

Charity registration number 1130653

THE PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH FULHAM
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

THE PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH FULHAM

LEGAL AND ADMINISTRATIVE INFORMATION

Chair	Anna Beyer	
Churchwardens	Anna Beyer Nathan Watt	
Council	Ayo Asagba Anna Beyer Mike Dyson John Griffiths Ann-Marie Idiagbonya Gareth Jones Nicola MacDonald Sarah McCowen Alice Parsons Sally Tantot Nathan Watt Richard Tootill	(Appointed 26 April 2022)
Treasurer	Richard Tootill	
Secretary	Sally Tantot	
Charity number	1130653	
Principal address	Church Office 67 Studdridge Street Fulham London SW6 3TD	
Auditor	Citroen Wells Chartered Accountants Devonshire House 1 Devonshire Street London W1W 5DR	
Bankers	National Westminster Bank plc 45 Fulham Broadway London SW6 1AG	

THE PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH FULHAM

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THE PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH FULHAM

COUNCIL MEMBERS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The Council present their annual report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, 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).

Objectives and activities

The Parochial Church Council (PCC) of Christ Church Fulham has the responsibility of co-operating with the Churchwardens, who have been leading the church since the previous Incumbent the Revd. Stuart Lees resigned at the end of January 2022, in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. It also has maintenance responsibilities for the Church, Church Hall and a property at 55 Clancarty Road, Fulham SW6 3AH.

The Council see these objects as being charitable activities for public benefit and confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Grant making policy

It is PCC policy to give grants to people on mission who have connection with Christ Church. Grants are considered by the mission giving team on the basis of a) whether the individual has a sufficient personal connection with Christ Church Fulham b) how much funding is being supplied to them from elsewhere and c) whether the nature of the project fits in with the vision of Christ Church. The church is supporting, financially and pastorally, a variety of missionaries across the world in nations as diverse as South Africa, North America, Sri Lanka, and the Andaman Islands in the Indian Ocean.

The work involved ranges from running orphanages and evangelism through church planting, drug rehabilitation, reconciliation activity to evangelism to Muslims in UK.

Achievements and performance

From January 2022 onwards the church has been in a 'vacancy' period following the resignation of the previous incumbent, and has been led by the Churchwardens, supported from February to September 2022 by Thomas Quicksell, who had previously been employed as Associate Pastor for five years. Thomas delayed his ordination training for the Church of England to serve as Acting Lead Pastor from February to September 2022, providing continuity and a leadership focus for the staff team and congregation, leading Sunday services and the preaching programme, and serving as a member of the PCC and Standing Committee. Since September 2022 the Wardens have continued to lead the church, focussing on maintaining the core community activities during this time.

Sunday morning services have been held regularly since they recommenced in August 2021 following the relaxation of covid-19 restrictions. The pandemic has had little lasting impact on the shape of the ongoing work of ChristChurch, although some longstanding members moved on from the church at that time, mainly as a result of moving away from London.

Usual Sunday attendance in 2022 was 85 (at morning services only), which compares to 115 in 2019 (at morning and evening services) before the pandemic.

Video recordings of the sermons continue to be made available online for the benefit of those who do not attend in person and they have been watched by a significant number of people each week. Several 'Community Groups' meet regularly online or in person.

'Encounter evenings' were held on some Sunday evenings in the first half of 2022, some of these led by visiting worship leaders. During the year the Worship Pastor trained three in-house worship leaders and released them to lead worship in Sunday services.

The children's ministry continued to operate during Sunday services, led by a volunteer team. Once a month the youth were involved in leading the children's groups, with supervision from the Youth Pastor and youth team.

THE PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH FULHAM

COUNCIL MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

The youth continued to meet on Friday nights, where church youth are able to invite their friends and we see on average 20 youth, alongside Sunday mornings where we see five to ten youth. A particular highlight for all the youth has been two lock-ins where they've "slept" over at church and had lots of fun. The Youth Pastor continues to support Alpha in local schools and towards the end of the year Friday youth were joined by other churches including one from Norway.

The leadership ensured that pastoral care continued to be available during the vacancy. This was achieved through leaders of the Community Groups keeping in contact with members of their groups; through a 'Connect Team', set up to aim to maintain contact with people who have not been in church for a while, and organise practical support for those who need it; and through a 'Pastoral Team', set up to offer prayer and pastoral support to those with physical or mental health needs. All of these are groups formed of, and led by, lay members of the congregation.

'Freedom Prayer' sessions were held on most Wednesday mornings through the year, and also online, and are available for members of the congregation and others to book.

Members of the worship team, choir, and congregation joined the local community to participate in the Wandsworth Bridge Road Spring Fayre on Sunday 15th May 2022.

A Carol Service was held on 11th December attended by about 110 people including invited local residents, and on 19th December Springs Dance Company gave a drama and dance presentation 'Journey of the Magi' which was attended by about 70 people.

Christ Church Fulham has a restricted Hardship Fund for assisting members of the congregation in financial difficulties. During 2022 two grants were made from this fund totalling £500, and one loan for £1400 which has now been repaid. Two members of the congregation have received preliminary training to offer help to congregation members with managing their personal finances and budgeting.

Regular maintenance of the church buildings continued, including lightning protection service and upgrade, emergency lighting servicing and maintenance, fire alarm servicing and fire extinguisher servicing. Maintenance and partial replacement of the windows of the church hall continued until June 2022, and preventative treatment of the church hall brickwork was carried out in spring 2022, both financed by a loan from the Diocese of London.

The Robin Montessori nursery business continued to operate on site and from April 2022 commenced use of an additional room, with refurbishment costs shared between the nursery and the church. The 'Sports Hall' was rented to various music and dance groups for children.

Financial review

The PCC have monitored the budget closely during 2022, keeping costs as low as possible. By God's grace and very generous giving we received income of £400,739 (2021: £462,864). As a result of expenditure on continuing building maintenance work paid for by a loan from the Diocese of London the church recorded a deficit for the year ended 31 December 2022 totalling £71,066 (2021: deficit £169,071).

THE PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH FULHAM

COUNCIL MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Financial uncertainties regarding the charity's financial sustainability and consideration of going concern

Overall income in 2022 was 13% less than in 2021, and there was a 22% decrease in donations income in 2022, probably as a result of a number of longstanding members of the congregation having left the church, mostly to move out of London. However new members have joined throughout 2022.

Voluntary giving to the church has continued to be very generous, totalling £303,569 including Gift Aid claimed. A Gift Day was held in November 2022 which yielded donations of approx £23,000 (plus Gift Aid on most of this). The remainder was mainly regular standing order and credit card donations, including donations via the website and via text message.

Income from the Robin Montessori Nursey and hall hirers grew from £60,643 in 2021 to £78,933, an increase of 30%. A new income stream of £1,600 per month from rental of the church property at 55 Clancarty Road commenced in September 2022 and the present tenants are expected to continue until summer 2024.

The PCC has budgeted for a small reduction in overall income (£3,000 or 1%) in 2023.

Steps being taken to address any financial uncertainties

CCF maintains a consistent prioritisation process for expenditure to ensure the balance of income and expenditure: salaries, buildings, utilities and commitments to the Diocesan Common Fund.

Staffing: further to various staff reductions in 2021, the roles of Church Administrator and Design and Social Media Administrator were recombined in November 2022 resulting in a half-day reduction to 4 days per week. A review of the Operations staff was carried out in late 2022 and early 2023 by the Wardens with the support of an HR professional. The conclusion of this was that the structure of the Operations team and their hours worked are appropriate for the church at this time, except that an opportunity was identified to make significant savings by outsourcing the bookkeeping function. The Finance Officer post is therefore being made redundant as from 30 April 2023, and Rother Bookkeepers have been appointed to take on the bookkeeping work from 3 April.

The hourly rate for hire of the Sports Hall has been increased, and more hirers are being sought to make full use of the available slots. We are also looking for suitable opportunities to raise income by hiring out other rooms in the building.

In consultation with the Diocese a reduced Common Fund payment plan has been adopted for 2022 and 2023 to ensure a baseline commitment is met, recognising the current pressures on the church finances.

Reserve Policy

The charity policy is to maintain a level of reserves which will provide a stable base for its continuing activities and most particularly staff salaries. The church's income is primarily voluntary donations from its church membership, and the Council puts a high value on deploying that income directly into the mission work and mission giving of the church. As a result, in recent years there has been no surplus to build up reserves. If it needed to, the church could approach the membership for additional giving and can also seek advice and support from the central Church of England structure, which operates a 'Common Fund' in support of less financially robust parishes. However, the council aspires to build up undesignated free reserves over the forthcoming year.

As at 31 December 2022, Christ Church had no free reserves (2021: none). This results partly from the commitment we make in December each year to support our mission partners monthly during the following year. That commitment of over £15,000 for 2023 is included in the Balance Sheet for 31 December 2022. At 31 December 2022, cash at bank and in hand was £55,493 (2021: £59,252) comprising £7,196 in a reserved fund (Hardship fund), £4,200 in a designated fund (the Robin deposit), and £44,097 in undesignated funds.

Risk management

The Council have examined the major strategic, business, and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks. The risk assessment is reviewed on an annual basis.

THE PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH FULHAM

COUNCIL MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

The primary areas of risk assessment are:

- Governance – Failure of good governance, including a lack of clear vision and strategy, would impede the church's capacity to fulfil its mission to the local community as well as to church members. The potential impact on membership numbers because of such a failure, could then directly affect voluntary donations and the overall income stream of the church. Observing Church of England governance and robust collaborative leadership within the church itself will contribute to mitigating this risk.
- Finance – the primary source of income is from voluntary giving from the congregation. This is aided by regular teaching on giving, Gift Aid and other tax efficient giving, and communication to keep members aware of the financial state of their church and any needs arising. Members of the congregation are effectively stakeholders who directly benefit from any donations made so communication is key, and every effort is made to ensure transparency with the members. The Church of England provides a robust administrative structure to support if necessary.
- Safeguarding – the impact of a failure in safeguarding would be hugely detrimental to the individuals involved as well as the reputation of the church community as a whole. Robust processes and training of staff and volunteers are in place to prevent such an event.
- Health and Safety and Buildings – Good H&S policies and procedures, combined with good care and maintenance routines reduce risk of damage to personnel and property.
- The Council is well aware of the recent growth in energy prices but by prudent management had previously agreed 2-3 year fixed price contracts which are only expiring in 2023-24. Terms for two new contracts from April/May 2023 have been agreed at higher rates, and we are seeking to get the best available rates on the other two contracts when they expire in June 2023 and January 2024. Steps have been taken to minimise use of energy as far as possible in an old building, particularly with regard to heating.
- The interest rate on the loan from the Diocese of London has risen from 2.1% (base rate + 2%) when draw down of the loan commenced in July 2021 to 6.25% as at April 2023. Interest payments for 2023 have been agreed with the Diocese at £3,600 and interest to be paid in subsequent years will decrease as capital is repaid over 5 years (from June 2023). Some forecasters expect base rate to reduce in 2024 and beyond, which would also reduce repayments. The Council have budgeted for the agreed loan repayments in 2023, and have already set aside sufficient for the first capital repayment.

Structure, governance and management

The PCC is governed by the Church Representation Rules.

The PCC operates primarily through the Standing Committee, which meets in addition to the meetings of the PCC and covers Finances, Property, Safeguarding and HR. The Standing Committee then reports to the PCC. The PCC's Standing Committee, which is required by law, has the power to transact the business of the PCC between its meetings, subject to any directions given by the Council. It comprises of a minimum of the Incumbent, Churchwardens and Treasurer.

Members of the Parochial Church Council are elected by the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules.

THE PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH FULHAM

COUNCIL MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

The Council who served during the year and up to the date of signature of the financial statements were:

Ayo Asagba	
Nathan Beard	(Resigned 26 April 2022)
Anna Beyer	
Mike Dyson	
Sean Greathead	(Resigned 26 April 2022)
John Griffiths	
Ann-Marie Idiagbonya	
Gareth Jones	
Nicola MacDonald	
Sarah McCowen	
Alice Parsons	
Thomas Quicksell	(Resigned 31 August 2022)
Sally Tantot	(Appointed 26 April 2022)
Nathan Watt	
Richard Tootill	

Change of Incumbent

In July 2021, the Incumbent Rev Stuart Lees informed the PCC that he wished to resign from his post as from February 2022 in order to further develop his broader ministry to churches across the UK and the world. This was communicated to the church in September 2021. The Churchwardens have risen to the increased responsibilities required to lead the church through the vacancy period, and to recruit a replacement vicar, involving the PCC and congregation as appropriate. The Diocese of London and our sponsor CPAS have been actively involved in this process.

In March 2023 after an interview Rev James Bailey was offered and accepted the post of Vicar of Christ Church Fulham. He is expected to take up the role in August 2023. We anticipate that he and his wife will continue to develop many of the strengths of the church, whilst bringing their own flavour and giftings. We also anticipate an increase in the congregation in due course as a result of their presence and input. In the meantime, the congregation are continuing to attend, are making themselves available to support the activities of the church and are supportive of the leadership.

As with past years Christ Church, as an established Anglican parish church, will continue to undertake its responsibilities to the local community in that capacity. Christ Church's overall ministry is about actively seeking to extend the Kingdom of God, both in the lives of members of the congregation and in those with whom we come into contact. Ministry priorities will be reviewed by the new vicar after they arrive, and the PCC will be available to support them in this; we expect these priorities to include a continued or growing emphasis on reaching out to the local community.

Staff Remuneration

The Council reviews the staff salaries on an annual basis and for individual roles when there is a change in staff. Annual staff adjustments are made by evaluating the economic climate and what is happening within the employment market as a whole. When setting salaries for individual roles, the Council does a comparison with similar jobs within London area both within the secular and charity market.

THE PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH FULHAM

COUNCIL MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of Council members' responsibilities

The Council (who are the trustees for the purposes of charity law) are responsible for preparing the Council Members' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the Council are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 Council are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

Auditor

A resolution to re-appoint Citroen Wells as auditor, subject to confirmation by the PCC, will be proposed at the next APCM.

Disclosure of information to auditor

Each of the Council has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Council members' report was approved by the Council.

Anna Beyer

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Anna Beyer

Trustee and PCC chair

Date: 25/4/2023
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THE PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH FULHAM

INDEPENDENT AUDITOR'S REPORT

TO THE COUNCIL OF THE PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH FULHAM

Opinion

We have audited the financial statements of The Parochial Church Council of Christ Church Fulham (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the statement of financial position and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 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 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 Council members' 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 Council 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 Council 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.

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 financial statements is inconsistent in any material respect with the Council members' 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.

THE PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH FULHAM

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE COUNCIL OF THE PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH FULHAM

Responsibilities of Council

As explained more fully in the statement of Council members' responsibilities, the Council 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 Council 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 Council 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 Council 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 irregularities, including fraud. 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant are those that relate to the reporting framework being the 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 (FRS102), the charity's governing document, and the Charities Act 2011.
- We understood how the charity is complying with those frameworks by making enquiries of management and seeking representations from those charged with governance. We corroborated our understanding by reviewing supporting documentation including trustee meeting minutes.
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by considering the risk of management override of internal control and by designating income recognition and expenditure on charitable activities as fraud risks. We performed journal entry testing by specific risk criteria, with a focus on journals indicating large or unusual transactions based on our understanding of the charity. We tested specific transactions, reconciling to underlying investment records which were obtained externally from verified investment management entities. We tested specific grants made to grant applications ensuring the grant was in accordance with the charity's charitable objectives.

THE PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH FULHAM

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE COUNCIL OF THE PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH FULHAM

- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved enquiries of management and those charged with governance, review of legal and professional expenses and review of trustee meeting minutes.
- The charity is a regulated entity under the supervision of the Charities Commission. As such, the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities.

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.

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.

Citroen Wells

Citroen Wells

2/5/2023

**Chartered Accountants
Statutory Auditor**

Devonshire House
1 Devonshire Street
London
W1W 5DR

Citroen Wells 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 CHRIST CHURCH FULHAM

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

Current financial year

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
	Notes				
<u>Income and endowments from:</u>					
Donations and legacies	3	303,569	-	303,569	388,753
Other trading activities	4	97,081	-	97,081	66,986
Investments	5	89	-	89	3
Other income	6	-	-	-	7,122
Total income		400,739	-	400,739	462,864
<u>Expenditure on:</u>					
Raising funds	7	10,418	-	10,418	12,174
Charitable activities	8	460,887	500	461,387	619,761
Total expenditure		471,305	500	471,805	631,935
Net expenditure for the year/ Net movement in funds		(70,566)	(500)	(71,066)	(169,071)
Fund balances at 1 January 2022		2,361,672	6,255	2,367,927	2,536,998
Fund balances at 31 December 2022		2,291,106	5,755	2,296,861	2,367,927

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

THE PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH FULHAM

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

Prior financial year

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes			
<u>Income and endowments from:</u>				
Donations and legacies	3	388,494	259	388,753
Other trading activities	4	66,986	-	66,986
Investments	5	3	-	3
Other income	6	7,122	-	7,122
Total income		462,605	259	462,864
<u>Expenditure on:</u>				
Raising funds	7	12,174	-	12,174
Charitable activities	8	592,751	27,010	619,761
Total expenditure		604,925	27,010	631,935
Gross transfers between funds		873,218	(873,218)	-
Net expenditure for the year/ Net movement in funds		730,898	(899,969)	(169,071)
Fund balances at 1 January 2021		1,630,774	906,224	2,536,998
Fund balances at 31 December 2021		2,361,672	6,255	2,367,927

THE PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH FULHAM

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Property, plant and equipment	12		2,367,078		2,437,414
Current assets					
Trade and other receivables	13	12,157		15,344	
Cash at bank and in hand		55,493		59,252	
		67,650		74,596	
Current liabilities	15	(59,178)		(75,680)	
Net current assets/(liabilities)			8,472		(1,084)
Total assets less current liabilities			2,375,550		2,436,330
Non-current liabilities	16		(78,689)		(68,403)
Net assets			2,296,861		2,367,927
Income funds					
Restricted funds	18		5,755		6,255
<u>Unrestricted funds</u>					
Designated funds	19	2,306,323		2,366,273	
General unrestricted funds		(15,217)		(4,601)	
			2,291,106		2,361,672
			2,296,861		2,367,927

The financial statements were approved by the Council on 25/4/2023

Anna Beyer
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Anna Beyer
Trustee and PCC chair

Nathan Watt
.....
Nathan Watt
Trustee

THE PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH FULHAM

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

The Parochial Church Council of Christ Church Fulham is a an unincorporated charity in England and Wales. The principal correspondence address is given on page 3 of these accounts. The nature of the charity's operations and principal activities are set out in the Trustees' Report.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's trust deed, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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) and the Church Accounting Regulations, as reflected in the 5th edition of PCC Accountability. The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The Council have considered the financial results in the year. Despite the church having net current assets of £8,472 and cash balances of £55,493, the general fund was in deficit of £15,217 at 31 December 2022. This is partly due to reduction in donations income as a result of a number of long standing members of the congregation moving out of London. However, the Council have taken necessary step to reduce staff cost and other administration costs and are also seeking for other sources of income.

Notwithstanding this, the Trustees have considered the future cash flows and in view of the steps taken as set out above, they consider it appropriate to prepare the financial statements on a going concern basis.

1.3 Charitable funds

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

Designated funds are unrestricted funds earmarked by the Council for particular purposes.

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.

1.4 Income

Income is recognised when the charity 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.

THE PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH FULHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity, and it is probable that those conditions will be fulfilled in the reporting period. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on a case-by-case basis following the granting of probate when the administrator/executor for the estate has communicated to the charity in writing both the amount and settlement date. If the amount is not known, the legacy is treated as a contingent asset.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on the number of individual grant awards made in recognition that the administrative costs of awarding, monitoring, and assessing research grants, salary support grants and postgraduate scholarships are broadly equivalent. The allocation of support and governance costs is analysed in note 9.

THE PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH FULHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.6 Property, plant and equipment

Property, plant and equipment other than freehold land are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Assets costing £500 or more are capitalised.

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:

Freehold buildings	2% per annum on cost
Freehold improvements	10% per annum on cost
Computers and other equipment	25% per annum on cost

Freehold land is not depreciated.

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 Impairment of non-current assets

At each reporting end date, the charity 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).

1.8 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.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity 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 trade and other receivables 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 trade and other payables 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.

THE PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH FULHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (Continued)

1.10 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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Consecrated land and buildings

Consecrated and beneficial property is excluded from the accounts by s.10 (27a and c) of the Charities Act 2011.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Council 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.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2022	2021	2021	2021
	£	£	£	£
Individual giving	236,150	282,658	259	282,917
Income tax recoverable on individual giving	54,584	61,736	-	61,736
Other donations	12,835	44,100	-	44,100
	<u>303,569</u>	<u>388,494</u>	<u>259</u>	<u>388,753</u>

THE PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH FULHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

4 Other trading activities

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Events and conferences	11,288	5,943
Nursery income	52,488	42,050
Rent received	6,800	400
Church Hall and other lettings	26,505	18,593
Other trading activities	97,081	66,986

5 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Interest receivable	89	3

6 Other income

	Total	Unrestricted funds
	2022	2021
	£	£
Government grant income	-	7,122

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
<u>Fundraising and publicity</u>		
Staff costs	8,584	10,358
Support costs	1,834	1,816
Fundraising and publicity	10,418	12,174

THE PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH FULHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

8 Charitable activities

	2022 £	2021 £
Staff costs	163,082	196,801
Depreciation and impairment	71,593	71,334
Mission Giving	13,092	31,275
Ministry: Diocesan quota	57,265	66,600
Bank charges interest	1,611	1,534
Church maintenance	38,912	121,948
Other property costs	24,218	46,041
Church - running expenses	37,335	30,536
Ministry: Other costs	8,185	7,569
Loan interest	2,427	-
	<u>417,720</u>	<u>573,638</u>
Share of support costs (see note 9)	34,847	34,512
Share of governance costs (see note 9)	8,820	11,611
	<u>461,387</u>	<u>619,761</u>
Analysis by fund		
Unrestricted funds	460,887	592,751
Restricted funds	500	27,010
	<u>461,387</u>	<u>619,761</u>

THE PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH FULHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

9 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Staff welfare	6,106	-	6,106	5,818	-	5,818
Computer expenses	13,296	-	13,296	11,663	-	11,663
Printing postate and stationery	6,394	-	6,394	7,191	-	7,191
Insurance	7,388	-	7,388	6,986	-	6,986
Telephone and Internet	3,497	-	3,497	3,533	-	3,533
Travelling	-	-	-	104	-	104
Other support cost	-	-	-	1,033	-	1,033
 Audit fees	 -	 8,820	 8,820	 -	 11,611	 11,611
	<u>36,681</u>	<u>8,820</u>	<u>45,501</u>	<u>36,328</u>	<u>11,611</u>	<u>47,939</u>
 Analysed between						
Fundraising	1,834	-	1,834	1,816	-	1,816
Charitable activities	34,847	8,820	43,667	34,512	11,611	46,123
	<u>36,681</u>	<u>8,820</u>	<u>45,501</u>	<u>36,328</u>	<u>11,611</u>	<u>47,939</u>

10 Council

One or more Council have been paid remuneration or have received other benefits from their employment of Office Holding with the Church. Council only receive remuneration in respect of services they provide undertaking their employment roles under their contracts of employment and not in respect of their services as Council.

During the year, Thomas Quicksell received remuneration totalling £22,417 (2021: £27,764) and he also received leaving gifts totalling £3,351.

Included within income are donations received from the members of the PCC totalling £110,038 (2021: £116,047), excluding small cash offerings which are unable to be determined.

11 Employees

The average monthly number of employees during the year was:

2022 Number	2021 Number
7	8
<u>7</u>	<u>8</u>

THE PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH FULHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

11 Employees (Continued)

Employment costs	2022 £	2021 £
Wages and salaries	159,610	186,371
Social security costs	4,315	11,470
Other pension costs	7,741	9,318
	<u>171,666</u>	<u>207,159</u>

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

12 Property, plant and equipment

	Freehold buildings £	Freehold improvements £	Computers and other equipment £	Total £
Cost				
At 1 January 2022	3,116,164	48,326	77,624	3,242,114
Additions	-	-	1,257	1,257
At 31 December 2022	<u>3,116,164</u>	<u>48,326</u>	<u>78,881</u>	<u>3,243,371</u>
Depreciation and impairment				
At 1 January 2022	730,883	10,795	63,022	804,700
Depreciation charged in the year	60,509	4,832	6,252	71,593
At 31 December 2022	<u>791,392</u>	<u>15,627</u>	<u>69,274</u>	<u>876,293</u>
Carrying amount				
At 31 December 2022	<u>2,324,772</u>	<u>32,699</u>	<u>9,607</u>	<u>2,367,078</u>
At 31 December 2021	<u>2,385,281</u>	<u>37,531</u>	<u>14,602</u>	<u>2,437,414</u>

The freehold land and buildings comprise of 55 Clancarty Road, London SW6 3AH and the Church Hall.

13 Trade and other receivables

	2022 £	2021 £
Amounts falling due within one year:		
Other receivables	7,133	10,307
Prepayments and accrued income	5,024	5,037
	<u>12,157</u>	<u>15,344</u>

THE PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH FULHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

14 Borrowings

	2022 £	2021 £
Other loans	92,639	68,403
Payable within one year	13,950	-
Payable after one year	78,689	68,403

As at 31 December 2022, the charity owed an amount of £92,639 to the Diocese of London. Interest at the rate of 2% per annum over the Bank of England base rate is payable on the loan.

15 Current liabilities

	Notes	2022 £	2021 £
Borrowings		13,950	-
Deferred income	17	4,839	18,265
Other payables		5,415	4,291
Accruals		34,974	53,124
		59,178	75,680

16 Non-current liabilities

	2022 £	2021 £
Borrowings	78,689	68,403

17 Deferred income

	2022 £	2021 £
Other deferred income	4,839	18,265

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Deferred income is included within:		
Current liabilities	4,839	18,265

Movements in the year:

THE PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH FULHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

17	Deferred income	(Continued)	
	Deferred income at 1 January 2022	18,265	3,000
	Released from previous periods	(18,265)	(3,000)
	Resources deferred in the year	4,839	18,265
		<u>4,839</u>	<u>18,265</u>
	Deferred income at 31 December 2022	<u>4,839</u>	<u>18,265</u>

Deferred income relates to receipts in advance of the year end for lettings income for future months and income for events taking place in the 2023 financial year.

18 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							
	Balance at 1 January 2021	Incoming resources	Resources expended	Transfers	Balance at 1 January 2022	Resources expended	Balance at 31 December 2022
	£	£	£	£	£	£	£
55 Clancarty							
Road fund	897,118	-	(23,900)	(873,218)	-	-	-
Hardship fund	9,106	259	(3,110)	-	6,255	(500)	5,755
	<u>906,224</u>	<u>259</u>	<u>(27,010)</u>	<u>(873,218)</u>	<u>6,255</u>	<u>(500)</u>	<u>5,755</u>

55 Clancarty Road

During 2021 the decision was taken by the trustees to transfer the buildings at 55 Clancarty Road, London SW6 3AH from a restricted building fund to a designated fund. The trustees have satisfied themselves that this treatment is in line with the intention of the original donation. Depreciation is charged on the property each year and going forward this will be recognised in the designated fund.

Hardship fund

The Hardship fund is generated by fundraising appeals for specific future projects. The Hardship fund was set up in 2020 to meet the need of the congregation impacted by the pandemic.

THE PAROCHIAL CHURCH COUNCIL OF CHRIST CHURCH FULHAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2021	Resources expended	Transfers	Balance at 1 January 2022	Resources expended	Balance at 31 December 2022
	£	£	£	£	£	£
55 Clancarty Road fund	-	-	873,218	873,218	(23,900)	849,318
Church Hall fund	1,529,105	(36,050)	-	1,493,055	(36,050)	1,457,005
	<u>1,529,105</u>	<u>(36,050)</u>	<u>873,218</u>	<u>2,366,273</u>	<u>(59,950)</u>	<u>2,306,323</u>

55 Clancarty Road fund

The 55 Clancarty Road fund represents the property transferred from restricted and is shown net of accumulated depreciation.

The Church Hall fund

The Church Hall fund represents the initial cost of the building and subsequent capital refurbishment costs incurred to date.

20 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:						
Property, plant and equipment	2,367,078	-	2,367,078	2,437,414	-	2,437,414
Current assets/(liabilities)	2,717	5,755	8,472	(7,339)	6,255	(1,084)
Long term liabilities	(78,689)	-	(78,689)	(68,403)	-	(68,403)
	<u>2,291,106</u>	<u>5,755</u>	<u>2,296,861</u>	<u>2,361,672</u>	<u>6,255</u>	<u>2,367,927</u>

21 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	<u>46,299</u>	<u>44,066</u>