

ST MARY ABBOTS CHURCH, KENSINGTON

PCC MEMBERS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

**ST MARY ABBOTS CHURCH, KENSINGTON
ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023**

REFERENCE AND ADMINISTRATIVE INFORMATION

This is the Annual Report for St Mary Abbots PCC.

Overall responsibility for the affairs of St Mary Abbots PCC is exercised by the Vicar, the Churchwardens and the Parochial Church Council. The members of the St Mary Abbots PCC who have served from 1 January 2023 up to the date of approval of these financial statements were as follows:

EX OFFICIO MEMBERS:

Clergy	The Rev'd Emma Dinwiddy Smith (Vicar, Chair) The Rev'd Timothy Carroll (Associate Vicar, from 25 th October 2023) The Rev'd Dr Evan McWilliams (Associate Vicar, from 29 th August 2023) The Rev'd Alice Ormondroyd (Assistant Curate, until 25 th November 2023) The Rev'd Christopher Rogers (Associate Vicar, until 25 th August 2023)
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Churchwardens	Edward Warrick (Vice Chair) Guy Heald (Hon Treasurer)
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Deanery Synod Representatives	Jose Jueguen Helen Rowland (from 17 th May 2023, Hon Secretary) David Shaw (Stewardship Secretary) Hakan Sandal-Wilson
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ELECTED MEMBERS:

Ivell Arnold (Electoral Roll Officer)
 Alison Bertlin (from 17th May 2023)
 Rona Davis
 James Dunford-Wood (from 17th May 2023, previously Deanery Synod)
 Nigel Grieve
 Alexander Jueguen (Safeguarding Officer)
 Margaret Lane (until 17th May 2023)
 Margaret Pringle
 Rebecca Tinsley
 Patricia Wilson (until 17th May 2023)

The Church retains the following professionals:

Bankers:	National Westminster Bank plc Royal Garden Branch, 55 Kensington High Street, London, W8 5ZG
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CAF Bank
 25 Kings Hill Avenue, Kings Hill, West Malling, ME19 4JQ

Solicitors	Birketts LLP 106 Leadenhall Street, London EC3A 4AA
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Investment	Charles Stanley & Co Ltd 25 Luke Street, London, EC2A 4AR
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Architect	Sarah Khan RIBA SCA AABC MA GradDiplCons(AA)Dist MFPWS Roger Mears Architects LLP, Union Chapel, Compton Ave, London, N1 2XD
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Auditors	Griffin Stone Moscrop & Co 21-27 Lambs Conduit Street, London, WC1N 3GS
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STRUCTURE, GOVERNANCE AND MANAGEMENT

The Parochial Church Council of St Mary Abbots, Kensington ('the PCC') is a corporate body established by the Church of England. The PCC operates under the Parochial Church Powers Measure and is also a charity registered in England and Wales (charity no. 1132235). The PCC is responsible for and is charged with cooperating with the Vicar in promoting, the whole mission of the church.

Since the PCC was registered as a charity in 2009, its members are also registered as trustees of the charity. Elections for one-third of the members of the PCC are held each year at the Annual Parochial Church Meeting ('APCM'). PCC members serve for three-year terms before offering themselves for re-election, should they choose to do so. The appointment of PCC members is governed by, and set out in, the Church Representation Rules. Deanery Synod representatives are ex-officio members of the PCC and elections to the Deanery Synod are held at the APCM every three years. Churchwardens are elected annually at a Meeting of the Parishioners which precedes the APCM. Churchwardens and clergy licensed to the parish are also ex-officio members of the PCC. The APCM is normally required to be held before the end of May each year. The PCC met seven times in 2023 with meetings being chaired by the Vicar or, in her absence, the lay vice-chair.

The PCC delegates various matters of business to the Standing and Finance Committee which meets, in particular, to discuss and make decisions about financial and legal matters, and whose remit also includes matters relating to staff and the Church Centre. The Standing and Finance Committee met four times in 2023.

Risk Assessment

The PCC has considered the major risks to which the Church may be subject, and appropriate systems have been put into place to manage and mitigate those risks.

OBJECTIVES AND ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE, AND PLANS FOR FUTURE PERIODS

Vicar's Report

The Rev'd Emma Dinwiddy Smith

At the end of 2022, we produced St Mary Abbots' new Mission Action Plan for the years 2022 – 2025, and during 2023, we have been working to achieve some of the plans and challenges we had, as a parish, discerned as God's will for us.

One of the first areas we wanted to address was the church's welcome, which included not only the greeting of those who come in, but also our accessibility and visibility. We were delighted to be able to restore the external lighting of the spire and the east end of the church, first put in place for the Millennium, and also to put in a wonderful backlighter for the East Window, which was first turned on during the Easter Vigil in April.

Our major fabric project for the year was the building of our beautiful new stone access ramp at the South Door, which was completed just in time for the Civic Remembrance Service in November. We were very grateful to the Friends of St Mary Abbots, who raised the magnificent sum of £50,000 towards this project through their 150th Anniversary Appeal. The ramp has made the church much more accessible for all, whilst remaining in keeping with the original Victorian design of the cloister.

Developing "discipleship" or Christian living formed another of our aspirations and we were delighted that members of the congregation have come forward to offer themselves for one of the church's ministry areas, such as reading, serving, refreshments or welcoming. It has been wonderful to be able to re-build a team of altar-servers, to hear new voices reading in the services and, thanks initially to Mother Alice, to be able, during 2023, to start up both a Voluntary Evensong Choir, and a children's choir to sing at the monthly Family Eucharist, and to see volunteers offering help in all areas of the church's life. The number of volunteers helping to support our growing programme of events has also made a big difference to the community. If you would like to get involved in any of these ways, please do contact the clergy. With 20 baptisms and 15 confirmations this year, we can give thanks that we continue to welcome new disciples into the Church of God.

We suggested in the MAP that signs of growth might be reflected in 10% increases in usual Sunday attendance, the numbers on our electoral roll and in congregational giving each year, and in this first year, we have seen increases of 10% in the Sunday attendance and 23% in the numbers on the electoral roll, but sadly a decrease of 11% in giving from the congregation. We hope and pray that this will increase over the year ahead, not only to maintain our worship and our beautiful building, but to help us grow our faith, community

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and outreach. It was very uplifting to experience the highest numbers attending to worship with us at Christmas and Easter attendance for the past decade.

This year has seen some significant services in the church; in May we were privileged to hold a Vigil Evensong on the Eve of the Coronation of King Charles III, attended by the Mayor and Councillors, as well as the Civic Act and Service of Remembrance in November. (I have been honoured to serve as Chaplain to the Mayor of Kensington and Chelsea again this year, leading prayers before Council meetings and accompanying the Mayor to a variety of events and services.) In September, the Bishop of London, The Rt Revd and Rt Hon Dame Sarah Mullally presided and preached at our Patronal Festival, blessed the foundations of the access ramp - then in the early stages of construction - and attended a parish picnic in the Vicarage garden.

The Summer Garden Party, Victorian Christmas Fair, and ever-popular Bonfire Night have remained central to the life of the parish and its local community; the performances of Handel's Messiah (Part I) at Christmas and of Parts II and II at Easter by the St Mary Abbots Choir and the Purcell Players were well-attended and much appreciated. We are grateful for our growing partnership with the Victorian Society, who held two more talks here during the year, and for the many visiting musicians who have held concerts in church. Particular thanks are due to Leonora, our Events Co-ordinator, and to our Virgers, Simon and Martina with their teams of volunteers, for arranging and facilitating all these events.

It has been good to continue our membership of YMIC (Youth Ministry in Communion), a local network for youth within more liturgical churches, and we were pleased to host their June event in the Vicarage garden and the church. Martina, our children's and youth worker, has begun a new monthly Youth Group with the help and inspiration of both YMIC and the Diocesan youth team. We were also glad to welcome Bishop Emma and the clergy of the Kensington Area for the Bishop's Vision Evening in November.

St Mary Abbots has continued to be a place of development and/or training for those in ministry. In September we said farewell to Fr Christopher Rogers as he took up his first incumbency as Rector of St Matthew's Episcopal Church in St Paul, Minnesota, USA, and in December, to Mother Alice Ormondroyd as she became Vicar of Benefice of Warton with Yealand Conyers in the Diocese of Blackburn. We are grateful to both Fr Christopher and Mthr Alice for everything they brought to the parish, and wish them every blessing in these next steps in their ministry. We were also glad to host another ordinand from St Mellitus, Vera, and delighted to have the help and inspiration not only of the Revd Canon Professor Peter Galloway, our Honorary Assistant Priest, but also of the Revd Dr Cecilie Jorgensen Strommen, a priest from the Church of Norway, who served with us until August, while her husband was posted to the Norwegian Embassy.

We have now been joined by two excellent new Associate Vicars, Fr Evan McWilliams in August, and Fr Tim Carroll in November. They have already contributed significantly to the life of the church, the school and the community, bringing with them alongside their ministry in preaching, presiding and pastoral care, particular gifts as a former youth and community worker and former architectural historian which have enhanced two vital areas of the church's development. I feel both privileged and blessed to work alongside them.

On the staff team, we were excited in April to be able to appoint Dimitrios Spanos as our new Halls Manager, who has already achieved a great deal in enhancing the Centre buildings and welcoming new and longstanding hirers of our Halls. As always, I cannot emphasize enough the role which the staff (Petter, Leonora, Simon, Martina and Dimitrios) play in the smooth running and growth of the parish. They are all immensely experienced and devoted to the church's mission, and it is very hard to imagine ministry here without them. I am immensely grateful to them, as also to our Director of Music, Mark Uglow, and the St Mary Abbots Choir, who play such an important part in enhancing our worship.

The Parochial Church Council (PCC) has continued to be a source of help, inspiration and direction for the church; I am so grateful to my wonderful churchwardens, Guy and Ed, for their wisdom, expertise and practical support, and to all our PCC and Deanery Synod members. Margaret Lane and Pat Wilson stepped down at the April APCM at the end of their term, having contributed much experience and reflection to the development of the Mission Action Plan, and we were very glad to welcome Helen Rowland and Alison Bertlin, elected in their place.

It has been, once again, an absolute privilege to serve as Vicar of St Mary Abbots this year, travelling under God in the company of a wonderful community. Thank you to each and every one of you for your support, friendship, and encouragement as ever.

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Churchwardens' Report

Ed Warrick & Guy Heald

2023 was another year of steady growth of our congregation in part due to the long-haul recovery from Covid but mainly due to the attractiveness of our services, investment in our buildings and dedication of our staff.

Our clergy, virgers and Parish Office staff have worked extremely hard to offer a wide range of services. The addition of sermons and a choir at Evensong is very much liked.

In addition to routine maintenance (including unforeseen urgent repair work to the spire), we have invested in new outside lighting, which was switched on for the first time at Easter, and a long-term project to provide a ramp at the south door. This is the first time step-free access has been possible at St Mary Abbots and it addresses some of the pertinent points from the previous accessibility survey. There is always a warm welcome as we keep the Church heated all day during the winter months, a critical part of our outreach work.

Our hall bookings and income has improved with the additional diligence of Dmitrios, who has been able to ensure that we are getting full market rents and improving the provision of services at the St Mary Abbots Centre. This is critical as our income is supplemented by rents which enable us to afford excellent music and a full complement of clergy. However, the level of income from individuals whether from collections, standing orders or legacy is not what it could or should be for a church of our size.

During 2023, we said goodbye to Fr Christopher, who left us to move to Minnesota, and Mother Alice, who began her first incumbency in Lancashire. We invested in appointing two Associate Vicars to replace them, welcoming Fathers Evan and Tim in later 2023.

Deanery Synod Meetings

As reported last year, meetings of the Synod followed the diocese's Vision 2030 themes, taking one broad theme at each meeting:

- February's meeting was held at St Clement's Church. Jill Dodd the Compassionate Communities Development Worker gave an overview of the work of her team and invited Synod to consider how they were already or could be engaging with this aspect of Vision 2030.
- The Spring Common Fund meetings were held both in person and on zoom.
- In June Synod members enjoyed a summer garden party in the grounds of the St Mary Abbots Vicarage.
- St George's Campden Hill hosted the September meeting of Synod at which the Revd Richard Carter, author of 'The City is my Monastery' spoke on the theme of Confident Disciples and the life-giving Rule of Life he has developed.
- The last meeting of 2023 was hosted by St Thomas, Kensal Rise and was on the theme of Growing Younger. Jacob Holme presented the work of Youth Ministry in Communion; Jo Jones, the Kensington Area Schools and Youth Chaplain had provided a power point and offers for parishes to contact her if she could be of help. The work of St Luke's for Clergy Wellbeing was also promoted.

Throughout the year Safeguarding was a standing item on agendas and members had been encouraged to get their churches engaging with the Safeguarding Dashboard.

Governors were also elected to the deanery LDBS schools.

Stewardship Officer's Report

David Shaw

The Stewardship Group met a number of times during the year. A new focus was agreed that is to encourage more regular giving by standing order from congregants on the electoral roll (approx. 300). For 2023 52 congregants used this method of giving.

Regular giving by standing order in the year was £62k including tax recoverable.

Voluntary Income during the year was £175k (2022 £227k).

Legacy Income during the year was £11k (2022 £12k).

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FINANCIAL REVIEW

Hon Treasurer's Report

Guy Heald

2023 was difficult as we faced very high inflation by recent standards. Increased costs which cannot be fully recovered have affected our finances.

INCOME

for the year increased by 4pct to £680,000 as a result of an increase in rents which more than offset a decline in donations.

Income from collections rose which reflects very well on the clergy, virgers, parish staff and all others who help with services.

However, the level of planned giving fell and this needs to improve to provide stable and predictable income and less reliance on one or two large donors who ceased to give in 2023.

EXPENDITURE

for the year at £839,000 far exceeded income as a result of the ramp project at £129,000 as an exceptional item.

We also spent more on clergy stipends as we replaced Mother Alice our curate with a full-time associate vicar and more than planned on repairs and maintenance which added to the deficit.

We had to restrict mission giving to a very small amount as a result.

Our plan for 2024 has a balanced budget. This depends on increased income from collections, standing orders and donations. We have an excellent clergy which will no doubt increase our congregation but we need a big change in the approach to giving to improve our income to match what we spend.

As ever we must think of the long-term need for capital projects and hope for legacies and exceptional donations to meet the need for those funds.

Reserves

The PCC's policy is to have reserves equivalent to 6 months' running costs. 6 months of running costs equals £348k. Currently our general unrestricted liquid reserves, which excludes tangible fixed assets but includes investment portfolios within the general fund, equal £568,917 (2022 - £763,110). Thus, our unrestricted reserves exceeds the reserves target.

ST MARY ABBOTS CHURCH, KENSINGTON

**STATEMENT OF PCC MEMBERS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

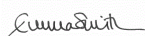
The PCC members are responsible for preparing the PCC members' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the PCC members 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the PCC members are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The PCC members are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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.

Approved by the PCC and signed on its behalf by:



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The Rev'd Emma Dinwiddy Smith
Chair

Date: 24 April 2024

ST MARY ABBOTS CHURCH, KENSINGTON**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST MARY ABBOTS CHURCH,
KENSINGTON**

Opinion

We have audited the financial statements of St Mary Abbots Church, Kensington (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes, 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).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 PCC 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 PCC members 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 PCC members are responsible for the other information contained within the annual report. 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. 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.

ST MARY ABBOTS CHURCH, KENSINGTON**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST MARY ABBOTS CHURCH,
KENSINGTON (CONTINUED)****Matters on which we are required to report by exception**

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

- the information given in the PCC members' report is inconsistent in any material respect with the financial statements; or
- sufficient 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 pcc members' responsibilities statement, the PCC members are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the PCC members 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 PCC members 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 PCC members either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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 specific procedures designed and implemented to detect irregularities, including fraud, are detailed below:

- Enquiries with management and those charged with governance;
- Carrying out substantive checking to supporting documents on a sample basis of individual transactions within income and expenditure to give comfort that on a sample basis the SOFA does not contain any irregular items;
- Carrying out walk-through testing to verify that the charity's accounting systems and controls are being implemented as designed;
- Certifying the existence on a sample basis of individual employees on the payroll;
- Verifying that material balances within the balance sheet are supported by third party evidence to confirm the existence and valuation of these balances at the balance sheet date;
- Reviewing minutes of PCC meetings.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

ST MARY ABBOTS CHURCH, KENSINGTON**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST MARY ABBOTS CHURCH,
KENSINGTON (CONTINUED)**

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the PCC members.
- Conclude on the appropriateness of the PCC members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 auditors' 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Griffin Stone Moscrop & Co

Griffin Stone Moscrop & Co

Chartered Accountants

Statutory Auditors

21-27 Lamb's Conduit Street

London

WC1N 3GS

Date: 26/4/2024

Griffin Stone Moscrop & Co are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

ST MARY ABBOTS CHURCH, KENSINGTON

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income and endowments from:						
Donations and legacies	3	191,010	70,672	-	261,682	285,745
Church activities	4	121,809	-	-	121,809	119,264
Property rentals and fundraising events	5	257,312	-	-	257,312	206,967
Investments	6	39,330	376	-	39,706	41,019
Insurance claim		-	-	-	-	2,530
Total income and endowments		609,461	71,048	-	680,509	655,525
Expenditure on:						
Raising funds	7	13,647	-	-	13,647	20,266
Church activities	8	695,885	129,560	-	825,445	639,239
Total expenditure		709,532	129,560	-	839,092	659,505
Net expenditure before net gains/(losses) on investments		(100,071)	(58,512)	-	(158,583)	(3,980)
Net gains/(losses) on investments		9,270	-	(1,528)	7,742	(215,843)
Net expenditure		(90,801)	(58,512)	(1,528)	(150,841)	(219,823)
Transfers between funds	18	(59,113)	59,113	-	-	-
Net movement in funds		(149,914)	601	(1,528)	(150,841)	(219,823)
Reconciliation of funds:						
Total funds brought forward		4,068,983	53,036	166,060	4,288,079	4,507,902
Net movement in funds		(149,914)	601	(1,528)	(150,841)	(219,823)
Total funds carried forward		3,919,069	53,637	164,532	4,137,238	4,288,079

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

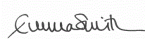
The notes on pages 8 to 28 form part of these financial statements.

ST MARY ABBOTS CHURCH, KENSINGTON

BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	3,054,129	3,005,789
Investments	14	1,007,467	1,179,818
		<u>4,061,596</u>	<u>4,185,607</u>
Current assets			
Debtors	15	91,709	61,388
Cash at bank and in hand		50,143	102,270
		<u>141,852</u>	<u>163,658</u>
Creditors: amounts falling due within one year	16	(66,210)	(61,186)
Net current assets		<u>75,642</u>	<u>102,472</u>
Total net assets		<u><u>4,137,238</u></u>	<u><u>4,288,079</u></u>
Charity funds			
Endowment funds	18	164,532	166,060
Restricted funds	18	53,637	53,036
Unrestricted funds	18	3,919,069	4,068,983
Total funds		<u><u>4,137,238</u></u>	<u><u>4,288,079</u></u>

The financial statements were approved and authorised for issue by the PCC members and signed on their behalf by:



.....
The Rev'd Emma Dinwiddy Smith
Chair

Date: 24 April 2024

The notes on pages 8 to 28 form part of these financial statements.

ST MARY ABBOTS CHURCH, KENSINGTON**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	2023 £	2022 £
Cash flows from operating activities		
Net cash used in operating activities	(157,274)	(16,089)
Cash flows from investing activities		
Dividends, interests and rents from investments	39,706	41,019
Purchase of tangible fixed assets	(59,029)	-
Proceeds from sale of investments	197,479	41,275
Purchase of investments	(73,009)	(164,344)
Net cash provided by/(used in) investing activities	105,147	(82,050)
Change in cash and cash equivalents in the year	(52,127)	(98,139)
Cash and cash equivalents at the beginning of the year	102,270	200,409
Cash and cash equivalents at the end of the year	50,143	102,270

The notes on pages 8 to 28 form part of these financial statements

ST MARY ABBOTS CHURCH, KENSINGTON

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. General information

The Parochial Church Council of St Mary Abbots, Kensington, is a registered charity (charity number 1132235) with the Charity Commission for England and Wales. The address of the principal office is St Mary Abbots Parish Office, Vicarage Gate, London, W8 4HN. The nature of the charity's operations and principal activities is promoting in the ecclesiastical parish the whole mission of the church.

The presentation currency in these financial statements is sterling and figures are rounded to the nearest pound.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and 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 Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

St Mary Abbots Church, Kensington meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charity, can be reliably measured.

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

ST MARY ABBOTS CHURCH, KENSINGTON**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. Accounting policies (continued)**2.3 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 allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the church to raise funds for its charitable purposes and includes costs of all fundraising activities events and investment management fees.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the church's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.4 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Consecrated land and buildings and moveable church furnishings

Consecrated and beneficed property of any kind is excluded from the financial statements by section 10(2) to (3) of the Charities Act 2011.

Moveable church furnishings held by the Vicar and Churchwardens on special trust for the PCC and which require a faculty for disposal are accounted for as inalienable property unless consecrated. They are listed in the church's inventory which can be inspected. For inalienable property acquired prior to 1996 there is insufficient cost information and therefore such assets are not valued in the accounts. All expenditure incurred during the year on consecrated or beneficed buildings and moveable church furnishings, whether on maintenance or improvement, is written off as expenditure in the statement of financial activities.

Functional church properties have been included in the accounts at "deemed cost" which in the absence of reliable historical cost information represents the insured values of these properties on 1 January 2006 when they were included in the accounts. This value is annually reviewed by the PCC for impairment and to ensure that it remains appropriate. This deemed cost will not change unless improvement expenditure is incurred on these properties.

ST MARY ABBOTS CHURCH, KENSINGTON**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****2. Accounting policies (continued)****2.4 Tangible fixed assets and depreciation (continued)**

Depreciation is charged so as to allocate the cost of other tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Church equipment	-	10%
Fixtures and fittings	-	10%

No depreciation is provided on freehold property as it is the PCC's policy to maintain these assets in a continual state of sound repair. In addition the useful economic life of these assets is so long and residual values so high that any depreciation would not be material. These assets are still subject to annual impairment reviews. Provision will be made if there has been any permanent diminution in value.

2.5 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the statement of financial activities.

2.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

2.9 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 and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

ST MARY ABBOTS CHURCH, KENSINGTON**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. Accounting policies (continued)**2.10 Pensions**

The charity is a member of a multi-employer plan. Where it is not possible for the charity to obtain sufficient information to enable it to account for the plan as a defined benefit plan, it accounts for the plan as a defined contribution plan.

2.11 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the PCC members in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the PCC members for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

ST MARY ABBOTS CHURCH, KENSINGTON

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

3. Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Donations			
Planned giving	50,551	100	50,651
Tax reclaimed	17,666	300	17,966
Collections	72,528	-	72,528
Donations and appeals	34,347	51,165	85,512
Total donations	175,092	51,565	226,657
Legacies	10,708	-	10,708
Grants	5,210	19,107	24,317
Subtotal	15,918	19,107	35,025
	191,010	70,672	261,682
	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Donations			
Planned giving	58,924	1,200	60,124
Tax reclaimed	19,560	-	19,560
Collections	64,380	-	64,380
Donations and appeals	52,820	-	52,820
Total donations	195,684	1,200	196,884
Legacies	12,516	-	12,516
Grants	76,345	-	76,345
Subtotal	88,861	-	88,861
	284,545	1,200	285,745

ST MARY ABBOTS CHURCH, KENSINGTON**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****4. Income from church activities**

	Unrestricted funds 2023 £	Total funds 2023 £
Church and statutory fees	5,718	5,718
Church groups	623	623
Church hall lettings	115,468	115,468
	<u>121,809</u>	<u>121,809</u>
	Unrestricted funds 2022 £	Total funds 2022 £
Church and statutory fees	7,309	7,309
Church groups	30	30
Church hall lettings	111,925	111,925
	<u>119,264</u>	<u>119,264</u>

ST MARY ABBOTS CHURCH, KENSINGTON

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

5. Income from property rentals and fundraising events

	Unrestricted funds 2023 £	Total funds 2023 £
Income from rentals	238,992	238,992
Fundraising events	18,320	18,320
	<u>257,312</u>	<u>257,312</u>
	Unrestricted funds 2022 £	Total funds 2022 £
Income from rentals	188,914	188,914
Fundraising events	18,053	18,053
	<u>206,967</u>	<u>206,967</u>

6. Investment income

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Dividends and interest	<u>39,330</u>	<u>376</u>	<u>39,706</u>

	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £
Dividends and interest	31,616	36	9,367	41,019

ST MARY ABBOTS CHURCH, KENSINGTON**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****7. Expenditure on raising funds****Costs of raising voluntary income**

	Unrestricted funds 2023 £	Total funds 2023 £
Stewardship costs	5	5
General fundraising and appeal costs	9,704	9,704
Investment management fees	3,938	3,938
	<u>13,647</u>	<u>13,647</u>

	Unrestricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £
Stewardship costs	243	-	243
General fundraising and appeal costs	12,353	-	12,353
Investment management fees	6,479	1,191	7,670
	<u>19,075</u>	<u>1,191</u>	<u>20,266</u>

ST MARY ABBOTS CHURCH, KENSINGTON**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****8. Analysis of expenditure on charitable activities****Summary by fund type**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Church activities	695,885	129,560	825,445

	Unrestricted funds 2022 £	Endowment funds 2022 £	Total 2022 £
Church activities	638,824	415	639,239

9. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Church activities	728,134	97,312	825,446

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Church activities	540,816	98,423	639,239

ST MARY ABBOTS CHURCH, KENSINGTON

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2023 £	Total funds 2022 £
Staff costs	117,703	115,839
Depreciation	10,689	4,788
Missionary and charitable giving	2,332	23,858
Ministry: Diocesan clergy stipends	185,345	150,940
Ministry: Other clergy costs	8,428	10,702
Church running expenses	82,957	76,402
Church maintenance	18,066	22,210
Services	5,806	8,955
Choir and music	54,565	50,845
Congregational development	9,964	8,479
Church Hall repairs, maintenance and running costs	61,172	36,528
8 Hornton Place	12,672	11,062
Accessibility Project - professional fees and construction costs	129,385	-
Staff accommodation	28,059	20,116
Sundry	991	92
	728,134	540,816

Analysis of support costs

	Total funds 2023 £	Total funds 2022 £
Staff costs (including agency staff)	72,147	50,844
Bank charges	2,397	4,901
Legal fees	11,111	13,296
Other professional fees	2,380	21,048
Audit fees	9,277	8,334
	97,312	98,423

ST MARY ABBOTS CHURCH, KENSINGTON**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****10. Auditors' remuneration**

	2023 £	2022 £
Fees payable to the charity's auditor for the preparation and audit of the charity's financial statements	8,750	8,334

11. Staff costs

	2023 £	2022 £
Wages and salaries (including agency staff)	168,866	146,299
Social security costs	9,840	8,408
Contribution to defined contribution pension schemes	11,143	11,976
	189,849	166,683

The average number of persons employed by the charity during the year was as follows:

	2023 No.	2022 No.
Staff	5	5

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the church are the PCC members, none of whom are remunerated directly by the church.

12. PCC members' remuneration and expenses

During the year, no PCC members received any remuneration or other benefits (2022 - £nil).

During the year ended 31 December 2023, expenses totalling £6,090 were reimbursed or paid directly to 3 PCC members (2022 - £1,519 to 2 PCC members).

ST MARY ABBOTS CHURCH, KENSINGTON

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**13. Tangible fixed assets**

	Properties £	Church equipment £	External lighting £	Total £
Cost or valuation				
At 1 January 2023	2,963,115	88,911	-	3,052,026
Additions	-	-	59,029	59,029
Disposals	-	(41,050)	-	(41,050)
At 31 December 2023	2,963,115	47,861	59,029	3,070,005
Depreciation				
At 1 January 2023	-	46,237	-	46,237
Charge for the year	-	4,786	5,903	10,689
On disposals	-	(41,050)	-	(41,050)
At 31 December 2023	-	9,973	5,903	15,876
Net book value				
At 31 December 2023	2,963,115	37,888	53,126	3,054,129
At 31 December 2022	2,963,115	42,674	-	3,005,789

Functional church properties are included in the financial statements at deemed cost based on the insured values at 1 January 2006 when they were first brought into the financial statements (7b Vicarage Gate first brought in in December 2016 at deemed cost). An analysis by property is given below:

Church hall & garages	£1,752,214
Cottage - Curate	£242,109
Cottage - Virger	£242,109
8 Hornton Place	£441,683
7b Vicarage Gate	£285,000

The buildings are used for the benefit of the PCC to carry out its mission and ministry in the parish, and are not held primarily for investment or resale purposes. Accordingly, their values are based on deemed cost, rather than market valuations.

ST MARY ABBOTS CHURCH, KENSINGTON

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**14. Fixed asset investments**

	Listed investments £
Cost or valuation	
At 1 January 2023	1,179,818
Additions	73,009
Disposals	(197,479)
Revaluations	(47,881)
	<hr/>
At 31 December 2023	1,007,467
	<hr/> <hr/>
Net book value	
At 31 December 2023	1,007,467
	<hr/>
At 31 December 2022	1,179,818
	<hr/> <hr/>

15. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	34,034	28,441
Other debtors	-	75
Prepayments and accrued income	57,675	32,872
	<hr/>	<hr/>
	91,709	61,388
	<hr/> <hr/>	<hr/> <hr/>

ST MARY ABBOTS CHURCH, KENSINGTON**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****16. Creditors: amounts falling due within one year**

	2023	2022
	£	£
Trade creditors	22,334	16,588
Other taxation and social security	3,877	2,861
Other creditors	26,689	28,971
Accruals and deferred income	13,310	12,766
	<u>66,210</u>	<u>61,186</u>

17. Financial instruments

	2023	2022
	£	£
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>50,143</u>	<u>102,270</u>

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand.

ST MARY ABBOTS CHURCH, KENSINGTON

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

18. Statement of funds

Statement of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 December 2023 £
Unrestricted funds						
Designated funds						
Bequests	44,888	-	-	-	-	44,888
Mary Isa Trust (Renovation)	239,419	6,635	(986)	-	6,067	251,135
Accessibility	15,777	-	-	(15,777)	-	-
	<u>300,084</u>	<u>6,635</u>	<u>(986)</u>	<u>(15,777)</u>	<u>6,067</u>	<u>296,023</u>
General funds						
General Fund	3,768,899	602,826	(708,546)	(43,336)	3,203	3,623,046
Total Unrestricted funds	<u>4,068,983</u>	<u>609,461</u>	<u>(709,532)</u>	<u>(59,113)</u>	<u>9,270</u>	<u>3,919,069</u>
Endowment funds						
The Curtis Bequest Fund	166,060	-	-	-	(1,528)	164,532
Restricted funds						
Appeal	53,036	776	(175)	-	-	53,637
Accessibilty	-	70,272	(129,385)	59,113	-	-
	<u>53,036</u>	<u>71,048</u>	<u>(129,560)</u>	<u>59,113</u>	<u>-</u>	<u>53,637</u>
Total of funds	<u><u>4,288,079</u></u>	<u><u>680,509</u></u>	<u><u>(839,092)</u></u>	<u><u>-</u></u>	<u><u>7,742</u></u>	<u><u>4,137,238</u></u>

ST MARY ABBOTS CHURCH, KENSINGTON

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

18. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 December 2022 £
Unrestricted funds						
Designated funds						
Bequests	44,679	209	-	-	-	44,888
St Mary Abbots Property Fund II	366,809	7,447	(2,955)	(317,578)	(53,723)	-
St Mary Abbots Property Fund I	430,539	12,204	(3,456)	(360,114)	(79,173)	-
Mary Isa Trust (Renovation)	273,454	7,641	(2,146)	-	(39,530)	239,419
Accessibility	-	27,145	(11,368)	-	-	15,777
	<u>1,115,481</u>	<u>54,646</u>	<u>(19,925)</u>	<u>(677,692)</u>	<u>(172,426)</u>	<u>300,084</u>
General funds						
General Fund	<u>3,144,449</u>	<u>590,276</u>	<u>(637,974)</u>	<u>677,692</u>	<u>(5,544)</u>	<u>3,768,899</u>
Total Unrestricted funds	<u>4,259,930</u>	<u>644,922</u>	<u>(657,899)</u>	<u>-</u>	<u>(177,970)</u>	<u>4,068,983</u>
Endowment funds						
The Curtis Bequest Fund	<u>196,172</u>	<u>9,367</u>	<u>(1,606)</u>	<u>-</u>	<u>(37,873)</u>	<u>166,060</u>
Restricted funds						
Appeal	<u>51,800</u>	<u>1,236</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>53,036</u>
Total of funds	<u><u>4,507,902</u></u>	<u><u>655,525</u></u>	<u><u>(659,505)</u></u>	<u><u>-</u></u>	<u><u>(215,843)</u></u>	<u><u>4,288,079</u></u>

ST MARY ABBOTS CHURCH, KENSINGTON

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

19. Summary of funds

Summary of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 December 2023 £
Designated funds	300,084	6,635	(986)	(15,777)	6,067	296,023
General funds	3,768,899	602,826	(708,546)	(43,336)	3,203	3,623,046
Endowment funds	166,060	-	-	-	(1,528)	164,532
Restricted funds	53,036	71,048	(129,560)	59,113	-	53,637
	<u>4,288,079</u>	<u>680,509</u>	<u>(839,092)</u>	<u>-</u>	<u>7,742</u>	<u>4,137,238</u>

The church has one endowment fund, The Curtis Bequest Fund. This was bequeathed to the Vicar and Churchwardens of St Mary Abbots Church in March 1965. The income from this fund is used for the promotion and upkeep of the choir, the organ and church music. The London Diocesan Fund acts as custodian trustee, and the capital value of this fund (£28,569) is kept as a permanent endowment. The remaining capital value of the fund is permitted to be expended, but only when the Vicar and Churchwardens, in exceptional circumstances, deem it necessary.

During the year, restricted income was received in relation to the Accessibility fund. For clarity, the brought forward balance on the designated Accessibility fund was transferred to a restricted Accessibility Fund, with all 2023 income and expenditure being shown in the restricted fund. There was also a transfer from the General Fund to the restricted Accessibility fund to cover the deficit.

Summary of funds - prior year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 December 2022 £
Designated funds	1,115,481	54,646	(19,925)	(677,692)	(172,426)	300,084
General funds	3,144,449	590,276	(637,974)	677,692	(5,544)	3,768,899
Endowment funds	196,172	9,367	(1,606)	-	(37,873)	166,060
Restricted funds	51,800	1,236	-	-	-	53,036
	<u>4,507,902</u>	<u>655,525</u>	<u>(659,505)</u>	<u>-</u>	<u>(215,843)</u>	<u>4,288,079</u>

ST MARY ABBOTS CHURCH, KENSINGTON

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total funds 2023 £
Tangible fixed assets	3,054,129	-	-	3,054,129
Fixed asset investments	842,935	-	164,532	1,007,467
Current assets	88,215	53,637	-	141,852
Creditors due within one year	(66,210)	-	-	(66,210)
Total	3,919,069	53,637	164,532	4,137,238

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £
Tangible fixed assets	3,005,789	-	-	3,005,789
Fixed asset investments	1,013,758	-	166,060	1,179,818
Current assets	110,622	53,036	-	163,658
Creditors due within one year	(61,186)	-	-	(61,186)
Total	4,068,983	53,036	166,060	4,288,079

21. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net expenditure for the year (as per Statement of Financial Activities)	(150,841)	(219,823)
Adjustments for:		
Depreciation charges	10,689	4,788
(Gains)/losses on investments per fixed assets investment note	47,881	235,971
Dividends, interests and rents from investments	(39,706)	(41,019)
Increase in debtors	(30,321)	(4,765)
Increase in creditors	5,024	8,759
Net cash used in operating activities	(157,274)	(16,089)

ST MARY ABBOTS CHURCH, KENSINGTON**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****22. Analysis of cash and cash equivalents**

	2023	2022
	£	£
Cash at bank	32,466	85,957
Held by investment managers	17,677	16,313
Total cash and cash equivalents	50,143	102,270

23. Analysis of changes in net debt

	At 1 January 2023	Cash flows	At 31 December 2023
	£	£	£
Cash at bank and in hand	102,270	(52,127)	50,143

ST MARY ABBOTS CHURCH, KENSINGTON

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

24. Pension commitments

The church participates in the Pension Builder Scheme section of the Church Workers Pensions Fund (CWPF) for lay staff. The CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the church and other participating employers.

The CWPF has two sections:

1. the 'Defined Benefits Scheme'
2. the 'Pension Builder Scheme', which has two subsections:
 - a. a deferred annuity section known as 'Pension Builder Classic'
 - b. a cash balance section known as 'Pension Builder 2014'.

Pension Builder Scheme

Both sections of the Pension Builder Scheme are classed as defined benefit schemes:

Pension Builder Classic provides a pension, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs of £11,143 (2022 - £11,976) charged to the statement of financial activities in the year are the contributions payable.

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019.

For the Pension Builder Classic section, the 2019 valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review, effective 1 January 2024, the Board chose to grant a discretionary bonus of 6.7% to both pensions not yet in payment and pensions in payment in respect of service prior to April 1997, and a bonus on pensions in payment in respect of post-April 2006 service so that the pension increase was 5% (where usually it would be calculated based on inflation up to 2.5%). This followed improvements in the funding position over 2023. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the 2019 valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The next valuation is due as at 31 December 2022. Calculations for this are currently underway.

The legal structure of the Scheme is such that if another employer fails, St Mary Abbots Church could become responsible for paying a share of the failed employer's pension liabilities.

ST MARY ABBOTS CHURCH, KENSINGTON**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023****25. Operating lease commitments**

At 31 December 2023 the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	4,875	6,401
Later than 1 year and not later than 5 years	-	382
	<u>4,875</u>	<u>6,783</u>

26. Related party transactions

Aggregate unconditional donations of £9,610 were received in 2023 from 12 PCC members, including their families (2022 - £13,569 was received from 15 PCC members and their families).

The St Mary Abbots School Trust is a related charity, by virtue of the Vicar and Churchwardens being trustees of that organisation. During the year, rent of £14,635 (2022 - the same) was paid to the Trust for flats occupied by the Curate and the Virger.

Guy Smith, the Vicar's son, covered as a tenor in the choir on a number of occasions during the year and was paid a total of £225.