represented a loss of rental income but also a saving of rental expenses for accommodating the Associate Vicar when compared to the previous arrangement.

Key exceptional expenditure items during the year included costs incurred to install new church boilers and various one-off repair costs, as well as amounts spent to refurbish the Lena Gardens and Rannoch Road properties prior to their occupation by the Vicar and the Associate Vicar respectively. Utility costs started to increase significantly towards the end of the year after the expiry of fixed price arrangements and is expected to continue to impact the total cost base of the church in the foreseeable future.

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At the year-end date, St. Paul's Hammersmith reported a total reserve of £1,372,957 (2021: £1,121,303), and can be split between Endowment Fund of £1,136,082 (2021: £1,100,000), restricted reserves of £173,885 (2021: £(235,323)) and unrestricted reserves of £62,990 (2021: £256,626). Overall, this was a very positive result given the challenges over managing various unforeseen costs, impact of cost-of-living crisis as well as inflationary pressure.

The cashflow situation of St. Paul's Hammersmith improved during the year, leading the PCC to approve the repayment of the £150k Triodos loan in February (originally borrowed in 2021 to safeguard cash availability during the COVID pandemic), as well as £130k of the Triodos mortgage secured against the Rannoch Road property in December. As of 31 December 2022, St. Paul's Hammersmith had a cash balance of £362,697, including £247k net cash from the 484 Fund appeal (2021: £200,014).

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, with further updates during the year to reflect changes of circumstances. The application of all resources held within the General Fund is determined by the PCC and senior staff.

FUTURE PLANS

As a church we feel called and commissioned to serve our local community in and around Hammersmith and Fulham, but also have a sense of the wider impact we make across the City of London. The Bishop of Kensington's invitation was to be a resource church which not only serves our locality but serves the wider church. To that end, our intention would be to continue growing the activities that are already in place and innovate new ways in which we can further the gospel and train and resource the church in Hammersmith and beyond to be effective in discipleship and impactful in the way in which we lead. We have a high priority over leadership development and reaching the emerging generations. This will see increased activity in both schools work and working with under 25's through creative projects and strengthening our ability to train and develop leaders who will have an impact in every sphere of society. These future plans have been borne out of a continuing vision and calling over St Paul's Hammersmith to be 'CityShapers'.

STATEMENT OF PAROCHIAL CHURCH COUNCIL MEMBERS' RESPONSIBILITIES

The PCC members are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the income and expenditure of the charity and its state of affairs at the end of that period.

In preparing those statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);

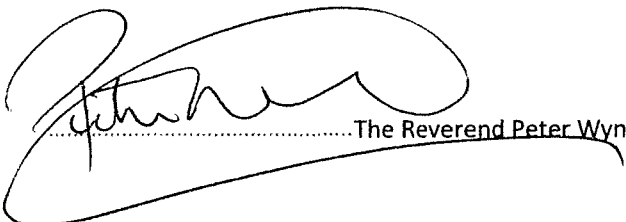
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- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed for and on behalf of the PCC of St Paul Hammersmith on 16th March 2023


.....The Reverend Peter Wynter (Vicar)

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

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS AND TRUSTEES OF THE PAROCHIAL CHURCH COUNCIL OF THE
ECCLESIASTICAL PARISH OF ST PAUL'S, HAMMERSMITH**

Opinion

We have audited the financial statements of the Parochial Church Council of the Ecclesiastical Parish of St Paul, Hammersmith (the 'charity') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and 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 and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011

Basis of 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS AND TRUSTEES OF THE PAROCHIAL CHURCH COUNCIL OF THE
ECCLESIASTICAL PARISH OF ST PAUL'S, HAMMERSMITH**

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.

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 Trustees' Report; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement, 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees 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:

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

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS AND TRUSTEES OF THE PAROCHIAL CHURCH COUNCIL OF THE
ECCLESIASTICAL PARISH OF ST PAUL'S, HAMMERSMITH**

- The Charity is required to comply with charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.
- We gained an understanding of how the charity complied with its legal and regulatory framework, including the requirement to properly account for restricted funds, through discussions with management and a review of the documented policies, procedures and controls.
- The audit team, which is experienced in the audit of charities, considered the charity's susceptibility to material misstatement and how fraud may occur. Our considerations included the risk of management override.
- Our approach was to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions.

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

Use of our report

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


Knox Cropper LLP
Senior Statutory Auditor
for and on behalf of Knox Cropper LLP Statutory Auditor


65 Leadenhall Street
London EC3A 2AD

Knox Cropper LLP is eligible for appointment as auditor of the charity 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'S,
HAMMERSMITH**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	Unrestricted Funds	Restricted Funds £	Endowment Funds £	Total 2022 £	Total 2021 £
INCOME FROM						
Donations and legacies	2	624,358	267,420	-	891,778	608,048
Charitable Activities	3	250,855	85,876	-	336,731	399,173
Investment Activities	4	21,033	-	-	21,033	33,302
Other Income		16,055	-	-	16,055	
TOTAL INCOMING RESOURCES		912,301	353,296	-	1,265,597	1,040,523
EXPENDITURE ON						
Raising Funds	5	-	-	-	-	1,604
Charitable Activities	6	912,190	101,753	-	1,013,943	842,670
TOTAL RESOURCES EXPENDED		912,190	101,753	-	1,013,943	844,274
Net Gains/Losses on Investments		-	-	-	-	50,000
NET INCOME/(EXPENDITURE)		111	251,543	-	251,654	246,249
Gross Transfers between funds		(193,747)	157,665	36,082	-	-
NET MOVEMENT IN FUNDS		(193,636)	409,208	36,082	251,654	246,249
Reconciliation of Funds:						
Total Funds brought forward		256,626	(235,323)	1,100,000	1,121,303	875,054
Total funds carried forward		62,990	173,885	1,136,082	1,372,957	1,121,303

The notes form part of these financial statements.

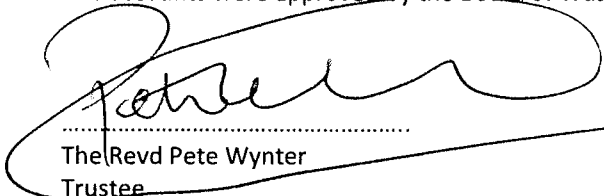
**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL'S,
HAMMERSMITH**

**BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022		2021	
		£	£	£	£
FIXED ASSETS					
Tangible assets	11		60,628		33,418
Investment Properties	12		-		1,100,000
Social Investment Property	13		<u>1,136,082</u>		<u>-</u>
			1,196,710		1,133,418
CURRENT ASSETS					
Debtors	15		62,442		371,156
Cash at Bank and on Deposit			<u>362,697</u>		<u>200,014</u>
			425,139		571,170
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	17		<u>(124,421)</u>		<u>(314,870)</u>
NET CURRENT ASSETS			<u>300,718</u>		<u>256,300</u>
NET ASSETS LESS CURRENT LIABILITIES			1,497,428		1,389,718
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	18		(124,471)		(268,415)
NET ASSETS			<u>1,372,957</u>		<u>1,121,303</u>
FUNDS					
Endowment Funds	20		1,136,082		1,100,000
Restricted Funds	21		173,885		(235,323)
Unrestricted Funds			<u>62,990</u>		<u>256,626</u>
TOTAL FUNDS			<u>1,372,957</u>		<u>1,121,303</u>

The notes form part of these accounts

The accounts were approved by the Board of Trustees and signed on its behalf by:


.....
The Revd Pete Wynter
Trustee

DATE: 16th March 2023

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

**STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022		2021	
		£	£	£	£
Net cash (used by)/provided from operating activities	24		548,362		(86,880)
Investing activities					
Purchase of tangible fixed assets		(69,985)		(21,539)	
Additions to Social Investment Property		(36,082)			
Rent Received		21,033		33,302	
Net cash (used by)/provided from investing activities			(85,034)		11,763
Financing Activities					
Repayment of bank loans		(300,645)		134,165	
Net cash (used by)/provided from financing activities			(300,645)		134,135
Net change in cash and cash equivalents in the period			162,683		59,048
Net cash and cash equivalents brought forward			200,014		140,966
Net cash and cash equivalents carried forward			362,697		200,014

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. PRINCIPAL 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) Basis of Preparation

The accounts of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Church Representation Rules, the Parochial Church Council (Powers) Measure 1956, the PCC of St Paul's Hammersmith's governing document, the Charities Act 2011 and the Charities SORP (FRS 102) '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) second edition'. The accounts have been prepared under the historical cost convention. The financial statements are prepared in sterling, which is the functional currency of the PCC of St Paul's Church Hammersmith.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below. Key sources of estimation uncertainty have been identified as investment property valuation and legacy recognition.

(1.2) Going Concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period. They have considered the impact of external influences such as the cost-of-living crisis on both its income and expenditure for at least a period of twelve months from the date of approval of these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the accounts.

(1.3) Charitable Funds

- I. Unrestricted Funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.
- II. Restricted Funds can only be used for particular restricted purposes as specified by the grant giving body or donor. The purposes and uses of the restricted funds are set out in the notes to the financial statements
- III. 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'S,
HAMMERSMITH**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

(1.4) Income

Income is recognised in the statement of financial activities when the charity is legally entitled to the it after any performance conditions have been met, the amount can be measured reliably, and it is probable that the 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 donation.

Legacies are recognised on receipt or otherwise if the PCC of St Paul's 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 an 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 and Intangible 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 provided on all tangible fixed assets at rates calculated to write off the carrying value over their expected useful economic life as follows:

Building Improvements	4 years on a straight-line basis
Plant, Equipment and Machinery	Between 3 to 4 years on a straight-line basis
AV Equipment	4 years on a straight-line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and carrying value of the asset and is recognised in the statement of financial activities.

At each reporting end date, the PCC of St Paul's 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).

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

(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 costs and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date.

(1.8) Social Investment Property

The social investment property has been valued with reference to the fair market value at the date of reclassification as a social investment property, adjusted for the amount spent on the renovation of the property in the year. In subsequent years, the value will be adjusted for spending on the property less any impairment to the value which has been identified at the time. No depreciation is provided on social investment property.

(1.9) Cash and Cash Equivalents

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

(1.10) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value including transaction costs and subsequently measured at their settlement value. Financial instruments classified as receivable within one year are not amortised.

(1.11) Employee Benefits

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

The charity is part of a defined contribution pension scheme. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

2. INCOME

	Unrestricted Funds	Restricted Funds	Total 2022	Unrestricted Funds	Restricted Funds	Total 2021
	£	£	£	£	£	£
Donations and gifts	624,358	267,420	891,778	548,645	59,403	608,048
	<u>624,358</u>	<u>267,420</u>	<u>891,778</u>	<u>548,645</u>	<u>59,403</u>	<u>608,048</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

3. INCOME FROM CHARITABLE ACTIVITIES

	St Paul's Church £	St Paul's Centre £	Grants £	2022 Total £	2021 Total £
Income from charitable activities	115,371	170,484	50,876	336,731	399,173
Analysis by fund					
Unrestricted funds	80,371	170,484	-	250,855	
Restricted funds	35,000	-	50,876	85,876	
	115,371	170,484	50,876	336,731	
For the year ended 31 December 2021					
Unrestricted funds	76,968	75,697	140,000	292,665	
Restricted funds	-	-	106,508	106,508	
	76,968	75,697	246,508	399,173	

4. INVESTMENT INCOME

	Unrestricted Funds £	2022 Total £	2021 Total £
Income from let properties	20,612	20,612	33,288
Interest receivable	421	421	14
	21,033	21,033	33,302

Rental income represents £1,622 from the operations of the café (2021: £2,569), and other rental income of £18,989 (2021: £30,719).

5. RAISING FUNDS

	Unrestricted Funds £	2022 Total £	2021 Total £
Cost of renting and maintaining let properties	-	-	1,604
	-	-	1,604

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

6. EXPENDITURE ON CHARITABLE ACTIVITIES

	St Paul's Church	External & Charitable Giving	St Paul's Centre	One Offs / Events	Total 2022	Total 2021
Church activities	657,818	19,697	8,535	(2,232)	683,818	644,052
Property costs and site management	115,660	-	69,704	-	185,364	133,738
Support costs	127,751	-	17,010	-	144,761	64,880
	<u>901,229</u>	<u>19,697</u>	<u>95,249</u>	<u>(2,232)</u>	<u>1,013,943</u>	<u>842,670</u>
Analysis by fund						
Unrestricted funds	819,173	-	95,249	(2,232)	912,190	
Restricted funds	82,056	19,697	-	-	101,753	
	<u>901,229</u>	<u>19,697</u>	<u>95,249</u>	<u>(2,232)</u>	<u>1,013,943</u>	

For the year ended 31 December 2021

	St Paul's Church	The Lighthouse Group	External & Charitable Giving	St Paul's Centre		
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>	

Support costs are allocated to activities on the basis of staff time. Governance costs of £8,518 (2021: £7,523) are included in support costs.

7. SUPPORT COSTS

	St Paul's Church	External & Charitable Giving	St Paul's Centre	One Offs / Events	Total 2022	Total 2021
Central IT costs	35,252	-	4,378	-	39,630	39,942
Communications	4,586	-	-	-	4,586	3,119
Finance costs	79,395	-	-	-	79,395	10,975
Servicing of loans	-	-	12,632	-	12,632	10,321
Audit fees	8,518	-	-	-	8,518	7,523
	<u>127,751</u>	<u>-</u>	<u>17,010</u>	<u>-</u>	<u>144,761</u>	<u>64,880</u>

8. NET INCOME/EXPENDITURE FOR THE YEAR

	2022	2021
	£	£
This is stated after charging:		
Depreciation	42,774	40,264
Auditors' Remuneration	<u>8,518</u>	<u>7,523</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

9. TRUSTEES

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

10. STAFF COSTS	2022	2021
	£	£
Wages and Salaries	331,806	245,889
Social Security Costs	24,371	14,132
Pension Costs	8,220	15,621
	<u>364,397</u>	<u>275,642</u>

The average monthly number of employees during the period was:

	2022	2021
St Paul's Centre, site and facilities staff	2	1
Clergy, pastoral and ministry staff	8	6
Operations staff	5	4
	<u>15</u>	<u>11</u>

No employees received remuneration (including employer national insurance contributions but excluding employer pension contributions) of more than £60,000 (2021: none)

The clergy (Vicar and Associate Vicar) are not employed by St. Paul's Hammersmith and their remuneration are consequently not included in the above amounts. Instead, St. Paul's Hammersmith pays the Diocese of London a Common Fund contribution that will cover the Diocese's costs, including costs relating to the clergy. The amount of contribution to the Common Fund in 2022 was £138,948 (2021 £147,821).

Additionally, the accommodation of the Vicar is provided for by the Diocese of London. The Associate Vicar now resides at the property at Rannoch Road that is under the custodian trust of the PCC, after its decision to terminate a previous arrangement to rent this to an external party while separately renting another property to house the Associate Vicar. The annual rental income from this property would otherwise be approximately £40k.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

11. TANGIBLE FIXED ASSETS

	Building Improvement	AV Equipment (The 484 Project)	Plant, Equipment & Machinery	Total 2022
	£	£	£	
Cost				
At 1 January 2022	-	-	130,516	130,516
Additions	20,214	9,004	40,766	69,984
Reclassification	-	-	-	-
At 31 December 2022	<u>20,214</u>	<u>9,004</u>	<u>171,282</u>	<u>200,500</u>
Depreciation and impairment				
At 1 January 2022	-	-	97,098	97,098
Depreciation charged in the year	<u>5,053</u>	<u>2,251</u>	<u>35,470</u>	<u>42,774</u>
At 31 December 2022	<u>5,053</u>	<u>2,251</u>	<u>132,568</u>	<u>139,872</u>
Carrying amount				
At 31 December 2022	<u>15,161</u>	<u>6,753</u>	<u>38,714</u>	<u>60,628</u>
At 31 December 2021	-	-	33,418	33,418

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 property in its own balance sheet.

12. INVESTMENT PROPERTY

	2022 £	2021 £
Fair value		
At 1 January 2022	1,100,000	1,050,000
Net gains or losses through fair value adjustments	-	50,000
Reclassification as Social Investment Property	<u>(1,100,000)</u>	
At 31 December 2022	<u>-</u>	<u>1,100,000</u>

Investment property comprised freehold residential land and buildings. The fair value of the investment property was arrived at by the Trustees on the basis of a valuation carried out in February 2022 by Marsh & Parsons Limited, a long established local real estate agent, who is 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. During the year, the existing tenancy on the property was ended so that it could be provided as accommodation to the Associate Vicar. At this point, it was reclassified as Social Investment Property. See Note 14 for more information.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. SOCIAL INVESTMENT PROPERTY

	2022 £	2021 £
Fair value		
At 1 January 2022	-	-
Reclassification	1,100,000	-
Renovation cost	36,082	-
At 31 December 2022	<u>1,136,082</u>	<u>-</u>

Social Investment Property comprises the freehold residential land and building at Rannoch Road. This property is held by the PCC to be provided as residential accommodation to the Associate Vicar. This was renovated prior to occupation in August 2022. Previously, the property was externally let and therefore included in the accounts as an investment property.

14. FINANCIAL INSTRUMENTS

	2022 £	2021 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost (debtors)	<u>44,824</u>	<u>83,586</u>
Carrying amount of financial liabilities		
Measured at amortised cost (creditors)	<u>238,558</u>	<u>576,657</u>

15. DEBTORS

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	44,824	77,815
Other debtors	-	5,771
Prepayments and accrued income	<u>17,618</u>	<u>287,570</u>
	<u>62,442</u>	<u>371,156</u>

16. LOANS AND OVERDRAFTS

	2022 £	2021 £
Bank loans	<u>133,605</u>	<u>434,250</u>
Payable within one year	9,134	165,835
Payable after one year	<u>124,471</u>	<u>268,415</u>

The mortgage loan of £133,605 (2021: £284,250) 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 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 capital overpayment of £130,000 was made on 12/12/2022 from unrestricted funds to reduce the remaining balance.

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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 loan was fully repaid on 25th February 2022.

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	Notes	2022 £	2021 £
Bank loans	16	9,134	165,835
Other taxation and social security		10,334	6,628
Trade creditors		26,180	12,176
Other creditors and deferred income		34,429	109,160
Accruals		44,344	21,071
		<u>124,421</u>	<u>314,870</u>

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	Notes	2022 £	2021 £
Bank loans	16	<u>124,471</u>	<u>268,415</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.

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 2022	Resources expended	Transfers	Revaluations gains and losses	Balance at 31 December 2022
Permanent endowments					
Land and buildings	1,100,000	-	36,082	-	1,136,082
	<u>1,100,000</u>	<u>-</u>	<u>36,082</u>	<u>-</u>	<u>1,136,082</u>

ENDOWMENT FUNDS - COMPARATIVE

	Balance at 1 January 2021	Resources expended	Transfers	Revaluations gains and losses	Balance at 31 December 2021
Permanent endowments					
Land and buildings	1,050,000	-	-	50,000	1,100,000
	<u>1,050,000</u>	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>1,100,000</u>

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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.

The fund currently comprises the property held as a Social Investment Property.

21. RESTRICTED FUNDS

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

	Balance at 1 January 2022	Incoming resources	Resources expended	Transfers	Balance at 31 December 2022
Extension Project (Stretch 21)	(284,250)	1,880	-	148,765	(133,605)
Leadership College London	-	35,000	(17,500)	-	17,500
The 484 Fund	-	250,000	(2,685)	-	247,315
Specific purposes / charities	43,778	66,416	(79,127)	8,900	39,967
Sounddesk	5,149	-	(2,441)	-	2,708
	<u>(235,323)</u>	<u>353,296</u>	<u>(101,753)</u>	<u>157,665</u>	<u>173,885</u>

	Balance at 1 January 2021	Incoming resources	Resources expended	Transfers	Balance at 31 December 2021
Extension Project (Stretch 21)	(300,085)	4,870	-	10,965	(284,250)
Specific purposes / charities	79,843	161,041	(197,106)	-	43,778
Sounddesk	7,590	-	(2,441)	-	5,149
	<u>(212,652)</u>	<u>165,911</u>	<u>(199,547)</u>	<u>10,965</u>	<u>(235,323)</u>

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.

Leadership College London ("LCL")

LCL is a new ministry of St Paul's Hammersmith to deliver training that reflects a unique fusion of leadership, psychology and theology for Christian leaders to lead and influence others. A grant was

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received from the Magnify Foundation in June 2022 to support the post of a Programme Coordinator for twelve months. The balance carried forward represents deferred income to match against costs in 2023.

The 484 Fund

The 484-fund raising initiative is part of Simon Downham's leaving legacy and part of a Match Funding campaign from the Dacre Trust. The fund is earmarked to finance specific building work to improve the acoustic infrastructure of the church. A total of £250k was raised from the congregation, which will be further matched by the Dacre Trust once the work is undertaken. The project is pending to be launched fully in the second half of 2023 after the successful hiring of a project manager.

Specific purposes/charities

This fund represents the balance of monies collected towards specified giving that will be further expended or distributed in accordance with the specific purposes.

Sound desk

This was an amount initially raised for the procurement of new sound desks. The fund balance is released over time to match the depreciation cost of the sound desks.

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted 2022 £	Restricted 2022 £	Endowment 2022 £	Total 2022 £
Fund balances at 31 December 2022 are represented by:				
Tangible assets	60,628	-	-	60,628
Social Investment Property			1,136,082	1,136,082
Current assets/(liabilities)	2,362	298,356	-	300,718
Long term liabilities	-	(124,471)	-	(124,471)
	<u>62,990</u>	<u>173,885</u>	<u>1,136,082</u>	<u>1,372,957</u>

	Unrestricted 2021 £	Restricted 2021 £	Endowment 2021 £	Total 2021 £
Fund balances at 31 December 2021 are represented by:				
Tangible assets	33,418	-	-	33,418
Investment properties	-	-	1,100,000	1,100,000
Current assets/(liabilities)	223,208	33,092	-	256,300
Long term liabilities	-	(268,415)	-	(268,415)
	<u>256,626</u>	<u>(235,323)</u>	<u>1,100,000</u>	<u>1,121,303</u>

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23. CAPITAL COMMITMENTS

Malcom Fryers Architects of 22 Highbury Grove, N5 2EF had conducted a 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, this has been hoarded for protection, and their repair will be evaluated further in the medium term and funded via appeal or donations. The Council is responsible for the railings, but do not have the budget to fully replace these as recommended, and has instead repaired some that were in need of attention. There is a plan to further prioritise, evaluate and undertake other improvement works identified over time, as aligned with the availability of funding. The church is kept in good condition with maintenance surveys happening regularly to ensure proper functioning of the building and to keep it in a good state.

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 aggregated with those of the PCC from that date.

Other Related Party Transactions

Simon Downham (Vicar until April 2022) 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.

Pete Wynter (Vicar from August 2022) is also a trustee of Onelife Leadership and a Governor of the St Paul's CE Primary School.

Sarah Wynter, wife of Pete Wynter, has been appointed as senior pastor of SPH since November 2022, and works on a three-day per week basis. She received £2,179 as employee remuneration during the year.

Stephen Richards is 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.

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25. CASH GENERATED FROM OPERATIONS	2022	2021
	£	£
Surplus/(deficit) for the year	251,654	246,249
Adjustments for:		
Investment income recognised in statement of financial activities	(21,033)	(33,302)
Fair value gains and losses on investment properties	-	(50,000)
Depreciation and impairment of tangible fixed assets	42,774	40,264
Movement in working capital:		
(Increase)/decrease in debtors	308,714	(348,715)
Increase in creditors	(33,747)	58,624
Cash absorbed by operations	<u>548,362</u>	<u>(86,880)</u>

26. ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS	At 1 January 2022	Cash flows	At 31 December 2022
	£	£	£
Cash at bank and in hand	200,014	162,683	362,697
Loans falling due within one year	(165,835)	156,701	(9,134)
Loans falling due after more than one year	(268,415)	143,944	(124,471)
Cash absorbed by operations	<u>(234,236)</u>	<u>463,328</u>	<u>229,092</u>

ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS - COMPARATIVE

	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)
Cash absorbed by operations	<u>(159,119)</u>	<u>(75,117)</u>	<u>(234,236)</u>