THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN WITH ST MICHAEL AND ALL ANGELS, PADDINGTON

England & Wales · Charity number 1132885

Details

Other names	ST JOHN'S, HYDE PARK
Status	Registered
Legal form	Other
Registered	2009-11-21
Register	View on the Charity Commission register

Contact

Address	St. Johns Church Hyde Park Crescent London W2 2QD
Phone	020 7262 1732
Email	parishadmin@stjohns-hydepark.com
Website	www.stjohns-hydepark.com

Activities

Objects: Promoting in the ecclesiastical parish the whole mission of the Church.

Activities: St John's is an inclusive church, that is, we believe that the Good News is for all people regardless of gender, race, sexual identity, age, disability or any other distinction. St John's welcomes anyone and seeks to build a congregation that reflects the diversity of the community we serve.

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Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Other Charitable Activities
- **What:** General Charitable Purposes, Religious Activities
- **Who:** Children/young People, Elderly/old People, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, LOCAL.
- City Of Westminster

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£844,544	£616,372	£491,373	4
2023-12-31	£536,084	£558,267	£259,001	2
2022-12-31	£536,770	£487,352	£281,184	2
2021-12-31	£492,974	£492,040	-	-
2020-12-31	£583,815	£515,991	£230,832	2

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Trustees

Name	Role	Appointed
Rev STEPHEN DAVID MASON	Chair	
Andrew Beverley		2023-03-26
Anna Haase		2023-03-26
Bryan Stephens		2020-10-25
Christopher Robert Lees		2020-10-25
Christopher Searle		2023-03-26
DAVID MARK GEORGE FLETCHER		
Esme Daley		2024-03-17
Gaynor Scruton		2019-04-07
Ian Nelson		2025-04-06
Rachel Keller		2025-03-16
Rev Alex Norris		2023-07-02
Susan Greeney		2024-03-17

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THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN WITH ST MICHAE

England & Wales - Charity number 1132885

Accounts



ST JOHN'S HYDE PARK
HYDE PARK CRESCENT
LONDON W2 2QD

ANNUAL REPORT AND FINANCIAL STATEMENTS OF THE PAROCHIAL CHURCH COUNCIL

FOR THE YEAR ENDED
31 DECEMBER 2024

Registered Charity 1132885

The Parochial Church Council of St John the Evangelist with St Michael and All Angels, Paddington

Financial Statements

For the year ending 31st December 2024

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Administrative Information

PCC Members

The under-mentioned persons served on the PCC during the year:		PCC Meetings attended
Ex Officio Members		
The Reverend Stephen Mason	Incumbent	6/6
The Reverend Alex Norris	Associate Vicar	4/6
Damon Greeney	Churchwarden (to June)	1/4
Bryan Stephens	Churchwarden (from June) and Deanery Synod Rep	3/6
Gaynor Scruton	Churchwarden	6/6
David Fletcher	Deanery Synod Rep	0/6
Chris Lees	Deanery Synod Rep	4/6
Elected Members		
Andrew Beverley		4/6
Esme Daley	(from March)	2/4
Susan Greeney	(from March)	3/4
Anna Haase	(from March)	3/4
Helen Isibor-Epega	(to March)	2/2
Ian Nelson	Treasurer	6/6
Chris Searle	(from March)	3/6
Shakira Watts	(to March)	2/2
Co—opted Members		
Adebayo Ajayi	(from May)	3/4

Bankers: HSBC plc
69 Pall Mall
London SW1Y 5EY

Insurers: Ecclesiastical Insurance
Beaufort House
Brunswick Road
Gloucester GL1 1JZ

Architect: John Bailey
Thomas Ford and Partners
177 Kirkdale
London SE26 4QH

Solicitor: Winckworth Sherwood
Minerva House
5 Montague Close
London SE1 9BB

Auditor: TC Group
Statutory Auditor
3 Acorn Business Centre
Northarbour Road
Cosham, Portsmouth
Hampshire PO6 3TH

The church office is situated at St John's Church, Hyde Park Crescent, London, W2 2QD

Incumbent: The Reverend Stephen Mason

Church Administrator: Bryan Sollenberger

2024 Report and Accounts for the Parochial Church Council of St John the Evangelist with St Michael and all Angels, Paddington

The Parochial Church Council (PCC) has pleasure in presenting its report and the financial statements of the Church for the year ended 31st December 2024.

Overview of the Year

Over the course of 2024, we took another slow but sure step towards recovery and it was a good year in several respects. Actual average attendance at Sunday services was marginally less than the previous year at 95, but there had been six services in 2023 which had drawn two to three times the average so after factoring that in, average attendance was similar. Our Advent and Christmas services drew our largest attendances for five years, especially at Advent Carols and Nine Lessons and Carols – 193 and 266 respectively (134 and 193 in 2023) – and the numbers coming at Easter and Christmas also were greater than in 2023: 194 versus 187 on Easter and 269 compared to 241 at Christmas services. Average weekly attendances across all services grew from 129 to 148.

Financially the PCC had a good year. Fund raising activities went very well, with a significant increase in the use of the church for concerts, charitable fund raising activities, wedding and birthday celebrations and especially our partnering with London Fashion Week in February and September. We are pleased to be welcoming so many young, creative designers, models and tech personnel into St John's to encourage them in their studies and early careers. Because of this, the PCC was able to make full planned provisions to reserves as well as to make up for shortfalls in 2023. It was also able to set aside funds to carry out works to the vestry space – replastering, redecoration and recarpeting, installation of a new drop ceiling and a vestry chest and other furniture - which it is hoped will be undertaken in 2025.

Aims and Purposes

The primary objective of the PCC is to co-operate with the Incumbent, The Reverend Stephen Mason, in promoting within the Parish the whole mission of the Church: pastoral, evangelistic, social, ecumenical and community building. The Incumbent has the obligation of providing pastoral care to all those resident within the geographical parish, as well as to those who attend services, with specific responsibility for rites of passage.

St John's is an inclusive church – that is, we believe that the Good News is for all people regardless of gender, ethnicity, sexual orientation, socio-economic circumstances or spiritual background. St John's welcomes anyone and seeks to build a congregation that reflects the diversity of the community we serve. We are aware that a number of our parishioners, along with occasional members of our congregation, are of other or no faith but all are welcomed with generosity and hospitality. This outlook sets the context for all that we do and influences our approach to planning services, pastoral care, social events and other activities which we undertake in furtherance of our aims. In all our activities we seek to minister to each one who comes through our doors – to provide a means to deepen the faith for those who are part of our worshipping community and to attract and to minister to those who are, at present, outside it.

Objectives and Activities

Church Attendance

Attendance figures have been noted already above in the Overview for the Year. The number on the parish Electoral Roll at 31st December stood at 180, an increase of 10 over the year.

We were especially pleased by the numbers at Advent Carols of 193 (134 in 2023), at Nine Lessons and Carols of 266 (193 in 2023) and Midnight Mass of 111 (95 in 2023). Regular attenders pre-pandemic would attend 2-3 Sundays per month but post-Covid are attending much less and this continued in 2024 but there has been a small but steady stream of visitors. We are also seeing the steady return of people from up and down the country and further afield attending two or three times a year on a regular basis. We continue to see no improvement in the number of young families attending as house prices have increased and they can no longer afford to live in the parish. Those who can are often drawn to attend the Annunciation, Marble Arch because of its association with Hampden Gurney Church of England School.

Church Activities and Highlights

The year started with the retirement of our Director of Music, Robert Greenhill, who had been in post since 2006. Robert has significantly grown and enhanced our music tradition during his tenure. He increased the number of choral scholars first from four to five, then to eight. He successfully attracted a core of instrumentalists from which we draw to support some Sunday services and around which he would form an orchestra to support our series of great carols services. His success at developing our music programme exceeded all expectation and his contributions over his nearly 18 years at St John's have been immense.

Robert's final service was Epiphany Carols on 14th January. Readers at the carol service were drawn from all who had supported Robert personally or professionally during his time at St John's and included his partner, Thorsten Prattcher, Chris Skarratt who had provided technical support for several school projects and silent film evenings, organists Nick Miller and Mark James and Louise Lloyd, who had been a choral scholar under Robert from 2007-2009. Following the service we had a party with sponsored fizz and canapés to celebrate him and his achievements.

Nick Miller was appointed our new Director of Music after advertising in *Church Times* and a full application and interview process. He joined the staff team on 1st February 2024. Nick had been organ scholar 2012-14 and then assistant to Robert Greenhill until January 2020. He is culturally aligned with St John's, he seemed a good fit and performed well in competitive interview.

Our series of great carol services which, retell the events of the Christian year, was again very successful and we experienced better numbers than the year before. These have become important markers in our liturgical year and musical highlights featuring the choir, organ and guest musicians. Nine Lessons and Carols was attended by the Lord Mayor of Westminster and other local dignitaries and featured representatives of community groups that enhance our communal life. These services are followed by receptions of seasonal treats such as mulled wine & mince pies, panettone, galette des rois, hot cross buns and Pimms.

St John's *Late*, a series of Sunday evening services running in November and then again from Epiphany to Lent, comprise Choral Evensong, Compline, a Jazz mass and a BCP Eucharist. While numbers had been disappointing in the autumn of 2023, they were significantly improved in the winter series at the beginning of 2024. The autumn series in 2024 also did better than the previous year with an average attendance of 34 except for a Choral Evenson on 17th November, during which our choir partnered with the Chamber Choir of Queen's College, London and 105 attended the service.

In late 2023 we had been approached by the lead trustee of the Jenny Clark Memorial Trust, which had been set up in memory of Jenny Clark for the support of church music. The Trust had made several grants to St John's over the years. St John's was fortunate enough to be gifted a sum to be known as the Jenny Clark Fund. These monies had been set aside by a former churchwarden in memory of his first wife Jenny and over the years it has enabled St John's to purchase the new grand piano in 2004 and supported the church in growing the salary of the Director of Music 2006-2009. The PCC have agreed that these funds will be accounted for within the annual report and financial statements of St John's and will be spent on music at St John's according to a letter of agreement between the donor and the PCC. The agreement was concluded in July 2024 and the funds transferred to the control of the PCC in August. This will be a significant resource for the parish in the coming years which will allow us to plan our music with confidence and innovation.

The clergy team welcomed the Reverend Owen Dobson onto the staff team on a temporary basis from June to October in order that he could be helped with a ministry bridge between the end of his time as Associate Vicar of St James, Sussex Gardens and his appointment as priest-in-charge of St Pancras Old Church and St Paul's, Camden Square.

Another highlight in June was the hosting of a hustings in the run up to the General Election. It was attended by seven candidates for Parliament and attended by over 150 people from across our local community.

St John's has a thriving social life and 2024 continued this tradition. Tea and coffee, along with fizz or sherry when appropriate, is served after most services. Our annual summer barbecue took place on 7th July and we were once again grateful to the Raynham residents for allowing us to use their communal garden behind the church. A very successful series of six summer lunches was once again held at the vicarage in July and August as well as a barbecue for the volunteers on our servers' rota. Our quiz evening returned this year on 17th October, with thanks to Chris Cochran, local publican of The Victoria, who put us through our intellectual paces. Our bi-annual Dog Collar Dinner, a safari supper hosted at three staff residences, took place in September to raise funds for the costs of our new set of green vestments purchased earlier in the year. It was a very successful evening with 31 parishioners enjoying courses hosted by the Verger, Vicar and Associate Vicar.

Culture Vulture Ventures enjoyed several outings. A group went to the newly opened London Chocolate Company in Connaught Street in June and the following month a group went to Westminster Abbey for the popular Purcell Tour. These monthly guided tours of the Abbey are so in demand that it's necessary to book around two years' ahead.

Also returning was St John's Lunch Club, with their first outing in May to the recently opened Kendal Street Kitchen and followed up by lunch at The Victoria in Strathearn Place in November.

In September we welcomed Philip Matei onto the staff team as Assistant Administrator. His primary role is to assist our Administrator, Bryan Sollenberger. He also supports our events manager, Andrejs Livins, in looking after the building during events. For several years Philip has covered the office during staff holidays and been staffing events and much of the budget for his post came from expenditure we were already incurring.

We were sad to note the death in September of Irene Griffiths, the last surviving congregational member of St Michael and All Angel's, St Michael's Street, who moved over when the parishes were amalgamated after the War. Irene had been born in Star Street and moved out to Borehamwood in the 1980's but remained a faithful member of St John's.

Children at St John's

Our children's ministry at St John's was facilitated through a service agreement with Red Balloon Foundation until they went bankrupt in July and terminated their agreement with us. Marcus Walters-Pearce had been directing our children and young family ministry under our agreement with Red Balloon and we were pleased that he agreed to continue leading Sunday morning children's activities, which he does with energy and enthusiasm, despite the children being small in number and of a wide age range. He successfully held together the numbers of very small children and a varying number of teenagers, engaging them in discussions on the gospel theme each Sunday. Following Red Balloon's withdrawal, we were unsuccessful in locating a successor to them so Owen Dobson facilitated the playgroup until he left in October, since when Alex Norris has taken this on. Numbers are slowly growing and later in the year Nick Miller, our Director of Music, has a session of singing nursery rhymes and giving the young ones a first experience of playing the organ.

Our annual Christingle this year was supported by our local Church of England Primary School, St James & St John, and was a great success. The service raised £97 for The Children's Society.

For some years different groups & families have designed and built our nativity scene. This year, our Associate Vicar, Alex Norris, Chris Skarratt and Babatunde Epega designed an Artificial Intelligence nativity scene with four permutations to incorporate different aspects of the Christmas story.

Adult Education

Our Associate Vicar, Alex Norris, is responsible for adult education at St John's and organises in-house courses as well as taking advantage of lectures organised by the cathedrals and other London churches. In April, a group attended the lecture at St Paul's by The Reverend Kate Botley of Radio 2 entitled 'Have a Little Faith'. Bible Book Club, a monthly Bible study on the first Wednesday of the month, resumed in September after a hiatus and that same month Owen Dobson led 3 Wednesday evenings discussing *Being Christian*, based on the book of the same name by Rowan Williams. Alex took a group to St Paul's on 5th November for a lecture by Diarmaid MacCulloch, Emeritus Professor of the History of the Church: *Lower Than the Angels: a History of Sex and Christianity*. The year concluded with an Advent Course over two evenings entitled *Heaven & Earth Collide*, which went in tandem with themes from the service of Advent Carols on 3rd December.

Music at St John's

Under the leadership of our new Director of Music, Nick Miller, our music continues to evolve. Nick has introduced unaccompanied Psalms during penitential periods, sung great O's during Advent as an introit to the Sunday morning service and has achieved exceptional arrangements of music and singing in the carol services.

Nick continues to meet regularly with the Vicar in planning the general direction of music and with the clergy team to plan the carol services throughout the year which are the hallmark of St John's evening services.

Our barbecue was preceded at the 10am service by a jazz mass setting which Nick had written for the choir and musicians of St John's.

Our organist Ben Collyer left at the end of August and we have been grateful to a number of people who have helped Nick with organ playing when needed, along with James Todd.

A highlight of any year is the Jenny Clark Memorial Concert. This year's concert took place after the 10am service on 10th November and featured our choral scholars and cellist Hannah Lewis as well as our Yamaha C7 concert grand piano which was 20 years old.

Social Outreach and Charitable Giving

A new joint-partnership with the West London Synagogue, of which we are particularly proud, launched in May. Every third Sunday of the month the Synagogue run a drop-in centre for refugees and they approached St John's earlier in the year when their existing location was becoming increasingly less fit for purpose. The drop-in centre provides a hot meal, along with advice and support for many practical issues. Several of St John's congregation have volunteered to help on one or more Sundays and our clergy now have regular meetings with the rabbis.

St John's supported several charities during the year by collections at Mothering Sunday, Harvest and Christingle, shared retiring collections and carolling at local pubs at Christmas:

- Beauchamp Lodge £328
- Haven House £275
- St Matthew's Food Bank £663
- The Children's Society £ 97

In addition, a collection of foodstuffs, toiletries and other goods was taken on Mothering Sunday and at Harvest for the Food Bank.

Working in Local Schools

Our voluntary aided primary school, St James & St John, which we share with St James's, Sussex Gardens, was supported throughout the year by all the clergy through governorship, support of the head teacher and the provision of weekly assemblies along with occasional classroom activities relating to RE or class assemblies. We were pleased to welcome the school for four whole school masses during the year: at Ash Wednesday, for Easter, for the end of year Leavers' Service in July and at the start of the new school year in September. Despite a testing time for the school, it continued to do very well in terms of numbers of admissions to both the nursery and reception years and is one of the few schools in the area to fill its nursery and reception places.

In the summer term, the school entered into a partnership with St Mary's, Kilburn, St Luke's, Kilburn, St George's, Hanover Square and St George the Martyr, all Church of England primary schools. The partnership is under the leadership of the executive head, Harvey Webb, and the new Head of School, Adrian Evans. The partnership has had a significant impact especially on the quality of teaching and parents have indicated they are very happy with St James and St John joining the partnership.

Chris Lees, PCC representative on the Board of Governors, was appointed Chair of Governors in November. With the vicar, he initiated the exploration of the partnership becoming a federation and negotiating with the other schools involved. Consultation with the PCC's of the five churches will begin early in 2025.

Connaught House School once again held their Christmas programme at St John's.

Working in the Community

Involvement in the local community is an important part of our ministry. We have good connections with our local amenity groups – the Hyde Park Estate Association (HPEA) and the Hyde Park Estate Residents (HyPER) – both of which use the church for meetings. The Vicar is an elected member of the HPEA executive committee and the Hyde Park and Paddington Forum steering group. He attends the Hyde Park Neighbourhood Ward Panel. The administrator, verger and associate vicar represent him at some of these meetings from time to time.

Our local Labour Ward Councillors hold monthly surgeries in the hall on the first Thursday of each month.

Within the Diocese of London, the Vicar acts as a mentor for new incumbents in the Diocese as part of the Diocese of London mentoring programme. He is both a participant and a review facilitator in the Continuing Ministerial Development Review programme for the Diocese, facilitating the annual professional review of clergy. In addition, he acts as one of the Bishop's Surrogates for issuing Common Licences for marriage and serves as Area Dean of the Paddington Deanery. In this role he has had increased engagement with the work of the Diocese regarding the shape of ministry in the Deanery amidst the changing shape of the demographics of Paddington and especially in the potential for estate ministry in what were originally social housing estates. He is engaged in pastoral care of the deanery clergy. The Vicar also continued as a trustee of the Paddington Charities.

Safeguarding

It is a prime objective that all who worship or enter our building do so in safety and security and are respectful of the right of others to do so. Each year the PCC reviews and revises its Safeguarding Policy in order to comply with the House of Bishops' Policy Statements 'Protecting a Safer Church' (2017) and 'Protecting All God's Children' (2020), as well as the Diocesan Safeguarding Policy 'Promoting a Safer Diocese' (2018). We have engaged with the Diocesan Safeguarding Dashboard. All PCC members underwent a DBS assessment and are expected to complete Church of England Basic and Foundation safeguarding training courses. The clergy team regularly engage with the Parish Safeguarding Officer and with the Diocesan Safeguarding Team regarding safeguarding incidents relating to ministry at St John's. Safeguarding is also promoted in the weekly notices periodically and information on where to obtain advice is displayed in the porch and on the parish website.

Trustee Induction

Each year following the annual meetings, an induction evening is arranged for all new officers and members of the PCC. Topics covered include the Role of the PCC and subcommittees, the offices of Churchwarden and Treasurer, Charity Commission guidance on Public Benefit, an introduction to the staff team and their various responsibilities, the clergy & staff housing, finance, what a typical meeting might look like and what is happening throughout that year. In 2024 this was held on 7th May.

Strategic Development

Guided by the parish Mission Action Plan, the vicar and administrator meet quarterly to plan and evaluate strategic objectives for the year within a three-year cycle. In addition, they meet on a weekly basis on Monday mornings along with the verger and, from

September, the assistant administrator, prior to full staff meetings on Monday afternoons. The vicar meets with all members of staff regularly for supervision and planning.

New PCC members have an induction evening followed by dinner shortly after their election and the vicar and churchwardens hold informal quarterly meetings. The full staff team, through the kind generosity of a member of the congregation, had a Christmas lunch.

The current Mission Action Plan is nine years old and the PCC will meet to review it and to formulate a new Mission Action Plan for the next ten years during 2025.

Fabric Maintenance

For some years the local area has been plagued by illicit drug use and prostitution, perpetrators of which have used the church grounds which, especially in the four stairwells leading to the crypt, offer a place of shelter and are out of sight from the street which passes in front of the church. Security lighting, padlocking the main access gates, regular pruning of the shrubs and low trees and wooden gates at the top of each stairwell have not been effective in the longer term in reducing such activity. There is increasing concern for the well being of sex workers and their clients, along with homeless people unsafely accessing these lightwells. Colin Kerr, before he retired as our architect, and then John Bailey designed a set of railings which would go around the stairwells which could be locked and will be more resistant to vandalism than the wooden gates. Costs of installing the railings are estimated to be around £55,000 including fees and VAT. Planning permission and a faculty were sought and obtained during the year and an application made for Community Investment Levy funding in October. As at 31st December we had not been informed whether our application had been successful or not but we anticipate a response by February 2025.

Water ingress during heavy rainstorms, especially at the southwest hopper, is a continuing problem. Colin Kerr had tried several designs to enable rainwater to flow away freely without backing up in the gutter but the problem persisted. A further attempt to rectify this problem was made in the summer but shortly after a heavy downpour resulted in significant water ingress. John Bailey met with Fullers Builders to discuss the problem and to recommend a solution. A report was in process but had not been received by the end of the year.

Since the loss of the storage cupboards on the east end of the south wall as part of the reordering and installation of the new floor in 2011, vestments have been stored in the upstairs room of the office. A number of quotes were obtained for a vestment chest but it quickly became obvious that the suspended ceiling and electoral lighting needed to be replaced, plasterwork restored and redecoration and recarpeting carried out. Various quotes for these works have been obtained and Statements of Need and Significance written. We hope to move ahead with this once funding is available and to apply for a faculty.

The PCC agreed to install new office doors designed and built by the Mallinson family in memory of their parents, Anne and Terence Mallinson, long term residents in the parish and worshippers when they were in London. Anne had been a local Councillor for many years and Lord Mayor of Westminster in 1986-87. Michael Mallinson, an architect, designed a set of doors commemorating his parents as well as depicting St John and St Michael, etched in glass, which were installed in June. The costs of the doors were generously provided by donations from the Mallinson family. They are a significant

improvement to the interior of the church and we are grateful to them for providing such a fitting memorial.

A quinquennial electrical inspection was due and undertaken. Two quotes were obtained and RGE Services instructed to carry out a full inspection. They did this in June and in November carried out some modest remedial works brought to light by the inspection.

The regular programme of roof cleans was carried out throughout the year along with annual maintenance of the fire safety equipment, clock, front plate glass doors, gas central heating systems and roof safety system. The organ was tuned three times during the year and had an annual service check of the blower motor.

Statement of Parochial Church Council Responsibilities

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

Charity law requires the PCC to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the church and of the incoming resources and application of resources for that period. In preparing those financial statements the PCC is required

a) to select suitable accounting policies and then to apply them consistently;
b) to observe the methods and principles in the Charities SORP;
c) to make judgements and estimates that are reasonable and prudent;
d) to state whether the policies adopted are in accordance with the appropriate Statement of Recommended Practice (SORP) on Accounting by Charities and the Accounting Regulations and applicable accounting standards, subject to any material departures disclosed and explained in the financial statements and
e) to prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue.

The PCC is responsible for keeping proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the church and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the Statement of Recommended Practice on Accounting and Reporting 2019 (FRS 102). It is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

Public Benefit

The PCC is aware of the Charity Commission's guidance on public benefit in "The advancement of religion for the Public Benefit" and has regard to it in their administration of the church. The PCC believes that by promoting the Christian faith it provides a benefit to the public by:

1. Providing facilities for public worship, building community, pastoral care and spiritual development, both for existing church members and for anyone who wishes to benefit from what the church offers.
2. Promoting Christian values and service by members of the church in and to their community, to the benefit of individuals and society as a whole.

Financial Review

Having been unable to implement all our financial goals in 2023, the PCC entered 2024 in a cautious frame of mind; however, as the year progressed and income for the year was significantly ahead of budget, we were not only successful in meeting our commitments for the year and begin catching up the shortfall in provisions for 2023 but were pleased that the planned vestry works set out under Fabric Maintenance above could largely be paid for out of funds raised during the year.

Despite the plateau in numbers attending services, planned giving held up during the year and was slightly ahead of 2023 due to some significant donations from several ad hoc givers. These and the donations from the Mallinson family for the office doors meant our Gift Aid claims were £5,000 greater than the previous year.

The single biggest change however was in income from the hire of the church. Since the reordering in 2011, there has been some use of the church by outside bodies for award ceremonies, concerts, wedding receptions, charity fundraisers, fairs and especially during London fashion weeks, fashion shows, but 2024 saw a dramatic increase in the number of and income from such events. At £239,295 gross income before staffing and cleaning costs, this well outstripped the previous best of £95,633 in 2022. This enabled us to meet our budgeted provisions to reserves of £20,000 - £10,000 to the Church Maintenance Reserve and £5,000 each to the Ministry and Staff Accommodation Deposit Reserves – and to make up a shortfall for this in 2023. The PCC also designated £45,500 for a project to refurbish and furnish the vestry space. From this income they also made a donation of £1,300 to Common Fund over and above their commitment for the year of £98,700.

Other expenditure was largely as planned. The PCC had been on long-term contracts for gas and electricity supplies entered into before prices had not begun to rise and which came to an end in 2023 and 2024 so those costs have jumped dramatically. Inflationary increases in staff remuneration were agreed as usual. During the year we were also able to take on an Assistant Administrator to begin to take on the role of Administrator over the next few years and also to offer assistance to our verger and events manager in looking after the building during events. Much of the funding for this post was drawn from existing payments for office cover on staff days off and hours staffing events but we had anticipated the need to raise the final 15-20%. The success of the events, however, brought in the additional funding for this post in 2024.

As noted above on pages 6-7, the PCC was the recipient of a donation of a portfolio of stocks and shares to be known as the Jenny Clark Fund and to be used for the purposes of funding church music. The value of the fund at 31st December stood at £138,234.

Payments to the Diocese

The standard parish cost for 2024 was £91,300. The PCC agreed a further contribution to Common Fund, from which clergy stipends and costs are paid, of £7,500 for a total contribution of £98,700. At the end of the year, given the health of our finances for 2024, it was agreed to make an additional contribution of £1,300 to take our total to £100,000 for the year.

In addition, £42,831 was paid to the Diocese to cover the costs of our associate vicar.

Total contributions to the Diocese of London for 2024 were £142,831.

Reserves Policy

The PCC budgets to put £10,000 each year in the Church Maintenance Reserve and £5,000 in its Staff Accommodation Deposit and Ministry Reserves. In 2023, it had been possible to add only £8,000 to these reserves. Due to the financial success for the year, it was possible to make up the shortfalls for 2023, put aside the full £20,000 for 2024 as well as to set aside £45,500 for proposed works to the vestry space which are anticipated to be carried out in 2025. The PCC, as encouraged by the former Archdeacon of Charing Cross, budgets £2,000 per annum to redecorate one room of the vicarage. No works were undertaken in 2024 so this sum was also added to reserves to be used in 2025.

Investment Policy

A donation of an investment portfolio was given to the PCC during 2024 by the Trustees of the Lombard Charitable Trust for the provision of music at St John's. The portfolio consists of cash (1.3%), bonds (16.2%), alternatives & multi asset (6.5%) and equities (76.1%) and form a medium risk portfolio, the spread of investments when held by the Lombard Charitable Trust. The value of the fund at 31st December was £138,234 and it is the expectation of the Lombard Charitable Trustees that the PCC will draw these funds down over the next ten years or so. Standing Committee felt it appropriate to maintain this investment structure to maximise the return over the drawdown period.

Structure, Governance and Management

The Parochial Church Council is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council (Powers) Measure 1956 and is a charity registered with the Charity Commission for England and Wales.

The appointment of members to the PCC is governed by and set out in the Church Representation Rules. New members to the PCC as well as churchwardens normally undergo an induction to brief them on their legal obligations under Church Law, the content of the Constitution, the Council and the decision-making processes, and the recent financial performance of the Church. In 2024 this took place on 7th May.

Organisation

The PCC meets regularly throughout the year and there are committees to which there are delegated specific duties: Building, Congregational Giving, Communication, Education and Liturgy. A member of the PCC is appointed responsibility for each area at the first meeting of the new PCC and reports back at each PCC meeting.

The Standing Committee is the only committee required by law. It has power to transact the business of the PCC between its meetings subject to any directions given by the Council. Members of the Standing Committee comprise the Vicar, Churchwardens, Deputy Churchwardens and Treasurer. There is an open seat on Standing Committee for one member of the PCC to attend each meeting on the proviso that they give prior notice. The full PCC met six times and Standing Committee met seven times during the year.

Risk Management

The PCC is aware of the risks to which it is exposed and regularly considers how it might mitigate them. Key areas of risk are:

a. Financial Risk
Each year the PCC budgets carefully and prudently. Donations from parishioners and collections at services are all voluntary and the clergy and staff team work hard at creating an atmosphere of welcome and inclusivity that is in line with the PCC's ethos. Planned and tax efficient giving is promoted regularly in a variety of ways and clergy and staff have been creative at encouraging donations in support of events and activities at special services.

The PCC's Financial Risk Policy sets methods for recording cash collections, financial planning and reporting and secure handling of cash in order to protect those handling cash and to reduce the risk of fraud. A review of this policy was completed in 2020.

A sizeable proportion of income is derived from outside sources – hire of the church, parish hall and crypt, parking revenues, grants and ad hoc donations. The PCC is aware of the potential link between the strength of the local economy and use, in particular, of the forecourt by commercial firms working on local premises. This diversity of income streams helps to minimise the exposure to risk in any one category and makes it possible to draw upon the wider community for financial support. Use of the church by outside groups and individuals for concerts, lectures, receptions and community consultations has resumed since the end of Covid restrictions and this additional income stream has been a significant factor in enhancing the financial wellbeing of the parish. The PCC are very appreciative of the efforts of Andrejs Livins, the building manager, at looking after these events as well as the involvement of the Vicar and Administrator for their support in staffing such events and contributing to the success of this source of income.

b. Statutory and Legal Risks
Charities operate in an increasingly regulated context. St John's is an employer and, although falling below the threshold for some legislation, still has regard for employment legislation. All staff are paid at least the London living wage.

c. Operational Risk
As a building open to the public, we are mindful of our health & safety responsibilities and take advice on a range of issues from disabled access to fire and electrical safety. Proper care for children and vulnerable adults is a high priority and the PCC reviews its Safeguarding Policy annually to ensure that our younger parishioners and those at risk are looked after in a safe environment and that those who look after them are adequately trained and supported.

The PCC has an appropriate insurance policy with Ecclesiastical Insurance. This is reviewed periodically to ensure that the sums insured are adequate and a review was conducted in 2019.

Clergy and Staff Housing

The Vicarage at 18 Somers Crescent forms part of the Vicar's freehold. While being maintained by the Diocese of London, the parish is responsible for internal decoration and any improvement works. The PCC budgets £2,000 annually for redecoration works. In a year when this is not spent, the balance is put aside into a reserve for use in a future year, as was the case in 2024. The works have been carried out and an invoice is expected early in the new year.

The parish has leases on three additional properties from the Church Commissioners which may be used for the accommodation of clergy and other members of staff. Nick Miller, our Director of Music, occupied the first floor flat at 12a Connaught Street. Owen

Dobson resided in the 2nd and 3rd floor maisonette during his time at St John's. 23 Archery Close is the third property leased from the Church Commissioners and is available on a long lease. It has been the home of our Associate Vicar, Alex Norris, and his wife Keri since December 2023.

In 2021 the PCC took a lease on the ground floor and basement flat at 11 Star Street to house the verger.

Looking Ahead

Rebuilding the congregation is a priority in 2025. Numbers initially rose gradually following Covid but plateaued in 2024. While increasing numbers of people are returning to church, they are doing so with less regularity and we have only had one new family with young children join in recent years. We were greatly encouraged by the attendances at our seasonal services during Advent and Christmas and hope this is a forecast for the coming year. A key focus will be on achieving and maintaining excellence across all areas: keeping the church open and welcoming, greeting attenders new and old warmly, liturgy which engages and communicates the gospel message, hospitality during which connections can be made and strengthened. This focus must be shared by the entire staff team.

The current Mission Action Plan, agreed in 2015, is ten years old in 2025 and the Vicar and PCC will meet during the year to create a new Plan to guide and implement our vision for the next ten years.

We were aware that the retirement of Robert Greenhill, having been on staff for 18 years, could have had a significant impact on our music & worship as well as on the congregation. The appointment of Nick Miller has enabled our music programme to operate seamlessly and we are already seeing signs of where our music may continue to develop and progress under his leadership.

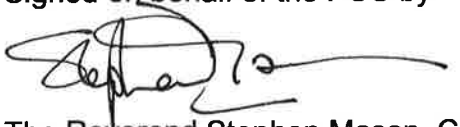
We continue to seek a self-supporting minister since the retirement of Margaret Legg in February 2020. An SSM will enable us to provide a vibrant ministry for older members of the congregation. Attempts to recruit an SSM are ongoing via advertising in a newsletter for self-supporting ministers and to recruit through the Bishop and Archdeacon.

Standing Committee is engaging with the possibility of Bryan Sollenberger, our Parish Administrator of 32 years, retiring or reducing his hours as he approaches retirement over the next two-three years. Following discussions at Standing Committee, a post of Assistant Administrator was created. Advertising and recruitment took place over the summer and Philip Matei was appointed in September. This will provide a significant financial challenge in the short to medium term and income will need to be found to cover this but should smooth the transition in this key post when Bryan does retire.

Auditors

TC Group were first appointed to audit the 2013 financial statements after a review of our audit procedures. They were reappointed to audit the 2024 financial statements.

Signed on behalf of the PCC by



The Reverend Stephen Mason, Chair
16th March 2025

Independent Auditor's Report to the Parochial Church Council of St John the Evangelist with St Michael and all Angels

Opinion

We have audited the financial statements of the Parochial Church Council of St John the Evangelist with St Michael and all Angels for the year ended 31st December 2024 which comprise of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement 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 31st December 2024, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis 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 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The other information comprises the information included in the 2024 report of the Parochial Church Council, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 Parochial Church Council 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; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Parochial Church Council Responsibilities statement, the Parochial Church Council members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Parochial Church Council 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 Parochial Church Council members either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

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

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

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.
Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the Parochial Church Council members and other management (as required by auditing standards), and discussed with the Parochial Church Council members and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Charities Act 2011) and the relevant charity regulations in the UK;
- We considered the nature of the industry, the control environment and the charity's performance;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the charity has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. 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.

TC Group

TC Group (Statutory Auditor) Date: 19 March 2025
Office: Portsmouth

TC Group is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

St John the Evangelist with St Michael and All Angels, Paddington

Statement of Financial Activities (Incorporating Income & Expenditure Account)

Year Ending 31st December 2024

	2024 Unrestricted Funds £	2024 Restricted Funds £	2024 Total £	2023 Total £
Income from:				
Donations and Legacies	327,312	146,604	473,916	312,834
Charitable Activities	87,470	0	87,470	85,390
Other Trading Activities	277,182	0	277,182	133,950
Investments	5,976	0	5,976	3,910
Total Income	**697,940**	**146,604**	**844,544**	**536,084**
Expenditure on:				
Raising Funds	48,251	0	48,251	26,146
Charitable Activities	548,855	12,945	561,800	525,497
Other	6,321	0	6,321	6,624
Total Expenditure	**603,427**	**12,945**	**616,372**	**558,267**
Gains/(Losses) on Investments		**4,200**	**4,200**	
Net Income/(Expenditure)	94,513	137,859	232,372	(22,183)
Transfers between Funds	**0**	**0**	**0**	**0**
Net Movement in Funds	**94,513**	**137,859**	**232,372**	**(22,183)**
Reconciliation in Funds				
Total funds brought forward	196,037	62,964	259,001	281,184
Total funds carried forward	**290,550**	**200,823**	**491,373**	**259,001**

All income and expenditure derive from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised during the year.

St John the Evangelist with St Michael and All Angels, Paddington

Balance Sheet

Year Ending 31st December 2024

	2024 £	2023 £
Fixed Assets		
Tangible Assets	7,945	0
Current Assets		
Debtors[1]	36,709	25,282
Investments[2]	138,234	0
Cash at bank and in hand[3]	385,436	289,668
Creditors: Amounts falling due within one year[4]	(76,951)	(55,949)
Net current assets/(liabilities)	**483,428**	**259,001**
Net Assets	**491,373**	**259,001**

Charity Funds

Restricted Funds				
Jenny Clark Fund	138,234		0	
Memorial Garden	3,834		3,834	
Music	47,483		46,614	
Vestments	0		1,244	
Servers' Vestments	5,000		5,000	
Organ Fund	6,272		6,272	
		200,823		62,964
Unrestricted Funds				
General Funds	8,650		7,756	
Ministry Reserve	109,358		95,358	
Clergy Accommodation Maintenance Reserve	12,990		12,990	
Church Maintenance Reserve	66,752		48,752	
Vestments	0		1,881	
Staff Accommodation Deposit	40,000		24,000	
Vestry Refurbishment	45,500		0	
Planned Vicarage Maintenance	7,300		5,300	
Total Unrestricted Funds		290,550		196,037
Total Charity Funds		**491,373**		**259,001**

The financial statements were approved and authorised for issue by the Parochial Church Council on 16th March 2025.

Signed on behalf of the Parochial Church Council

Ian Nelson

Ian Nelson, Treasurer
16th March 2025

The notes on pages 28-34 form part of these financial statements.

St John the Evangelist with St Michael and All Angels, Paddington

General Fund Income & Expenditure

Year Ending 31st December 2024

SOFA Headings			2024 £	2023 £
	INCOME			
Donations and Legacies	Donations Eligible for Gift Aid	100,340	88,161	
	Envelopes	308	470	
	Non-Taxed Pledges	3,562	1,563	
	Tax Refund	29,257	24,974	
	Collections	7,422	6,689	
	Memorial Door Donations	21,817	0	
	Other Donations	88,685	80,929	
	Alms	333	333	
	Fellowship	1,618	4,221	
	Special Clergy Services	0	1,384	
	Church Comm	0	6,000	
	Grants	60,000	71,386	
	Legacies	0	2,000	
	Vol Trust Admin Contrib	12,000	11,000	
	Culture Vulture Ventures	1,970	0	
			327,312	**299,110**
Activities for Generating Funds	Forecourt Income	38,805	37,632	
	Nursery School Rent	44,841	43,758	
	Crypt Rent	3,824	4,000	
			87,470	**85,390**
Incoming Resources frm Charitable Activities	Special Services	13,811	9,919	
	Hire of Church	239,295	90,560	
	Hire of Hall	16,808	23,671	
	Other Rents	7,268	9,800	
			277,182	**133,950**
Investments	Interest		**5,976**	**3,910**
TOTAL INCOME			**697,940**	**522,360**
TOTAL EXPENDITURE			**(603,427)**	**(544,903)**
SURPLUS/(DEFICIT) FOR YEAR			**94,513**	**(22,543)**
RESERVES USED:				
	Clergy Accommodation Reserve		0	12,957
	Church Maintenance Reserve		0	17,148
	Vestment Reserve		1,881	5,073
SURPLUS/(DEFICIT) INCORPORATING USED RESERVES			**96,394**	**12,635**
DESIGNATIONS TO RESERVES				
	Ministry Reserve		14,000	0
	Church Maintenance Reserve		18,000	4,000
	Staff Accommodation Deposit Reserve		16,000	4,000
	Planned Vicarage Maintenance		2,000	1,400
	Vestment Reserve		0	2,500
	Vestry Refurbishment		45,500	0
SURPLUS/(DEFICIT) AFTER DESIGNATIONS			**894**	**735**

St John the Evangelist with St Michael and All Angels, Paddington

General Fund Income & Expenditure

Year Ending 31st December 2024

SOFA Headings	EXPENDITURE		2024 £		2023 £
Raising Funds	Forecourt Expenditure	5,691		4,527	
	Events Costs	42,560		21,619	
			48,251		**26,146**
Charitable Activities	London Diocesan Fund	100,000		97,000	
	Additional Clergy Costs	42,831		49,322	
	Vicar's Expenses	14,513		16,123	
	Additional Clergy Expenses	2,444		2,660	
	Rents, Running Costs	32,137		27,205	
	Archery Close Works	0		12,957	
	Vicarage Routine Maintenance	0		600	
	Children's Education	3,125		3,319	
	Adult Education	80		570	
	Director of Music	20,042		21,601	
	Music Expenses	40,210		47,622	
	Fellowship	14,504		13,849	
	Altar Requisites	6,530		8,185	
	Light, Heat & Insurance	33,864		22,162	
	Cleaning	12,947		10,495	
	Grounds	2,567		1,925	
	Repairs & Maintenance	22,979		29,641	
	Memorial Office Doors	21,138		0	
	Printing & Publicity	6,007		4,618	
	Administrative Staff	59,775		55,133	
	Verger	37,356		35,144	
	Assistant Administrator	10,224		0	
	Staff Pension Contributions	30,165		28,199	
	Office Expenses	17,165		14,979	
	Equipment	2,369		744	
	Depreciation	2,928		0	
	Miscellaneous Expenses	2,063		1,866	
	Professional Fees	8,922		6,089	
	Culture Vulture Ventures	1,970		125	
			548,855		**512,133**
Governance Costs	Audit Fee	5,700		6,120	
	Bank Charges	621		504	
			6,321		**6,624**
TOTAL EXPENDITURE			**603,427**		**544,903**

St John the Evangelist with St Michael and All Angels, Paddington

Restricted Income & Expenditure

Year Ending 31st December 2024

Jenny Clark Fund	2024 £	2023 £
Value of fund on receipt at 21st August 2024	134,034	
Expenditure	0	0
Gains/(losses) on investments	4,200	
Balance as at 31st December 2024	**138,234**	**0**

In July, 2024 the trustees of the Jenny Clark Fund, an independently administered charitable trust, donated their portfolio of investments to the PCC to fund the provision of music at St John's. The investment portfolio is managed by Evelyn and Partners and the charity's trustees control the application and use of the investment portfolio for the benefit of St John's.

The value of these funds can go up as well as down.

Other Restricted Income and Expenditure

INCOME	£	£
Charities Income	1,363	1,410
Flower donations	1,942	3,554
Music Donations – Director of Music	1,630	1,425
Music Donations – Singers & Musicians	4,785	5,370
Staff Leaving Purse	2,850	1,965
TOTAL INCOME	**12,570**	**13,724**
EXPENDITURE		
Charitable Donations	1,363	1,410
Flower Expenses	1,942	3,554
Music Expenditure – Director of Music	1,006	1,000
Music Expenditure – Singers & Musicians	4,540	5,405
Vestments	1,244	
Staff Leaving Purse	2,850	1,965
TOTAL EXPENDITURE	**12,945**	**13,364**
SURPLUS/(DEFICIT)	**(375)**	**360**
BALANCE BROUGHT FORWARD	**62,604**	**62,604**
BALANCE CARRIED FORWARD	**62,994**	**62,994**

St John the Evangelist with St Michael and All Angels, Paddington

Statement of Cash Flows

Year Ending 31st December 2024

	2024 £	2023 £
Cash flows from operating activities:		
Net cash provided by (used in) operating activities	**95,768**	**(21,592)**
Cash flows from financing activities:		
Cash flows from new borrowings	0	0
Repayment of borrowings	0	0
Change in cash & cash equivalents in the reporting period	**95,768**	**(21,592)**
Cash and cash equivalents at the beginning of the reporting period	289,668	311,260
Cash and cash equivalent at the end of the reporting period	**385,436**	**289,668**

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

Net movement in funds for the reporting period (as per the SOFA)	232,372	(22,183)
Adjustments for:		
Depreciation charges	2,928	0
(Increase)/decrease in debtors	(11,427)	3,367
Increase/(decrease) in creditors	21,002	(2,777)
(Purchase)/sale of fixed assets	(10,873)	0
Non-cash donation	(134,034)	
Gain on investments	(4,200)	
Net cash provided by (used in) operating activities	**95,768**	**(21,593)**
Analysis of cash and cash equivalents		
Cash in hand	385,436	289,668
Notice deposits	0	0
Total cash and cash equivalents	**385,436**	**289,668**

St John the Evangelist with St Michael and All Angels, Paddington

Notes to the Financial Statements

Year Ending 31st December 2024

a) General information and basis of preparation

The Parochial Church Council of St John the Evangelist with St Michael and All Angels, Paddington is a registered charity with the Charity Commission for England and Wales. The address of the registered office is given in the charity information on page 4 of these financial statements. The nature of the charity's operations and principal activities are, in co-operation with the vicar, promoting within the Parish the whole mission of the Church: pastoral, evangelistic, social, ecumenical and community building.

The charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with the Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in according with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102) (issued in October 2019) – (Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102) and the Companies Act 2006.

The financial statements are prepared on a going concern basis under the historical cost convention modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant policies applied in presentation of these financial statements are set out below. These policies have been consistently applied to all years present unless otherwise stated.

b) Judgements and Key Sources of Estimation Uncertainty

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period or in the period of the revision and future periods where the revision affects both current and future periods.

The PCC believe there are no areas of significant estimation uncertainty.

c) Funds

Unrestricted funds are available for use at the discretion of the trustees 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 trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

The accounts include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body nor those that are informal gatherings of church members.

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 cost 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.

d) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received. For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity; however, it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

e) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes rates and other costs appropriate to that activity, including costs incurred in fundraising and appeals;
- Expenditure on charitable activities includes all costs incurred in fulfilling the church's objectives, together with any costs in support of these. This category includes costs normally considered support costs but because the building and staff are integral to fulfilling our objectives, they are included here.
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

f) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

- Equipment – 3-5 years on a straight line basis
- Grand piano – 10 years on a straight line basis

Consecrated and beneficed property is not included in the accounts in accordance with s.10(2)(a) and (c) of the Charities Act 2011. Movable church furnishings held by the Vicar and Churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property. They are listed in the church's inventory which can be inspected (at any reasonable time). For inalienable property acquired prior to 2000 there is insufficient cost information available and therefore such assets are not valued in the accounts. Subsequently no individual item has cost more than £1,000 so all such expenditure has been written off when incurred.

g) Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

h) Investments

Listed investments are included in the Balance Sheet at their market value, which is determined with reference to the quoted price of the listed investment at the financial year end. The Trustees have unlimited investment powers and are advised by Evelyn Partners.

i) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

j) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

k) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

l) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

As set out in the Statement of Parochial Church Council Responsibilities Statement on page 12, in preparing these financial statements the PCC are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate. In satisfaction of this responsibility the PCC has considered their expectations for the charity over the next 12 months and the charity's ability to meet its liabilities as they fall due, based upon the information available to the PCC at the date of these financial statements.

At the time of approving the financial statements, the charity has significant cash reserves to cover the operating costs of the charity for a period of at least six months. In addition, the charity has strategies planned to address potential significant changes to its incomes during the forthcoming period, should the charity experience a significant change in its incomes. The PCC therefore has a reasonable expectation that the charity has adequate resources to contend with the uncertainties that may arise and to continue in operational existence for the foreseeable future. Thus the PCC continues to adopt the going concern basis of accounting in preparing the financial statements.

Accordingly, the financial statements are prepared on a going concern basis, under which assets are recovered and liabilities repaid in the ordinary course of activities. The accompanying financial statements do not include adjustments that would need to be made in the case the charity was unable to continue as a going concern, should the assumptions referred to above subsequently prove to be invalid.

	2024	2023
[1]Debtors	£	£
Sundry Debtors	3,807	1,626
City of Westminster	0	8,745
Income Tax Recoverable	32,902	14,911
TOTAL	36,709	25,282
[2]Investments		
Market value on receipt at 21st August 2024	134,034	0
Additions	0	0
Disposals	0	0
Gain/(loss) in market value of listed investments	4,200	0
Market value at 31st December 2024	138,234	0
Cash	5,197	0
Bonds	18,042	0
Alternatives & Multi-Asset	8,595	0
Equities	106,400	0
	138,234	0

All investments are carried at fair value. The main risk to the PCC lies in the combination of uncertain investment markets and volatility in yield. The PCC manages investment risk by retaining expert advisors and operating an investment policy that allows for diversification of asset classes. The PCC is aware that the value of such investments can go up as well as down.

[3]Cash at Bank and in Hand		
General Fund	385,316	289,548
Petty Cash	120	120
TOTAL	385,436	289,668

[4]Amounts Falling Due within One Year		
Sundry Creditors	70,131	49,009
Rent Deposits	1,000	1,000
Audit Fee	5,820	5,940
TOTAL	76,951	55,949

Fixed Assets for Use by the PCC

	Equipment	Grand Piano	Total
Gross Book Value at 1 January 2024	41,732	17,000	58,732
Additions	10,873	0	10,873
(Disposals)	(8,030)	0	(8,030)
as at December 31 2024	44,575	17,000	61,575
Depreciation at 1 January 2024	41,732	17,000	58,732
Charge for the Year	2,928	0	2,928
Release on Disposal	(8,030)	0	(8,030)
at 31 December 2024	36,630	17,000	53,630
Net Book Value at 31 December 2024	7,945	0	7,945
at 31 December 2023	0	0	0

Analysis of Net Assets by Fund

	Unrestricted Funds	**Restricted Funds**	**Total**
Fixed Assets	7,945	0	7,945
Current Assets	359,556	200,823	560,379
Current Liabilities	(76,951)	0	(76,951)
TOTAL ASSETS	**290,550**	**200,823**	**491,373**

STAFF COSTS	2024 £	2023 £
Wages and Salaries	135,856	96,788
Social Security Costs	14,785	10,737
Pension Costs	17,088	17,580
TOTAL COSTS	167,729	125,105

The average number of staff during the year was four (three in 2023). No employee was paid more than £60,000 during the year or preceding year.

Pension contributions are currently payable for four members of staff and clergy and are made under a defined contribution scheme. One member of staff is provided use of the 1st floor flat at 12a Connaught Street.

FUND DETAILS

In 2007, the Parochial Church Council adopted a Reserves Policy which established the following funds: General Reserves, Ministry Reserve, Music Reserve, Church Maintenance Reserve and Clergy Accommodation Reserve. The policy was reviewed in 2013 and 2019.

The General Reserve is for any surpluses over and above those specified under the policy. It is the aim of the PCC to build up reserves to cover six months' running costs.

The Ministry Reserve was created in 1998 when the PCC decided to recruit an Associate Vicar. It is a provision made to cover anticipated additional ministry costs that might not be met by the operational budget.

The Staff Accommodation Deposit is a recent reserve, created by the PCC in recognition that the properties they lease for the accommodation of staff are on short- to medium-term rolling leases and agreements and that the mews house used to accommodate the Associate Vicar is held on an historic agreement which will expire in approximately ten years. The aim of the PCC is to build up adequate funds to provide for the deposit to purchase a property in which to house staff and so reduce dependence on leased properties.

The flourishing of a music tradition over the past years has greatly enhanced the worship on Sundays and at special services. Many of the costs of the choir, director of music and guest singers and musicians have been generously provided by members of the congregation. Donations received in excess of costs are accumulated and held in a restricted reserve. In recognition of the fluidity of the parish and that generous contributors to the music programme may only be around for a short time, the PCC have aimed to have the equivalent of two years' costs in reserve.

The Clergy Accommodation Reserve was created in 2001 when major repairs and renovations to most of the clergy accommodation made a large call on parish resources. Currently, the PCC also budgets £2,000 a year towards future Vicarage redecoration works. Any unspent amount in the year is set aside for future works.
In 2007 the PCC began replacement of its vestments, many of which had given considerable service and were nearing the end of their lives. A fund was set up into which the PCC designated funds each year and into which donations toward new vestments were put. In 2010 orders were placed with Messrs Watts & Co for white and gold sets of vestments. Red vestments were acquired in 2012 and a green set in 2024. Further sets will be purchased as funds become available.

Restricted funds held by the PCC are as set out in note 4 to the Balance Sheet. Memorial Garden funds will be used to develop one of the gardens along the church as a Garden of Remembrance. The Music Reserve holds funds donated explicitly for music. Vestments are as set out above. The Organ Fund arose when the grade 2* listed organ was refurbished in 2015 and is used for upkeep and maintenance of the organ.

The Jenny Clark Fund is the donation of an investment portfolio from the Lombard Charitable Trust made to the PCC for the provision and furtherance of church music. The funds in the portfolio will be drawn down over a period of around ten years.

2024 PAYMENTS TO PCC MEMBERS

No elected members of St John's PCC received any reimbursement of expenses or remuneration. All clergy are reimbursed reasonable expenses incurred in the performance of their duties. In 2024, reimbursements totalling £17,957 were made to two members of the clergy (£19,833 in 2023) for ministry expenses and expenditure incurred in the provision of parish hospitality. During the year the charity paid £14,164 of pension contributions on behalf of two members of the PCC (£10,619 in 2023 for one member).

Trustees' and Officers' Indemnity is provided for members of the PCC under the terms of the church's insurance cover and is included in the premium for the year.

COMMITMENTS UNDER OPERATING LEASES

At 31 December 2024 the charity had commitments under non-cancellable leases as follows:

		2024	2023
Operating leases which expire:			
Due within 1year	12a Connaught Street	11,000	6,382
	11 Star Street	26,000	15,600
Within 2-5 years	12a Connaught Street	11,000	10,637
	11 Star Street	52,000	15,600

CONNECTED CHARITY

The church received grants in the year of £60,000 (£60,000 in 2023) from the William Gibbs Religious and Educational Trust. Furtherance of the educational and charitable work of the Church of England in the parish of St John the Evangelist is one of the objectives of the Trust. The Vicar and Churchwardens of St John's are *ex officio* trustees. The parish administrator also serves as clerk to the Trust and the Trust Administration Contribution is a voluntary donation on the part of the Trust in recognition of the services provided by him and in recognition that expenses are incurred by the parish in servicing the Trust. A contribution of £12,000 was made for 2024 (£11,000 in 2023).

AUDIT FEE

The fee for the audit of the 2023 accounts was £5,700. A provision of £5,820 has been made for the audit of the 2024 accounts.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN WITH ST MICHAE

England & Wales - Charity number 1132885

Accounts



ST JOHN'S HYDE PARK
HYDE PARK CRESCENT
LONDON W2 2QD

ANNUAL REPORT AND FINANCIAL STATEMENTS OF THE PAROCHIAL CHURCH COUNCIL

FOR THE YEAR ENDED
31 DECEMBER 2023

Registered Charity 1132885

The Parochial Church Council of St John the Evangelist with St Michael and All Angels, Paddington

Financial Statements

For the year ending 31st December 2023

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Administrative Information

PCC Members

The under-mentioned persons served on the PCC during the year		PCC Meetings attended
Ex Officio Members		
The Reverend Stephen Mason	Incumbent	5/5
The Reverend Georgina Elsey	Stipendiary Assistant Curate (to Sept)	2/3
The Reverend Alex Norris	Associate Vicar (from July)	2/2
Damon Greeney	Churchwarden	2/5
Gaynor Scruton	Churchwarden	4/5
David Fletcher	Deanery Synod Rep	0/5
Chris Lees	Deanery Synod Rep	2/5
Chris Skarratt	Deanery Synod Rep (to March)	1/2
Bryan Stephens	Deanery Synod Rep (from March)	2/3
Elected Members		
Adebanke Adeyemo	(to March)	1/2
Andrew Beverley		2/3
Anna Haase	(from March)	1/3
Helen Isibor-Epega		2/5
Ian Nelson	Treasurer	3/5
Chris Searle	(from March)	2/3
Bryan Stephens	(to March)	0/2
Shakira Watts		4/5

Bankers: HSBC plc
69 Pall Mall
London SW1Y 5EY

Insurers: Ecclesiastical Insurance
Beaufort House
Brunswick Road
Gloucester GL1 1JZ

Architect: John Bailley
Thomas Ford and Partners
177 Kirkdale
London SE26 4QH

Solicitor: Winckworth Sherwood
Minerva House
5 Montague Close
London SE1 9BB

Auditor: TC Group
Statutory Auditor
3 Acorn Business Centre
Northarbour Road
Cosham, Portsmouth
Hampshire PO6 3TH

The church office is situated at St John's Church, Hyde Park Crescent, London, W2 2QD

Incumbent: The Reverend Stephen Mason

Church Administrator: Bryan Sollenberger

2023 Report and Accounts for the Parochial Church Council of St John the Evangelist with St Michael and all Angels, Paddington

The Parochial Church Council (PCC) has pleasure in presenting its report and the financial statements of the Church for the year ended 31st December 2023.

Overview of the Year

We were thrilled that, for the first time in four years, we were able to have a full programme of services and events without any constraints. Our excitement was tempered by having to recalibrate our frames of reference when considering what made for a successful occasion. Average Sunday attendance, while nudging beyond that of 2022, was still around 25-30% down on 2019 levels. Our flagship services such as Nine Lessons and Carols, which attracted nearly 200 this year (39% more than in 2022), was still far below the 260 it would regularly attract before 2020. Regular parishioners were attending 3 Sundays a month now instead of 4. Volunteerism was good with most of those attending on Sundays with any degree of regularity taking part on at least one rota and some on 2 or even three rotas, but those rotas requiring three or more volunteers each Sunday struggled to run at full capacity.

Young families, for many years a key constituent of the congregation, are no longer moving into the area due to the high costs of housing so the numbers of young children are not as high as a few years ago but we have a small group of teenagers now for the first time in a long while and three of them were confirmed by the Bishop of London on 19th November. Baptisms, however, were much fewer, which also reflects the significant number of vacancies in primary schools throughout Westminster. The makeup of our local community is evolving and we are having to rethink our approach to ministry as a result.

Aims and Purposes

The primary objective of the PCC is to co-operate with the Incumbent, The Reverend Stephen Mason, in promoting within the Parish the whole mission of the Church: pastoral, evangelistic, social, ecumenical and community building. The Incumbent has the obligation of providing pastoral care to all those resident within the geographical parish, as well as to those who attend services, with specific responsibility for rites of passage.

St John's is an inclusive church – that is, we believe that the Good News is for all people regardless of gender, ethnicity, sexual orientation, socio-economic circumstances or spiritual background. St John's welcomes anyone and seeks to build a congregation that reflects the diversity of the community we serve. We are aware that a number of our parishioners, along with occasional members of our congregation, are of other or no faith but all are welcomed with generosity and hospitality.

This outlook sets the context for all that we do and influences our approach to planning services, pastoral care, social events and other activities which we undertake in furtherance of our aims. In all our activities we seek to minister to each one who comes through our doors – to provide a means to deepen the faith for those who are part of our worshipping community and to attract and to minister to those who are, at present, outside it.

Objectives and Activities

Church Attendance

The average Sunday attendance was 100 in 2023, an increase on the 2022 figure of 95. 300 persons attended church services at Easter (264 in 2022) and 241 on Christmas Eve and Christmas Day (246 in 2022). The number on the parish Electoral Roll at 31st December stood at 164.

While approximately half of the congregation is drawn from our ecclesiastical parish, many will come from neighbouring parishes and some even travel in from outside London. A significant component are our international members, who attend whenever they are in London. These have been slow to return post pandemic. Membership of the congregation is diverse and is drawn from a wide socio-economic strata, including but not limited to gender, ethnicity, age, sexual orientation political persuasion and religious background.

Church Activities and Highlights

Prior to the pandemic, St John's had explored its best use of resources in relation to the appointment of two deacons overlapping in their curacy training. There had been a view that we should consider the appointment of an associate vicar in the hope that they would remain with us for a longer period of time. The appointment of deacons for their initial three-year curacy meant that there was a high turnover and, just as the parish was getting to know them, they were leaving. This limited the pastoral and missional activity in the parish. While this was put on hold during the pandemic, it was decided to recruit an associate vicar for the first time rather than replace the Revd Georgina Elsey, who would be leaving at some point in 2023. While the PCC were proud of their record as a training parish, they were also concerned that just at a time when we were looking to rebuild our ministry post-Covid, the resources were not there to facilitate this. They therefore took the decision not to appoint a new curate once Revd Elsey moved on but instead to recruit an associate vicar.

A job description and role specification were drawn up and agreed and a new parish profile was crafted, after which all were uploaded to our website. The post was advertised for four weeks in *Church Times* and the ad received a good number of inquiries. A good cross section of inquiries was received, a significant number of which were women or of global heritage, and we were pleased with the calibre of applicants. From the applications received by the closing date of 6th March, a shortlist of three was drawn up. On the evening before the formal interviews, all three candidates met over supper with members of Standing Committee, staff and a representative of our young families, after which those not involved in the interviews the next day had opportunity to express their views. The following day, candidates were offered tea or coffee on arrival by the verger and shown around the church and their prospective accommodation by the administrator before being interviewed by the Vicar, Churchwardens and Archdeacon of Charing Cross. Alex Norris was felt to be the strongest overall candidate and he was offered the post. He was licensed by Adam Atkinson on behalf of the Bishop of London and welcomed to the parish on 2nd July at the 10am service, after which we had our annual summer barbecue in the gardens behind the church.

It was expected that the Norrises would move into the second and third floor maisonette in 12a Connaught Street but they expressed a preference for the mews house in Archery Close and would wait to move into the parish until Georgina Elsey had vacated the house and ingoing works had been carried out: decorating throughout, water ingress

problems resolved and a new kitchen and bathroom installed. They took up residence in the house on 18th December.

With the retirement of Colin Kerr in 2021, an appointment process had begun to select a new inspecting architect. A number of possible candidates were approached and asked to meet with the Vicar. This proved to be rather more challenging than expected. Of those recommended, one was no longer taking appointment in London as he had moved to the north of England and another did not turn up for the meeting. Of those that accepted, two were selected for interview with the Vicar and Churchwardens but one of the candidates withdrew before the interview took place. John Bailey, of Thomas Ford Partners, was appointed by the PCC on the recommendation of the Vicar and Churchwardens after a formal interview.

One of the highlights of the year was the Coronation of King Charles III and the celebrations to mark this significant national and historical event. On the Thursday before the Coronation, the William Gibbs Religious and Educational Trust, in partnership with the church, sponsored a community drinks reception in the church which was attended by approximately 200 members of the parish and local neighbourhood. The reception was held in the nave of the church, with some of the music team providing background music. The evening was much appreciated by those attending and was very successful.

On the Sunday morning, the choir supported by musicians sang Mozart's *Coronation Mass* at the parish eucharist and commemorative Coronation mugs were presented to the children in church. The service was attended by over 150 and was followed by a champagne and canapé reception; afterwards the church was transformed for a lunch as part of the national Big Lunch programme. A menu of pork pies, chipolatas, ham and beef, followed by a selection of desserts, was enjoyed by over 90 people.

Thaddeus Birchard, vicar from 1980 – 2001, had died suddenly and unexpectedly the year before in Belgium in 2022. He was buried there in a place that had special meaning to him. Since his retirement from parish life, he had very successfully established a counselling practice specialising in sexual addiction: he was the first in the UK to train in this area and was a noted author and lecturer in addition to practitioner. A memorial service marking the anniversary of his death was held as part of the morning service on Sunday, 18th June. Many members of the congregation during his time along with colleagues from the psychotherapy world gathered with the present congregation to remember his life and give thanks for his ministry at St John's

After service hospitality and social occasions provide important time for members of the congregation to build connections and to engage with the clergy. Finger food buffets follow the 10am services on Epiphany and at Easter; our annual summer barbecue was held on 2nd July; seasonally themed receptions take place after our five great carol services and, for Georgina Elsey's final Sunday, a gin bar was set up in the north aisle. Over the summer six lunches were held at the vicarage for older members of the congregation as well as a number of small supper parties throughout the year. The vicar hosted an annual Christmas Thank You drinks party at the vicarage to acknowledge the contributions of all who volunteered in some capacity during the year. This took place the Friday before Christmas.

A quiz evening had been scheduled for November but had to be postponed due to a lack of ticket sales.

We were very pleased to welcome the Bishop of London on 19th November to preside and preach at a service of Confirmation. She confirmed four adults and three children at the service, including three of the Iranian refugees who had been baptised the previous Easter at 6am. We were pleased to have them involved in the service, especially as, now that their asylum applications had been progressed, that they were living some distance from London.

Robert Greenhill, our Director of Music, had planned to retire in February 2024 after 18 years in post. The musical life at St John's significantly developed during his tenure. Robert kindly worked with the vicar on a new job description, which was formatted into an online brochure. An advert for a Director of Music was placed in *Church Times* for four weeks. There were a good number of expressions of interest in the post when the advert came out, many of whom had an informal coffee with the Vicar when considering whether to apply formally. We were surprised that there were two clear kinds of applicants:

- Experienced organists/directors of music
- A small number of very skilled choral directors who had studied music direction at one of the music colleges but who were pianists rather than organists

Joseph Fort, college organist and director of the Chapel Choir at King's College, London, served as external consultant. He along with the Vicar and Churchwardens formed the interview panel, with secondary interaction with Jonathan Hill, our lead musician, and Alex Norris. Interviews were held on 13th December and consisted of an organ audition, a choral direction audition and sight reading. Nicholas Miller, organ scholar from 2012-2014 then organist from 2014-2019, was offered the post and accepted. He will commence his duties from 1st February 2024.

Children at St John's

Our children's ministry at St John's is facilitated through a service agreement with Red Balloon Foundation, who appointed Marcus Walters-Pearce as our children's and young families worker. Marcus has facilitated Kids' Club on Sunday mornings with energy and enthusiasm, despite the children being small in number and of significant age range. He successfully held together the numbers of very small children and a varying number of teenagers, engaging them in discussions on the gospel theme each Sunday. The playgroup re-established post-Covid in 2022 has struggled in relation to its heyday prior 2015 but is has become established and has slowly grown in numbers. A Thursday after schools club - *Theatrical Thursdays* - with students from St James & St John Primary School was established in September on Thursdays. This year a committed group of 12-15 from St James & St John Primary School attended regularly and is designed to help children with building confidence and self-expression with a light Christian ethos. Marcus is joined on a Thursday by a second team member from Red Balloon, Eyrusalem Abraham.

Adult Education

Adult education this year was in a state of flux. A Lent course was run in partnership with two other parishes in the deanery, St Peter's, Elgin Avenue and St Mary Magdalene. Georgina Elsey created and delivered a course with Jonathan Porter, a lay reader from St Mary Magdalene, focussing on the main characters in Victor Hugo's *Les Misérables* to explore Lenten themes. Up to nine persons attended on the five Wednesday evenings in March. In June, Georgina Elsey conducted a five-week course looking at mental health from the perspective of faith and spirituality. In the autumn, three Confirmation classes for different age ranges were begun initially by Georgina, then completed by Alex Norris in preparation for the Confirmation on 19th November.

Music at St John's

Music plays an important role in our worship and liturgy, from Sunday morning eucharists to Sunday evening Complines, Jazz Masses and Evensongs to our five great carols services for Advent, Christmas, Epiphany, Lent and Whitsun. The clergy and music team strive to be creative in the use of music at all our services and in telling the stories and theology of the Christian year.

We struggled to recruit a full quota of eight choral scholars in 2022 so had to engage professional singers on an ad hoc basis to fill all places.

The core of the music team is our Director of Music, Robert Greenhill, organ scholar Ben Collyer and eight choral scholars. They are augmented by musicians depending on the music selected from a guest soloist to a string trio or quartet to an orchestra of as many as 12 at our large services. We are amazed at how far Robert Greenhill has taken our music and are grateful to have such dedicated and gifted musicians involved in our services.

A highlight of any year is the Jenny Clark Memorial Concert. This year's concert took place after the 10am service on 12th November and featured the soprano Sofia Kirwan-Baez, accompanied by Ben Collyer. Sofia sang a programme of opera, musical theatre and her own compositions, which was extremely well received.

Social Outreach and Charitable Giving

During the year, St John's raised £1,410 in support of three charities:

- Disasters Emergency Committee for Syrian Earthquake victims £967
- St Matthew's Food Bank £317
- The Children's Society £126

In addition, a collection of foodstuffs, toiletries and other goods was taken on Mothering Sunday and at Harvest for the Food Bank. The children of St James and St John Primary School also supported the collection of goods at Harvest.

Working in Local Schools

Our voluntary aided primary school, St James & St John, which we share with St James's, Sussex Gardens, was supported throughout the year by all the clergy through governorship, support of the head teacher and the provision of weekly assemblies along with occasional classroom activities relating to RE or class assemblies. We were pleased to welcome the school for four all school masses during the year: at Easter, for the end of year Leavers' Service in July, for the start of the new school year in September and at Harvest. Despite a testing time for the school, it continued to do very well in terms of numbers of admissions to both the nursery and reception years and is one of the few schools in the area not to have any vacant places. Up to 30 children come to the after school club run by Red Balloon on Thursday afternoons during term times.

At the beginning of the autumn term, it was announced that the head teacher, Mark Hewitt, would leave at the end of December. The governors decided to explore the possibility of entering into a partnership with a group of schools under an Executive Head, each with a Head of School. The vicar, along with other governors, entered into negotiations with Harvey Webb and his team and decided that they would enter the partnership with St Mary's, Kilburn, St Luke's, Kilburn, St George's, Hanover Square and

St George the Martyr, all Church of England primary schools. Mr Adrian Evans was appointed Head of School.

Connaught House School held their Christmas programme in church as usual.

Working in the Community

Involvement in the local community is an important part of our ministry. We have good connections with our local amenity groups – the Hyde Park Estate Association (HPEA) and the Hyde Park Estate Residents (HyPER) – both of which use the church for meetings. The Vicar is an elected member of the HPEA executive committee and the Hyde Park and Paddington Forum steering group. He attends the Hyde Park Neighbourhood Ward Panel along with Westminster City Council's LGBTQI Forum. The administrator, verger and associate vicar represent him at some of these meetings from time to time.

Our local Labour Ward Councillors hold monthly surgeries in the hall on the first Thursday of each month.

Within the Diocese of London, the Vicar acts as a mentor for new incumbents in the Diocese as part of the Diocese of London mentoring programme. He is both a participant and a review facilitator in the Continuing Ministerial Development Review programme for the Diocese, facilitating the annual professional review of clergy. In addition, he acts as one of the Bishop's Surrogates for issuing Common Licences for marriage and serves as Area Dean of the Paddington Deanery. In this role he has had increased engagement with the work of the Diocese regarding the shape of ministry in the Deanery and especially the potential for estate ministry in what were originally social housing estates and the changing shape of the demographics of Paddington. He is also engaged in pastoral care of the deanery clergy. In 2023, he became a trustee of the Paddington Charities.

In February, St John's hosted a deanery Mental Health First Aid course over two days. On 9th May, the Bishop of London made a visit to the Paddington Deanery for the second year running, which concluded with a choral evensong in St John's followed by a drinks part at the Vicarage for all Deanery Synod members. On 4th December, a meeting chaired by the Bishop of London to review *Living in Love and Faith* took place at St John's.

Safeguarding

It is of prime importance that all who worship or enter our building do so in safety and security and respect the rights of others to do so. Each year the PCC reviews and revises its Safeguarding Policy in order to comply with the House of Bishops' Policy Statements 'Protecting a Safer Church' (2017) and 'Protecting All God's Children' (2020), as well as the Diocesan Safeguarding Policy 'Promoting a Safer Diocese' (2018). All PCC members underwent a DBS assessment and were expected to complete level CO1 safeguarding training. Should an event become known to the clergy, the advice of the Diocesan Safeguarding Team is sought.

Trustee Induction

Each year following the annual meetings, an induction evening is arranged for all new officers and members of the PCC. Topics covered Include the Role of the PCC and subcommittees, the offices of Churchwarden and Treasurer, an introduction to the staff

team and their various responsibilities, the clergy & staff housing, finance, what a typical meeting might look like and what is happening throughout that year. In 2023 this was held on 23rd May.

Strategic Development

Guided by the parish Mission Action Plan, the vicar and administrator have begun to re-establish the pattern of meeting quarterly to plan and evaluate strategic objectives for the year within a three-year cycle. In addition, they meet on a weekly basis on Monday mornings along with the verger prior to full staff meetings on Monday afternoons. The vicar meets with all members of staff regularly for supervision and planning.

An annual staff away day was held at St Anne's, Soho in October. Standing Committee held an extraordinary meeting in November to look at the state of the parish and encouraging the return of the congregation post-Covid. The full staff team, through the kind generosity of a member of the congregation, had a Christmas lunch.

New PCC members have an induction evening followed by dinner shortly after their election and the vicar and churchwardens hold informal quarterly meetings.

Fabric Maintenance

The appointment of John Bailey as inspecting architect proved very fortuitous as in September several pieces of stone in the mullions of the west window were dislodged due to rusting iron joggles. Although a wedding reception was taking place when the pieces of stone fell, no one was injured. The area under the window was cordoned off on Sunday and John Bailey attended on Tuesday. He instructed Fullers Builders Ltd to erect scaffolding and put a crash deck in place to catch any further stonefall should it occur and conducted an initial visual inspected from ground level. A further inspection at high level took place a week later once further scaffolding had been erected at the level of the window and a report made. Fullers were asked to tender for the repairs. Their quotation of £8,157 was felt to be reasonable by the architect and, in order to expedite the repairs, was accepted. The works were completed and the scaffolding dismantled by 17th November. Total costs of the works came to £17,148.

In October the fourth and final phase of electrical works arising from an electrical inspection in 2020 were completed and a certificate issued. The costs of these works was kindly met by a grant from Westminster City Council through the Ward Councillors' Budget.

Since the loss of the storage cupboards on the east end of the south wall as part of the reordering and installation of the new floor in 2011, vestments have been stored in the upstairs room of the office, where the duplicator is stored. The vicar, concerned as to the lack of appropriate storage for the increasing amount of new vestments, asked Alex Norris to explore the project of converting this room into a formal vestry space. A process was begun of obtaining quotations for repair and redecoration of the walls, a new suspended ceiling with lighting and new carpeting, along with a custom designed vestment chest. By the end of the year a number of quotes had been obtained for the vestment chest and work was continuing on quotes for the associated works. It is hoped to carry out the works in the summer of 2024.

The regular programme of roof cleans was carried out throughout the year along with annual maintenance of the fire safety equipment, clock, gas central heating systems and

roof safety system. The organ was tuned three times during the year and had an annual service check of the blower motor.

Statement of Parochial Church Council Responsibilities

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

Charity law requires the PCC to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the church and of the incoming resources and application of resources for that period. In preparing those financial statements the PCC is required

a) to select suitable accounting policies and then to apply them consistently;
b) to observe the methods and principles in the Charities SORP;
c) to make judgements and estimates that are reasonable and prudent;
d) to state whether the policies adopted are in accordance with the appropriate Statement of Recommended Practice (SORP) on Accounting by Charities and the Accounting Regulations and applicable accounting standards, subject to any material departures disclosed and explained in the financial statements and
e) to prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue.

The PCC is responsible for keeping proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the church and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the Statement of Recommended Practice on Accounting and Reporting 2019 (FRS 102). It is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

Financial Review

After a very financially successful 2022, the past year was a reminder not to take things for granted and to be vigilant in maintaining our finances and reserves in good health. The PCC finished the year with a deficit in the General Fund of £22,543. This was largely due to some planned decisions as well as some unexpected costs which were covered by withdrawals from reserves:

- ingoing works at the mews house in Archery Close in preparation for the Associate Vicar, recovered from the Clergy Accommodation Maintenance Reserve - £12,957. (In 2022 the PCC had appropriated £18,000 to this reserve in anticipation that works would be required, as they often are between members of staff)
- repairs to the stonework of the mullions around the west window, including architect's fees, recovered from the Church Maintenance Reserve - £17,148
- deposit on a set of green vestments, drawn from the Vestment Reserve - £5,073

The incorporation of these reserves gave an adjusted surplus of £12,635, from which appropriations were made:

- Clergy Accommodation Maintenance Reserve, £4,000 (budget: £5,000)
- Church Maintenance Reserve, £4,000 (budget: £10,000)
- Vestment Reserve, £2,500 (Standing Committee decision)

In addition, the PCC budgets £2,000 a year to redecorate one room in the vicarage as encouraged by the previous Archdeacon of Charing Cross. In a year such as 2023 when this sum is not spent, the balance is set aside for future works and in 2023 £1,400 was done so.

Congregational giving was marginally ahead of 2022 but, given the level of inflation, meant that in real terms it had not kept pace and an appeal to the congregation sent out in January to consider their regular giving had a few modest increases only. Many other categories of income suffered modest to moderate drops in comparison with 2022 but additional grant funding meant that income finished around £500 ahead of the previous year.

Expenditure was around £69,000 more than in 2022. While £35,000 – over half – of this was the previously mentioned expenditure covered from reserves, the remainder was due to inflationary increases, renewal of the gas contract, having the Curate and Associate Vicar both on staff for two months and significant additional expenditure on music.

Payments to the Diocese

The standard parish cost for 2023 was £87,775. The PCC agreed a further contribution to Common Fund, from which clergy stipends and costs are paid, of £9,225 for a total contribution of £97,000. In addition, £49,322 was paid to the Diocese to cover the costs of our assistant curate and associate vicar.

Total contributions to the Diocese of London for 2023 were £146,322.

Reserves Policy

The PCC budgets to put £10,000 each year in the Church Maintenance Reserve and £5,000 in its Staff Accommodation Deposit and Ministry Reserves. In 2023, provisions of only £4,000 were able to be made to the Church Maintenance Reserve and the Staff Accommodation Deposit Reserve. £2,500 was added to the Vestment Reserve to fund the purchase of a green set of vestments, £2,000 of which came from a legacy received during the year.

Structure, Governance and Management

The Parochial Church Council is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council (Powers) Measure 1956 and is a charity registered with the Charity Commission for England and Wales.

The appointment of members to the PCC is governed by and set out in the Church Representation Rules. New members to the PCC as well as churchwardens normally undergo an induction to brief them on their legal obligations under Church Law, the content of the Constitution, the Council and the decision-making processes, and the recent performance of the Church. In 2023 this took place on 23rd May.

Organisation

The PCC meets regularly throughout the year and there are committees to which there are delegated specific duties: Building, Congregational Giving, Communication, Education and Liturgy. Each committee reports at each PCC meeting.

The Standing Committee is the only committee required by law. It has power to transact the business of the PCC between its meetings subject to any directions given by the Council. Members of the Standing Committee comprise the Vicar, Churchwardens, Deputy Churchwardens and Treasurer. There is an open seat on Standing Committee for one member of the PCC to attend each meeting on the proviso that they give prior notice. The full PCC met five times and Standing Committee met six times during the year.

Risk Management

The PCC is aware of the risks to which it is exposed and regularly considers how it might mitigate them. Key areas of risk are:

a. Financial Risk
Each year the PCC budgets carefully and prudently. Donations from parishioners and collections at services are all voluntary and the clergy and staff team work hard at creating an atmosphere of welcome and inclusivity that is in line with the PCC's ethos. Planned and tax efficient giving is promoted regularly in a variety of ways and clergy and staff have been creative at encouraging donations in support of events and activities at special services.

The PCC's Financial Risk Policy sets methods for recording cash collections, financial planning and reporting and secure handling of cash in order to protect those handling cash and to reduce the risk of fraud. A review of this policy was completed in 2020.

A sizeable proportion of income is derived from outside sources – hire of the church, parish hall and crypt, parking revenues, grants and ad hoc donations. The PCC is aware of the potential link between the strength of the local economy and use, in particular, of the forecourt by commercial firms working on local premises. This diversity of income streams helps to minimise the exposure to risk in any one category and makes it possible to draw upon the wider community for financial support. Use of the church by outside groups and individuals for concerts, lectures, receptions and community consultations has resumed since the end of Covid restrictions and this additional income stream has been a significant factor in enhancing the financial wellbeing of the parish. The PCC are very appreciative of the efforts of Andrejs Livins, the building manager, at looking after these events as well as the involvement of the Vicar and Administrator for their support in staffing such events and contributing to the success of this source of income.

b. Statutory and Legal Risks
Charities operate in an increasingly regulated context. St John's is an employer and, although falling below the threshold for some legislation, still has regard for employment legislation. All staff are paid at least the London living wage.

c. Operational Risk
As a building open to the public, we are mindful of our health & safety responsibilities and take advice on a range of issues from disabled access to fire and electrical safety. Proper care for children and vulnerable adults is a high priority and the PCC reviews its Safeguarding Policy annually to ensure that our younger parishioners and those at risk are looked after in a safe environment and that those who look after them are adequately trained and supported.

The PCC has an appropriate insurance policy with Ecclesiastical Insurance. This is reviewed periodically to ensure that the sums insured are adequate and a review was conducted in 2019.

Clergy and Staff Housing

The Vicarage at 18 Somers Crescent forms part of the Vicar's freehold. While being maintained by the Diocese of London, the parish is responsible for internal decoration and any improvement works. The PCC budgets £2,000 annually for redecoration works. In a year when this is not spent, the balance is put aside into a reserve for use in a future year.

The parish has leases on three additional properties from the Church Commissioners which may be used for the accommodation of clergy and other members of staff. Robert Greenhill, our Director of Music, occupied the first floor flat at 12a Connaught Street.

23 Archery Close is available on a long lease for housing staff. It was the home of our assistant curate, The Reverend Georgina Elsey, until she joined the Army in September. After works were completed, including a new kitchen and bathroom, our new Associate Vicar, Alex Norris, and his wife Keri took up occupancy.

In 2021 the PCC took a lease on the ground floor and basement flat at 11 Star Street to house the verger.

Looking Ahead

With the appointment of Alex Norris as Associate Vicar and Nick Miller as Director of Music, we look forward to their contributions to the ministry and staff teams and to our communal life at St John's.

Robert Greenhill is due to retire in January 2024 and it is planned that this will be marked with a collection for a leaving gift and a suitable party after the Epiphany Carols service on 14th January. A dinner to mark his contribution to facilitating community placements on behalf of the William Gibbs Religious & Educational Trust is planned for January 11th.

The changing demographics of the area will continue to influence the makeup of the congregation. Young families continue to be priced out of the housing market and this not only has an impact on the lack of young families and children in the parish but also on our local schools. One local school in the deanery has closed during the year and others have struggled to fill their entry classes. Approximately 26% of primary school places in Westminster remain unfilled.

In our children's work we are learning to work with a wider age range of children and the inclusion of small groups of teenagers.

While increasing numbers of people are returning to church post-pandemic, they are doing so with less regularity.

St John's has been unable to recruit a replacement for Margaret Legg, who retired in February 2020, and this has impacted our ability to provide such a vibrant ministry for older members of the congregation. Attempts have been made to advertise in a newsletter for self-supporting ministers and to recruit through the Bishop and Archdeacon.

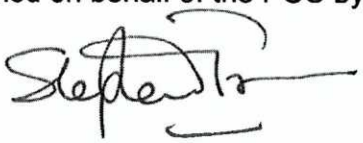
While the number of external events that were held in church recovered well the previous year, bringing with them a return of much needed income, these have levelled off slightly this past year with a corresponding slight reduction in income. If this continues, it will provide another challenge.

Standing Committee is beginning to engage with the possibility of Bryan Sollenberger retiring or reducing his hours as he approaches retirement over the next five years. There have been discussions as to whether, should additional help should be taken on in the office, a candidate be appointed that could gradually take over his role. This will provide a significant financial challenge in the short to medium term and income will need to be found to cover this.

Auditors

TC Group were first appointed to audit the 2013 financial statements after a review of our audit procedures. They were reappointed to audit the 2023 financial statements.

Signed on behalf of the PCC by



The Reverend Stephen Mason, Chair
3rd March 2024

Independent Auditor's Report to the Parochial Church Council of St John the Evangelist with St Michael and all Angels

Opinion

We have audited the financial statements of the Parochial Church Council of St John the Evangelist with St Michael and all Angels for the year ended 31st December 2023 which comprise of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement 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 31st December 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis 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 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The other information comprises the information included in the 2023 report of the Parochial Church Council, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 Parochial Church Council 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; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Parochial Church Council Responsibilities statement, the Parochial Church Council members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Parochial Church Council 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 Parochial Church Council members either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

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

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

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.
Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the Parochial Church Council members and other management (as required by auditing standards), and discussed with the Parochial Church Council members and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Charities Act 2011) and the relevant charity regulations in the UK;
- We considered the nature of the industry, the control environment and the charity's performance;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the charity has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. 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.



TC Group (Statutory Auditor) Date: 7 March 2024
Office: Portsmouth

TC Group is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

St John the Evangelist with St Michael and All Angels, Paddington

Statement of Financial Activities (Incorporating Income & Expenditure Account)

Year Ending 31st December 2023

	2023			2022
	Unrestricted Funds £	Restricted Funds £	Total £	Total £
Income from:				
Donations and Legacies	299,110	13,724	312,834	305,956
Charitable Activities	85,390	0	85,390	148,149
Other Trading Activities	133,950	0	133,950	82,660
Investments	3,910	0	3,910	5
Total Income	**522,360**	**13,724**	**536,084**	**536,770**
Expenditure on:				
Raising Funds	26,146	0	26,146	30,539
Charitable Activities	512,133	13,364	525,497	450,942
Other	6,624	0	6,624	5,871
Total Expenditure	**544,903**	**13,364**	**558,267**	**487,352**
Net Income/(Expenditure)	(22,543)	360	(22,183)	49,418
Transfers between Funds	**0**	**0**	**0**	**0**
Net Movement in Funds	**(22,543)**	**360**	**(22,183)**	**49,418**
Reconciliation in Funds				
Total funds brought forward	218,580	62,604	281,184	231,766
Total funds carried forward	**196,037**	**62,964**	**259,001**	**281,184**

All income and expenditure derive from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised during the year.

St John the Evangelist with St Michael and All Angels, Paddington

Balance Sheet

Year Ending 31st December 2023

		2023 £		2022 £
Fixed Assets				
Tangible Assets		0		0
Current Assets				
Debtors[1]		25,282		28,649
Cash at bank and in hand[2]		289,668		311,260
Creditors: Amounts falling due within one year[3]		(55,949)		(58,725)
Net current assets/(liabilities)		**259,001**		**281,184**
Net Assets		**259,001**		**281,184**
Charity Funds				
Restricted Funds[4]		62,964		62,604
Unrestricted Funds				
General Funds	2,756		2,021	
Ministry Reserve	95,358		91,358	
Clergy Accommodation Maintenance Reserve	12,990		25,947	
Church Maintenance Reserve	48,752		65,900	
Vestments	1,881		4,454	
Staff Accommodation Deposit	24,000		20,000	
Servers' Robes	5,000		5,000	
Planned Vicarage Maintenance	5,300		3,900	
Total Unrestricted Funds		196,037		218,580
Total Charity Funds		**259,001**		**281,184**

The financial statements were approved and authorised for issue by the Parochial Church Council on 3rd March 2024.

Signed on behalf of the Parochial Church Council

Ian Nelson

Ian Nelson, Treasurer
3rd March 2024

The notes on pages 23-33 form part of these financial statements.

St John the Evangelist with St Michael and All Angels, Paddington

General Fund Income & Expenditure

Year Ending 31st December 2023

SOFA Headings			2023 £		2022 £
	INCOME				
Donations and Legacies	Donations Eligible for Gift Aid	88,161		86,958	
	Envelopes	470		600	
	Non-Taxed Pledges	1,563		1,670	
	Tax Refund	24,974		29,616	
	Collections	6,689		8,237	
	Other Donations	80,929		82,317	
	Alms	333		480	
	Fellowship	4,221		8,610	
	Special Clergy Services	1,384		0	
	Church Commissioners	6,000		18,000	
	Grants	71,386		41,612	
	Legacies	2,000		2,000	
	Voluntary Trust Admin Contribution	11,000		10,149	
	Culture Vulture Ventures	0		788	
			299,110		**291,037**
Incoming Resources from Charitable Activities	Special Services	9,919		19,073	
	Hire of Church	90,560		95,633	
	Hire of Hall	23,671		24,743	
	Other Rents	9,800		8,700	
			133,950		**148,149**
Activities for Generating Funds	Forecourt Income	37,632		37,607	
	Nursery School Rent	43,758		41,633	
	Crypt Rent	4,000		3,420	
			85,390		**82,660**
Investments	Interest		**3,910**		**5**
TOTAL INCOME			**522,360**		**521,851**
TOTAL EXPENDITURE			**(544,903)**		**(476,279)**
SURPLUS/(DEFICIT) FOR YEAR			**(22,543)**		**45,572**
RESERVES USED:					
	Clergy Accommodation Reserve		12,957		
	Church Maintenance Reserve		17,148		
	Vestment Reserve		5,073		
SURPLUS/(DEFICIT) INCORPORATING USED RESERVES			**12,635**		**45,572**
DESIGNATIONS TO RESERVES					
	Ministry Reserve				5,000
	Clergy Accommodation Maintenance Reserve				18,000
	Church Maintenance Reserve		4,000		10,000
	Staff Accommodation Deposit Reserve		4,000		5,000
	Planned Vicarage Maintenance		1,400		900
	Vestment Reserve		2,500		
SURPLUS/(DEFICIT) AFTER DESIGNATIONS			**735**		**6,672**

St John the Evangelist with St Michael and All Angels, Paddington

General Fund Income & Expenditure

Year Ending 31st December 2023

SOFA Headings	EXPENDITURE		2023 £		2022 £
Raising Funds	Forecourt Expenditure	4,527		2,560	
	Events Costs	21,619		27,979	
			26,146		**30,539**
Charitable Activities	London Diocesan Fund	97,000		94,000	
	Additional Clergy Costs	49,322		41,079	
	Vicar's Expenses	16,123		12,781	
	Additional Clergy Expenses	2,660		1,639	
	Rents, Running Costs	27,205		28,799	
	Archery Close Works	12,957		0	
	Vicarage Routine Maintenance	600		1,100	
	Children's Education	3,319		6,458	
	Adult Education	570		52	
	Director of Music	21,601		17,299	
	Music Expenses	47,622		35,529	
	Fellowship	13,849		16,447	
	Altar Requisites	8,185		3,016	
	Light, Heat & Insurance	22,162		19,954	
	Cleaning	10,495		10,991	
	Grounds	1,925		1,287	
	Repairs & Maintenance	29,641		15,534	
	Printing & Publicity	4,618		3,385	
	Administrative Staff	55,133		51,333	
	Verger	35,144		30,778	
	Catering Staff	0		770	
	Staff Pension Contributions	28,199		22,676	
	Office Expenses	14,979		15,195	
	Equipment	744		3,597	
	Miscellaneous Expenses	1,866		752	
	Professional Fees	6,089		600	
	Contribution to Clergy Discretionary A/c	0		4,000	
	Culture Vulture Ventures	125		818	
			512,133		**439,869**
Governance Costs	Audit Fee	6,120		5,340	
	Bank Charges	504		531	
			6,624		**5,871**
TOTAL EXPENDITURE			**544,903**		**476,279**

St John the Evangelist with St Michael and All Angels, Paddington

Restricted Income & Expenditure

Year Ending 31st December 2023

	2023	2022
INCOME	£	£
Charities Income	1,410	319
Flower donations	3,554	2,340
Music Donations – Director of Music	1,425	2,220
Music Donations – Singers & Musicians	5,370	5,040
Servers' Robes	0	5,000
Clergy Leaving Purse	1,965	0
TOTAL INCOME	**13,724**	**14,919**
EXPENDITURE		
Charitable Donations	1,410	319
Flower Expenses	3,554	2,340
Music Expenditure – Director of Music	1,030	2,110
Music Expenditure – Singers & Musicians	5,405	4,371
Organ Tuning	0	1,933
Clergy Leaving Purse	1,965	0
TOTAL EXPENDITURE	**13,364**	**11,073**
SURPLUS/(DEFICIT)	**360**	**3,846**
BALANCE BROUGHT FORWARD	**62,604**	**58,758**
BALANCE CARRIED FORWARD	**62,964**	**62,604**

St John the Evangelist with St Michael and All Angels, Paddington

Statement of Cash Flows

Year Ending 31st December 2023

	2023 £	2022 £
Cash flows from operating activities:		
Net cash provided by (used in) operating activities	**(21,592)**	**69,131**
Cash flows from financing activities:		
Cash flows from new borrowings	0	0
Repayment of borrowings	0	0
Change in cash & cash equivalents in the reporting period	**(21,592)**	**69,131**
Cash and cash equivalents at the beginning of the reporting period	311,260	242,129
Cash and cash equivalent at the end of the reporting period	**289,668**	**311,260**

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

Net movement in funds for the reporting period (as per the SOFA)	(22,183)	49,418
Adjustments for:		
Depreciation charges	0	0
(Increase)/decrease in debtors	3,367	16,137
Increase/(decrease) in creditors	(2,777)	3,576
(Purchase)/sale of fixed assets	0	0
Net cash provided by (used in) operating activities	**(21,592)**	**69,131**
Analysis of cash and cash equivalents		
Cash in hand	289,668	311,260
Notice deposits	0	0
Total cash and cash equivalents	**289,668**	**311,260**

St John the Evangelist with St Michael and All Angels, Paddington

Notes to the Financial Statements

Year Ending 31st December 2023

a) General information and basis of preparation

The Parochial Church Council of St John the Evangelist with St Michael and All Angels, Paddington is a registered charity with the Charity Commission for England and Wales. The address of the registered office is given in the charity information on page 4 of these financial statements. The nature of the charity's operations and principal activities are, in co-operation with the vicar, promoting within the Parish the whole mission of the Church: pastoral, evangelistic, social, ecumenical and community building.

The charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with the Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in according with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102) (issued in October 2019) – (Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102) and the Companies Act 2006.

The financial statements are prepared on a going concern basis under the historical cost convention modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant policies applied in presentation of these financial statements are set out below. These policies have been consistently applied to all years present unless otherwise stated.

b) Funds

Unrestricted funds are available for use at the discretion of the trustees 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 trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

The accounts include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body nor those that are informal gatherings of church members.

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 cost 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.

c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be

received. For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity; however, it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes rates and other costs appropriate to that activity, including costs incurred in fundraising and appeals;
- Expenditure on charitable activities includes all costs incurred in fulfilling the church's objectives, together with any costs in support of these. This category includes costs normally considered support costs but because the building and staff are integral to fulfilling our objectives, they are included here.
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

e) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

- Equipment – 3-5 years on a straight line basis
- Grand piano – 10 years on a straight line basis

Consecrated and beneficed property is not included in the accounts in accordance with s.10(2)(a) and (c) of the Charities Act 2011. Movable church furnishings held by the Vicar and Churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property. They are listed in the church's inventory which can be inspected (at any reasonable time). For inalienable property acquired prior to 2000 there is insufficient cost information available and therefore such assets are not valued in the accounts. Subsequently no individual item has cost more than £1,000 so all such expenditure has been written off when incurred.

f) Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

g) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

h) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

i) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

j) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

As set out in the Statement of Parochial Church Council Responsibilities Statement on pages 12 to 13, in preparing these financial statements the PCC are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate. In satisfaction of this responsibility the PCC has considered their expectations for the charity over the next 12 months and the charity's ability to meet its liabilities as they fall due, based upon the information available to the PCC at the date of these financial statements.

At the time of approving the financial statements, the charity has significant cash reserves to cover the operating costs of the charity for a period of at least six months. In addition, the charity has strategies planned to address potential significant changes to its incomes during the forthcoming period, should the charity experience a significant change in its incomes. The PCC therefore has a reasonable expectation that the charity

has adequate resources to contend with the uncertainties that may arise and to continue in operational existence for the foreseeable future. Thus the PCC continues to adopt the going concern basis of accounting in preparing the financial statements.

Accordingly, the financial statements are prepared on a going concern basis, under which assets are recovered and liabilities repaid in the ordinary course of activities. The accompanying financial statements do not include adjustments that would need to be made in the case the charity was unable to continue as a going concern, should the assumptions referred to above subsequently prove to be invalid.

[1]Debtors	2023	2022
	£	£
Sundry Debtors	1,626	2,080
City of Westminster	8,745	0
Income Tax Recoverable	14,911	26,569
TOTAL	25,282	28,649
[2]Cash at Bank and in Hand		
General Fund	289,548	311,140
Petty Cash	120	120
TOTAL	289,668	311,260
[3]Amounts Falling Due within One Year		
Sundry Creditors	49,009	51,405
Rent Deposits	1,000	1,800
Audit Fee	5,940	5,520
TOTAL	55,949	58,725
[4]Restricted Funds		
Memorial Garden	3,834	3,834
Music	46,614	46,254
Vestments	1,244	1,244
Servers' Vestments	5,000	5,000
Organ Fund	6,272	6,272
TOTAL	62,964	62,604

Fixed Assets for Use by the PCC

	Equipment	Grand Piano	Total
Gross Book Value at 1 January 2023	41,732	17,000	58,732
Additions	0	0	0
(Disposals)	0	0	0
as at December 31 2023	41,732	17,000	58,732
Depreciation at 1 January 2023	41,732	17,000	58,732
Charge for the Year	0	0	0
Release on Disposal	0	0	0
at 31 December 2023	41,732	17,000	58,732
Net Book Value at 31 December 2023	0	0	0
at 31 December 2022	0	0	0

Analysis of Net Assets by Fund

	Unrestricted Funds	Restricted Funds	Total
Fixed Assets	0	0	0
Current Assets	251,769	63,181	314,950
Current Liabilities	(53,882)	(217)	(54,099)
TOTAL ASSETS	**197,887**	**62,964**	**260,851**

STAFF COSTS	2023	2022
	£	£
Wages and Salaries	96,788	82,111
Social Security Costs	10,737	6,355
Pension Costs	17,580	14,613
TOTAL COSTS	125,105	103,079

The average number of staff during the year was two (two in 2022). No employee was paid more than £60,000 during the year or preceding year. In addition to salaries, fees of £19,408 were paid to Robert Greenhill.

Pension contributions are currently payable for two members of staff and clergy and are made under a defined contribution scheme.

FUND DETAILS

In 2007, the Parochial Church Council adopted a Reserves Policy which established the following funds: General Reserves, Ministry Reserve, Music Reserve, Church Maintenance Reserve and Clergy Accommodation Reserve. The policy was reviewed in 2013 and 2019.

The General Reserve is for any surpluses over and above those specified under the policy. It is the aim of the PCC to build up reserves to cover six months' running costs.

The Ministry Reserve was created in 1998 when the PCC decided to recruit an Associate Vicar. It is a provision made to cover anticipated additional ministry costs that might not be met by the operational budget.

The Staff Accommodation Deposit is a new reserve, created by the PCC in recognition that the properties they lease for the accommodation of staff are on short- to medium-term rolling leases and agreements. The aim of the PCC is to build up adequate funds to provide for the deposit to purchase a property in which to house staff and so reduce dependence on leased properties.

The flourishing of a music tradition over the past years has greatly enhanced the worship on Sundays and at special services. Many of the costs of the choir, director of music and guest singers and musicians have been generously provided by members of the congregation. Donations received in excess of costs are accumulated and held in a restricted reserve. In recognition of the fluidity of the parish and that generous contributors to the music programme may only be around for a short time, the PCC have aimed to have the equivalent of two years' costs in reserve.

The Clergy Accommodation Reserve was created in 2001 when major repairs and renovations to most of the clergy accommodation made a large call on parish resources.

Currently, the PCC budget £2,000 a year towards future Vicarage redecoration works. Any unspent amount in the year is set aside for future works.

In 2007 the PCC began replacement of its vestments, many of which had given considerable service and were nearing the end of their lives. A fund was set up into which the PCC designated funds each year and into which donations toward new vestments were put. In 2010 orders were placed with Messrs Watts & Co for white and gold sets of vestments. Red vestments were acquired in 2012. Further sets will be purchased as funds become available. Once the restricted donations for vestments have been exhausted, the remaining amounts will be taken from funds designated for vestments by the PCC.

The clergy house used to accommodate curates is held on an historic agreement which expires in in approximately 10 years. It is not anticipated that the agreement will be renewed so Standing Committee began to budget to set aside funds each year and held in a Staff Accommodation Deposit Reserve in order to build up a deposit to purchase a property when the existing house is no longer available.

Restricted funds held by the PCC are as set out in note 4 to the Balance Sheet. Memorial Garden funds will be used to develop one of the gardens along the church as a Garden of Remembrance. The Music Reserve holds funds donated explicitly for music. Vestments are as set out at the top of this page. The Organ Fund arose when the grade 2* listed organ was refurbished in 2015 and is used for upkeep and maintenance of the organ.

2023 PAYMENTS TO PCC MEMBERS

No elected members of St John's PCC received any reimbursement of expenses or remuneration. All clergy are reimbursed reasonable expenses incurred in the performance of their duties. In 2023, such reimbursements totalled £18,783. During the year the charity paid £10,619 of pension contributions on behalf of one member of the PCC.

Trustees' and Officers' Indemnity is provided for members of the PCC under the terms of the church's insurance cover and is included in the premium for the year.

COMMITMENTS UNDER OPERATING LEASES

At 31 December 2023 the charity had commitments under non-cancellable leases as follows:

		2023	2022
Operating leases which expire:			
Due within 1 year	12a Connaught Street	6,382	4,962
	11 Star Street	15,600	15,600
Within 2-5 years	12a Connaught Street	10,637	4,962
	11 Star Street	15,600	15,600

The assistant curate taken on by the PCC in 2018 had his own house and he wished to live there during his term. In order to assist the PCC with the additional cost of a housing grant to enable this, the Church Commissioners offered to take back the 2nd and 3rd floor maisonette at 12a Connaught Street. From the proceeds of letting it, they would make a contribution of £1,500 per month to assist the PCC with these costs. They would again make it available to the PCC at the end of the curate's time at St John's.

CONNECTED CHARITY

The church received grants in the year of £60,000 from the William Gibbs Religious and Educational Trust. Furtherance of the educational and charitable work of the Church of England in the parish of St John the Evangelist is one of the objectives of the Trust. The

Vicar and Churchwardens of St John's are *ex officio* trustees. The parish administrator also serves as clerk to the Trust and the Trust Administration Contribution is a voluntary donation on the part of the Trust in recognition of the services provided by him and in recognition that expenses are incurred by the parish in servicing the Trust. A contribution of £11,000 was made for 2023.

AUDIT FEE

The fee for the audit of the 2022 accounts was £5,700. A provision of £5,940 has been made for the audit of the 2023 accounts.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN WITH ST MICHAE

England & Wales - Charity number 1132885

Accounts



ST JOHN'S HYDE PARK
HYDE PARK CRESCENT
LONDON W2 2QD

ANNUAL REPORT AND FINANCIAL STATEMENTS OF THE PAROCHIAL CHURCH COUNCIL

FOR THE YEAR ENDED
31 DECEMBER 2022

Registered Charity 1132885

The Parochial Church Council of St John the Evangelist with St Michael and All Angels, Paddington

Financial Statements

For the year ending 31st December 2022

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Administrative Information

PCC Members

The under-mentioned persons served on the PCC during the year		PCC Meetings attended
Ex Officio Members		
The Reverend Stephen Mason	Incumbent	5/6
The Reverend Georgina Elsey	Stipendiary Assistant Curate	4/6
Damon Greeney	Church Warden	5/6
Gaynor Scruton	Church Warden	6/6
David Fletcher	Deanery Synod Rep	0/6
Chris Lees	Deanery Synod Rep	2/6
Chris Skarratt	Deanery Synod Rep	1/6
Elected Members		
Adebanke Adeyemo	(from March)	1/4
Andrew Beverley	(to March)	1/2
David Hughes	(to October)	1/5
Helen Isibor-Epega	(from May)	4/6
Ian Nelson	Treasurer	6/6
Bryan Stephens		4/6
Shakira Watts		4/6

Bankers: HSBC plc
69 Pall Mall
London SW1Y 5EY

Insurers: Ecclesiastical Insurance
Beaufort House
Brunswick Road
Gloucester GL1 1JZ

Architect: Colin Kerr
Thomas Ford and Partners
177 Kirkdale
London SE26 4QH

Solicitor: Winckworth Sherwood
Minerva House
5 Montague Close
London SE1 9BB

Auditor: TC Group
Statutory Auditor
3 Acorn Business Centre
Northarbour Road
Cosham, Portsmouth
Hampshire PO6 3TH

The church office is situated at St John's Church, Hyde Park Crescent, London, W2 2QD

Incumbent: The Reverend Stephen Mason

Church Administrator: Bryan Sollenberger

2022 Report and Accounts for the Parochial Church Council of St John the Evangelist with St Michael and all Angels, Paddington

The Parochial Church Council (PCC) has pleasure in presenting its report and the financial statements of the Church for the year ended 31st December 2022.

Overview of the Year

We began the year with significant limits on how we worshipped and carried out events due to restrictions because of the Omicron variant of Covid-19: sanitizing was still strongly encouraged, facemasks were mandatory, communion was available in one kind only and socialising was restricted to groups of no more than 30 - but at least we could sing! Throughout the spring, the gradual lifting of restrictions was met with relief, excitement and anticipation and by May worship was looking much as it did pre-Covid.

For some, the threat of Covid persisted and remained very real. Consequently, the PCC and Standing Committee spent significant time considering how best to meet the needs of those for whom it was important to remain safe with those who were ready to return to 'life as normal' after two years of restrictions and believe we struck a good balance for most. Most people returned to church, although not quite as regularly as before Covid, and our experience seems to mirror that of many churches in London. Numbers, while not yet reaching pre-Covid levels, were edging slowly upwards and we were able to finish the year with a modest surplus, giving us reason to look to 2023 with eagerness and expectation.

Aims and Purposes

The primary objective of the PCC is to co-operate with the Incumbent, The Reverend Stephen Mason, in promoting within the Parish the whole mission of the Church: pastoral, evangelistic, social, ecumenical and community building. The Incumbent has the obligation of providing pastoral care to all those resident within the geographical parish, as well as to those who attend services, with specific responsibility for rites of passage.

St John's is an inclusive church – that is, we believe that the Good News is for all people regardless of gender, ethnicity, sexual orientation, socio-economic circumstances or spiritual background. St John's welcomes anyone and seeks to build a congregation that reflects the diversity of the community we serve. We are aware that a number of our parishioners, along with occasional members of our congregation, are of other or no faith but all are welcomed with generosity and hospitality.

This outlook sets the context for all that we do and influences our approach to planning services, pastoral care, social events and other activities which we undertake in furtherance of our aims. In all our activities we seek to minister to each one who comes through our doors – to provide a means to deepen the faith for those who are part of our worshipping community and to attract and to minister to those who are, at present, outside it.

Objectives and Activities

Church Attendance

The average Sunday attendance was 95 in 2022, a significant increase on the 2021 figure of 72. 264 persons attended church services at Easter (192 in 2021) and 246 on

Christmas Eve and Christmas Day (156 in 2021). The number on the parish Electoral Roll at 31st December stood at 162.

While approximately half of the congregation is drawn from our ecclesiastical parish, many will come from neighbouring parishes and some even travel in from outside London. Another significant component are our international members, who come regularly whenever they are in London. Membership of the congregation is diverse and is drawn from all socio-economic strata, including but not limited to gender, ethnicity, age, sexual orientation political persuasion and religious background.

Church Activities and Highlights

At the beginning of 2022 we were still in the grip of Covid – this time the Omicron variant of the virus. Social distancing remained in force, but we were able to hold services and could offer hospitality afterwards outdoors on the forecourt in groups of up to 30. Throughout the spring, restrictions were gradually relaxed: in March, we could offer hospitality indoors (although people were discouraged from congregating around the hospitality station); in April, the chalice was reintroduced at communion and by May worship looked very much as it did pre-Covid as crucifers and acolytes were brought back on Sunday mornings.

On 30th January, we were pleased to welcome the Bishop of London, who presided and preached at the 10am service. *Lead Us out of Darkness*, a service of music and readings set around Lenten themes of sin, endurance, repentance, acknowledging God's forgiveness and the call to holy living, took place on Sunday evening, 13th March. First held just before the first lockdown in 2020, this was the newest of our five great carol services which trace the events of the Christian year from Advent to Ascension and drew 71 people.

The occasion of HM Queen Elizabeth's Platinum Jubilee was a cause for much celebration. A special choral eucharist took place at 10am with Puccini's *Messa di Gloria* the setting and the choir accompanied by orchestra. Afterwards, the church was set up for a lunch for 130, to which past parishioners were invited. A good many joined us and we were thrilled to spend the day with friends old and new. The William Gibbs Religious and Educational Trust sponsored a drinks evening the Thursday before and provided royal commemorative mugs for all children attending the Sunday service.

To start the summer we had a jazz mass on 3rd July – Bob Chilcott's *A Little Jazz Mass* the setting – followed by our annual barbecue. We are grateful to the residents around the Raynham Gardens for allowing us the use of the gardens for the barbecue.

We were greatly saddened by the death of Her Majesty Queen Elizabeth II on 8th September. On the announcement that she had died and at all appointed times up to her funeral on 26th September, the church bell was tolled. A table was set up in church with a book of condolence for people to sign and prayer cards which people could take away were printed with prayers of thanksgiving for the life of the Queen as well as for the new King. A candle of remembrance was kept lit on the altar until the funeral from which people could light votive candles. A special eucharist during the period of mourning for the monarch took place on the first Sunday after her death. On the day her body came to London, special prayers within a eucharist were said at 6pm after which a group processed to Bayswater Road to pay our respects as the Queen's coffin passed through the parish. A special Service of Commemoration was held the following Sunday to which we welcomed the Lord Mayor of Westminster, Ward Councillors and Rabbi Helen Freeman from the West London Synagogue, who all took part in the service.

Throughout the rest of the year, we completed the final steps back to normal services. We sought to appoint eight choral scholars to sing from September (we had recruited only five throughout Covid) but with the situation being far from normal, we were only able to recruit six. As a consequence we had to use professional singers to fill the tenor voices. We were also pleased to welcome a new organist, Ben Collyer, to the staff team. Our autumn series of evening services – St John's *Late* – featuring Compline, a jazz mass and/or Evensong – took place in November.

Over the Sundays in Advent we held our Advent Carols on 27th November; on 4th December, Advent Unlocked; and a Christingle service in aid of The Children's Society on 11th December. Advent Unlocked was a new service created by our curate, Georgina Elsey, and explored aspects of the theme of Expecting with guest preacher The Reverend Kate Harrison of St Mark's, Hamilton Terrace. It drew a good attendance of over 40 and many who attended encouraged us to consider doing something like this again.

We observed Christmas with a full programme of services: Nine Lessons and Carols on 18th December, a crib service and Midnight Mass on Christmas Eve and a family festival eucharist on Christmas morning.

While we continue to emerge post Covid, progress has at times seemed slow. People are returning to church, just not as regularly as before. At their annual away day, the staff team explored what it was to be emerging post Covid with smaller congregations and how we might encourage people through their personal journeys post pandemic.

Throughout the year, we were pleased to see the return of weddings and other occasional offices. It was also good to see demand increase for use of the church and hall for life events such as wedding receptions and birthday parties, concerts, seasonal celebrations and fund raising events.

Fellowship and Social Life

Fellowship, a key component of ministry in any year, took on an even more important role when socialising was limited. While of necessity it had to be provided outdoors, after service hospitality proved very popular and people often stayed longer than usual despite the cold weather early in the year.

A full slate of social events took place throughout the autumn: a Dog Collar Dinner – a safari supper with each course in one of the staff properties, started the season off at the beginning of September; our annual quiz evening took place in November led by local publican Chris Cochran from *The Victoria* with members of the congregation providing homemade cottage pies for supper; and a series of small supper parties for members of the PCC was held at the vicarage.

Culture Vulture Ventures, a programme of cultural activities along with a meal facilitated by The Reverend Georgina Elsey, our curate, resumed with a visit in June to St John the Baptist, Shepherds Bush, to view their magnificent collection of vestments and a tour of Westminster Abbey led by the Purcell Club in October. Several visits to concerts in support of our choral scholars were also made in the autumn.

For the first time in three years, we were able to host our annual Christmas Drinks Party, to say thank you to everyone who volunteers in any way. This was a much missed

casualty of Covid and we were pleased to be able to offer a tangible thank you once again to our volunteers for their support of our ministry and activities.

Children at St John's

The partnership with Red Balloon Foundation, began in 2021, continued and expanded throughout the year. Of particular importance to us was the recruitment of a dedicated worker who would lead our children's ministry. We were very pleased that, from September, Marcus Walters-Pearce has been appointed to work with us. Marcus leads our Sunday morning Kids' Club and is building links with children and parents at our local Church of England Primary School, St James & St John. From September, he and another Red Balloon worker started two groups on Thursdays: Gossip & Giggles, a playgroup for parents and toddlers in the morning and an after school group in the afternoon. Both groups experienced slow starts but the morning playgroup was drawing between 6-8 children by the end of the term. Marcus relates well to children of all ages which is especially important as we now seek to minister to younger children as well as teens.

Adult Education

The main offering during the year was Bible Book Club, a monthly Bible study which discusses the gospel reading for the coming Sunday. It resumed meeting in February, took a break in the spring but then met again in October and November.

For at least 15 years we had run a Lent course in partnership with Grosvenor Chapel but after much discussion amongst the clergy and with numbers declining in recent years, it was decided to take a break this year and to look at relaunching this in 2023, possibly in partnership with additional parishes.

St John's is fortunate in that there are often courses put on at other London churches of which we can take advantage. One this year was the autumn lecture series as St Martin-in-the-Fields *What Am I Living for?* A group from St John's attended two of the lectures: A New Heaven and a New Earth, by Rowan Williams and Art, by Grayson Perry. Following the lectures, they met in the crypt at St Martin's for refreshments and to discuss further what had been presented.

Music at St John's

We were very pleased that we were able to resume a full music programme over the course of 2022. During Covid, we had felt it prudent to limit the number of choral scholars to five and decided not recruit a new organist when our previous one had resigned early in 2020, but as restrictions lifted, we felt it essential that by September we be in a position to take advantage of the removal of restrictions and, as our finances supported this, we took the decision to recruit a full complement of eight choral scholars as well as an organist. A lingering effect of Covid was the lack of tenor applicants, so it was agreed to use professional singers in the hope that some suitable student applicants would emerge during the year.

During the year, we were able once again to hold a full cycle of our great carol services for Advent, Christmas, Epiphany, Lent and Whitsun which relate the events of the Christian year. We were also pleased that a new addition to this cycle in 2020, a service for Lent, was able to take place once again. Robert Greenhill, our Director of Music, arranged anthem series throughout the year on the fruit of the spirit, from Coronations

(in anticipation of the Platinum Jubilee), from oratorios and based on seasonal themes in Advent.

A highlight of any year is the Jenny Clark Memorial Concert. This year's concert featured the unusual treat of double bass and organ given by Rory Hudson and Ben Collyer.

Social Outreach and Charitable Giving

Our charitable fund raising this year was in support of the food bank operating from St Matthew's, Bayswater. At Harvest, we had a collection of dried foodstuffs, toiletries and other essentials, which was supplemented by a collection brought by the children at St James and St Johns Church of England Primary School when they came for the school harvest service. Our Christmas carolling bucket collection raised £319 for the food bank.

Working in Local Schools

Our voluntary aided primary school, St James & St John, which we share with St James's, Sussex Gardens, was supported throughout the year by all the clergy through governorship, support of the head teacher and the provision of assemblies. We were pleased to be able to welcome the school back for four all school masses during the year: at Easter, for the end of year Leavers' Service in July, for the start of the new school year in September and at Harvest. Despite a testing time for the school, it continued to do very well in terms of numbers of admissions to both the nursery and reception years and is one of the few schools in the area not to have any vacant places.

Connaught House School held their Christmas programme in church as usual.

Working in the Community

Involvement in the local community is an important part of our ministry. We have good connections with both local amenity groups – the Hyde Park Estate Association (HPEA) and the Hyde Park Estate Residents (HyPER). Both use the church for meetings. The Vicar is an elected member of the HPEA executive committee and the Hyde Park and Paddington Forum steering group. He attends the Hyde Park Neighbourhood Ward Panel along with Westminster City Council's LGBTQI Forum. The administrator, verger and assistant curate represent him at some of these meetings from time to time.

Our local Labour Ward Councillors hold monthly surgeries in the hall on the first Thursday of each month.

Within the Diocese of London, the Vicar acts as a mentor for new incumbents in the Diocese as part of the Diocese of London mentoring programme. He is both a participant and a review facilitator in the Continuing Ministerial Development Review programme for the Diocese, facilitating the annual professional review of clergy. In addition, he acts as one of the Bishop's Surrogates for issuing Common Licences for marriage. In November he completed his first year as Area Dean of the Paddington Deanery. In this role he has had increased engagement with the work of the Diocese regarding the shape of ministry in the Deanery and especially the potential for estate ministry in what were originally social housing estates and the changing shape of the demographics of Paddington. He is also engaged in pastoral care of the deanery clergy. He feels this senior involvement has had a positive effect on our perception of what we are experiencing post-Covid.

St John's also hosted the Bishop of London and the area clergy for a chapter meeting when the Bishop visited the Deanery for a day.

Safeguarding

It is of prime importance that all who worship or enter our building do so in safety and security and respect the rights of others to do so. Each year the PCC reviews and revises its Safeguarding Policy in order to comply with the House of Bishops' Policy Statements 'Protecting a Safer Church' (2017) and 'Protecting All God's Children' (2020), as well as the Diocesan Safeguarding Policy 'Promoting a Safer Diocese' (2018). All PCC members underwent a DBS assessment and were expected to complete level CO1 safeguarding training.

Trustee Induction

Each year following the annual meetings, an induction evening is arranged for all new officers and members of the PCC. Topics covered Include the Role of the PCC and subcommittees, the offices of Churchwarden and Treasurer, an introduction to the staff team and their various responsibilities, the clergy & staff housing, finance, what a typical meeting might look like and what is happening throughout that year. In 2022 this was held on 17th May.

Fabric Maintenance

The regular programme of roof cleans was carried out throughout the year along with annual maintenance of the fire safety equipment, clock, gas central heating systems and roof safety system. The organ was tuned three times during the year and had an annual service check of the blower motor.

A large section of the pavement at the southwest corner of the church and on the island along west side of the forecourt were becoming a risk due to uneven paving stones and kerb stones. These were taken up and levelled to make them safe for pedestrians.

Statement of Parochial Church Council Responsibilities

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

Charity law requires the PCC to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the church and of the incoming resources and application of resources for that period. In preparing those financial statements the PCC is required

a) to select suitable accounting policies and then to apply them consistently;
b) to observe the methods and principles in the Charities SORP;
c) to make judgements and estimates that are reasonable and prudent;
d) to state whether the policies adopted are in accordance with the appropriate Statement of Recommended Practice (SORP) on Accounting by Charities and the Accounting Regulations and applicable accounting standards, subject to any material departures disclosed and explained in the financial statements and
e) to prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue.

The PCC is responsible for keeping proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the church and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the Statement of Recommended Practice on Accounting and Reporting 2019 (FRS 102). It is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

Financial Review

We finished the year with a healthy surplus in the General Fund of £45,572. From this, we were able to make our annual planned provisions of £10,000 to the Church Maintenance Reserve and £5,000 each to the Staff Accommodation Deposit and Ministry Reserves. We also set aside £18,000 to the Clergy Accommodation Maintenance Reserve, which had been used to fund works to Archery Close during Covid.

Congregational giving, which had increased during the previous two years, declined slightly in 2022 as several regular givers died and several others moved away. In addition, one-off donations over and above regular giving which had been strong during Covid tailed off. This had a consequent effect on the amount of Gift Aid we were able to claim back for the year.

This decrease was more than offset, however, by the return of use of the church and hall for wedding receptions, birthday parties, concerts, fund raising events, holiday sports clubs and other use by outside persons and organisations. While we had been cautiously optimistic at the start of the year that this would pick up, the increase of £84,359 (334%) was significantly more than we had anticipated. We also welcomed more occasional offices than the year before. This contributed to an increase in income in the General Fund of £46,554.

Expenditure, on the other hand, increased by only £2,442. While there were increases in spending on clergy accommodation (a flat was taken on to house the verger), music (we returned to a normal programme as we came out of Covid), fellowship and inflationary increases in wages and remuneration costs, we reduced expenditure on clergy – having only one assistant curate for the year, there were no major works to staff accommodation or the church building and few professional costs. As the PCC had not made a contribution to the Clergy Discretionary Fund for some years, It was agreed to make a donation of £4,000 given the health of the year's finances.

The value on the balance sheet increased by £49,418, the increase in addition to the General Fund surplus due to a donation of £5,000 which the donor asked to be used to purchase new vestments for the crucifers and acolytes.

Payments to the Diocese

The standard parish cost for 2022 was £85,200. The PCC agreed a further contribution to Common Fund, from which clergy stipends and costs are paid, of £8,800 for a total contribution of £94,000. In addition, £41,079 was paid to the Diocese to cover the costs of our assistant curate.

Total payments to the Diocese of London for 2022 were £135,079.

Reserves Policy

The PCC budgets to put £10,000 each year in the Church Maintenance Reserve and £5,000 in its Staff Accommodation Deposit and Ministry Reserves. These provisions were able to be made in 2022. A further appropriation of £18,000 was made to the Clergy Accommodation Maintenance Reserve to replace funds drawn down during Covid.

In addition to the above, of the budget of £2,000 for refurbishment of one room in the vicarage, as encouraged by the Archdeacon, only £1,100 was spent in 2022. The remaining £900 was set aside in a reserve to be used in 2023.

Structure, Governance and Management

The Parochial Church Council is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council (Powers) Measure 1956 and is a charity registered with the Charity Commission for England and Wales.

The appointment of members to the PCC is governed by and set out in the Church Representation Rules. New members to the PCC as well as churchwardens normally undergo an induction to brief them on their legal obligations under Church Law, the content of the Constitution, the Council and the decision-making processes, and the recent performance of the Church. Due to Covid this did not happen in 2020 but did take place again as normal in 2021.

Organisation

The PCC meets regularly throughout the year and there are committees to which there are delegated specific duties: Building, Congregational Giving, Communication, Education and Liturgy. Each committee reports at each PCC meeting.

The Standing Committee is the only committee required by law. It has power to transact the business of the PCC between its meetings subject to any directions given by the Council. Members of the Standing Committee comprise the Vicar, Church Wardens, Deputy Church Wardens and Treasurer. There is an open seat on Standing Committee for one member of the PCC to attend each meeting on the proviso that they give prior notice. The full PCC and Standing Committee both met six times during the year.

Risk Management

Having survived the pandemic, the PCC is looking to replenish the reserves drawn down to see it through the past two years and was able to do so as noted above (Reserves Policy). There is concern that congregational giving, which had been strong in 2020 and 2021, waned somewhat over the course of 2022. An appeal to members of the congregation to review their regular giving will be sent out in early 2023.

The PCC has an appropriate insurance policy with Ecclesiastical Insurance. This is reviewed periodically to ensure that the sums insured are adequate and a review was conducted in 2019.

Throughout Covid, regular risk assessments were carried out on public worship, working practices and other usage of the church and hall. As restrictions were withdrawn, the PCC sought to return to normal activity as soon as reasonably practical, while maintaining an awareness that some might feel the need to take greater caution at first.

The final activity to return was the use of the common cup, although there was considerable discussion before agreeing to bring it back and those who felt it was not yet right for them to take part were encouraged to abstain.

Clergy and Staff Housing

The Vicarage at 18 Somers Crescent forms part of the Vicar's freehold. While being maintained by the Diocese of London, the parish is responsible for internal decoration and any improvement works. The PCC budgets £2,000 annually for redecoration works. In a year when this is not spent, it is put aside into a reserve for use in a future year.

The parish has leases on two additional properties from the Church Commissioners which may be used for the accommodation of clergy and other members of staff. Robert Greenhill, our Director of Music, occupies the first floor flat at 12a Connaught Street.

23 Archery Close is available on a long lease for housing staff. It is the home of our assistant curate, The Reverend Georgina Elsey.

In 2021 the PCC took a lease on the ground floor and basement flat at 11 Star Street to house the verger.

Looking Ahead

The time for Covid to 'run its course' took longer than many expected so it should not be surprising that the time to return to normal also will take some time. Even for those who have come back to full activity, regular attendance has changed and for many that means attending church slightly less frequently than before.

In addition, the changing demographics of the area mean it is proving harder to replace those who have died or moved away. For many years young families would start out in the parish or very nearby, attracted by the good schools locally. It is now too expensive for families to buy locally so they are purchasing homes in less expensive parts of London. This is having a major impact on schools – most of them have empty places. For St John's, we have had no new families for several years and are having to review our strategy for mission. Our children's ministry is changing, with fewer numbers of children but with a wider age range on Sunday mornings. Red Balloon were recruited with an eye to providing more appropriate teaching and ministry to the more diverse range of ages we now have. While the toddlers' playgroup on Thursday mornings was drawing some children and carers, the after school group has struggled and will be suspended for the first term in 2023, with our Red Balloon worker Marcus using the time to build relationships with students at St James & St John School in hope that they will be attracted when it starts again in the spring.

For twenty years we have been a significant training parish in the Diocese of London; however, the emphasis increasingly has been on curates getting on with their career and moving on to the next job. This reduces the contribution they can make to the parish once their training has been completed. Consequently, we have begun reviewing our staffing needs and decided that the next member of staff should not be a training deacon but an associate vicar who can make a significant contribution to our ministry, pastoral care and outreach.

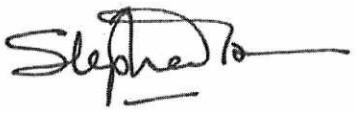
Results from the last census seem to indicate that those moving into the area are now young couples with no children or older people at or approaching retirement. Ministering to

these will require new approaches and new skills – ones we will be looking for as we recruit the next member of the clergy team.

Auditors

TC Group were first appointed to audit the 2013 financial statements after a review of our audit procedures. They were reappointed to audit the 2022 financial statements.

Signed on behalf of the PCC by



The Reverend Stephen Mason, Chair
12th March 2023

Independent Auditor's Report to the Parochial Church Council of St John the Evangelist with St Michael and all Angels

Opinion

We have audited the financial statements of the Parochial Church Council St John the Evangelist with St Michael and all Angels (the 'charity') for the year ended 31 December 2022 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement and the 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 31st December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis 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 Parochial Church 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 Parochial Church Council 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 2022 report of the Parochial Church Council, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, 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.

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 Parochial Church Council members' report; or
- the charity has not kept adequate accounting records; 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 the Parochial Church Council members

As explained more fully in the Statement of Parochial Church Council Responsibilities statement, the Parochial Church Council members 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 Parochial Church Council 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 Parochial Church Council 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 Parochial Church Council members either intend to liquidate the charity or 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 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the Parochial Church Council members and other management (as required by auditing standards), and discussed with the Parochial Church Council members and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Charities Act 2011) and the relevant charity regulations in the UK;
- We considered the nature of the industry, the control environment and the charity's performance;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the charity has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. 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.

TC Group

TC Group (Statutory Auditor)
Office: Portsmouth

Date: 13 March 2023

TC Group is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

St John the Evangelist with St Michael and All Angels, Paddington

Statement of Financial Activities (Incorporating Income & Expenditure Account)

Year Ending 31st December 2022

	2022			2021
	Unrestricted Funds £	Restricted Funds £	Total £	Total £
Income from:				
Donations and Legacies	291,037	14,919	305,956	344,302
Charitable Activities	148,149	0	148,149	96,348
Other Trading Activities	82,660	0	82,660	52,314
Investments	5	0	5	10
Total Income	**521,851**	**14,919**	**536,770**	**492,974**
Expenditure on:				
Raising Funds	30,539	0	30,539	11,282
Charitable Activities	439,869	11,073	450,942	475,165
Other	5,871	0	5,871	5,593
Total Expenditure	**476,279**	**11,073**	**487,352**	**492,040**
Net Income/(Expenditure)	45,572	3,846	49,418	934
Transfers between Funds	**0**	**0**	**0**	**0**
Net Movement in Funds	**45,572**	**3,846**	**49,418**	**934**
Reconciliation in Funds				
Total funds brought forward	173,008	58,758	231,766	230,832
Total funds carried forward	**218,580**	**62,604**	**281,184**	**231,766**

All income and expenditure derive from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised during the year.

St John the Evangelist with St Michael and All Angels, Paddington

Balance Sheet

Year Ending 31st December 2022

	2022 £	2021 £
Fixed Assets		
Tangible Assets	0	0
Current Assets		
Debtors[1]	28,649	44,786
Cash at bank and in hand[2]	311,260	242,129
Creditors: Amounts falling due within one year[3]	(58,725)	(55,149)
Net current assets/(liabilities)	**281,184**	**231,766**
Net Assets	**281,184**	**231,766**
Charity Funds		
Restricted Funds[4]	62,604	58,758
Unrestricted Funds		
General Funds	7,021	349
Ministry Reserve	91,358	86,358
Clergy Accommodation Maintenance Reserve	25,947	7,947
Church Maintenance Reserve	65,900	55,900
Vestments	4,454	4,454
Staff Accommodation Deposit	20,000	15,000
Planned Vicarage Maintenance	3,900	3,000
Total Unrestricted Funds	218,580	173,008
Total Charity Funds	**281,184**	**231,766**

The financial statements were approved and authorised for issue by the Parochial Church Council on 12th March 2023.

Signed on behalf of the Parochial Church Council

Ian Nelson, Treasurer
12th March 2023

The notes on pages 29-35 form part of these financial statements.

St John the Evangelist with St Michael and All Angels, Paddington

General Fund Income & Expenditure

Year Ending 31st December 2022

SOFA Headings			2022 £		2021 £
	INCOME				
Donations and Legacies	Donations Eligible for Gift Aid	86,958		92,948	
	Envelopes	600		511	
	Non-Taxed Pledges	1,670		765	
	Tax Refund	29,616		32,423	
	Collections	8,237		6,270	
	Other Donations	82,317		89,837	
	Alms	480		206	
	Fellowship	8,610		397	
	Special Clergy Services	0		1,625	
	Church Comm	18,000		18,000	
	Grants	41,612		70,900	
	Legacies	2,000		0	
	Insurance Claims	0		2,743	
	Vol Trust Admin Contrib	10,149		10,000	
	Culture Vulture Ventures	788		0	
			291,037		**326,625**
Charitable Activities	Special Services	19,073		14,805	
	Hire of Church	95,633		25,088	
	Hire of Hall	24,743		10,921	
	Other Rents	8,700		1,500	
			148,149		**52,314**
Other Trading Activities	Forecourt Income	37,607		42,411	
	Nursery School Rent	41,633		42,217	
	Crypt Rent	3,420		11,720	
			82,660		**96,348**
Investments	Interest		**5**		**10**
TOTAL INCOME			**521,851**		**475,297**
TOTAL EXPENDITURE			**(476,279)**		**(473,834)**
SURPLUS/(DEFICIT) FOR YEAR			**45,572**		**1,463**
RESERVES USED:					
	HLF Grant Reserve				6,515
	Clergy Accommodation Reserve				13,552
SURPLUS/(DEFICIT) INCORPORATING USED RESERVES			**45,572**		**21,530**
DESIGNATIONS TO RESERVES					
	Ministry Reserve		5,000		5,000
	Clergy Accommodation Maintenance Reserve		18,000		
	Church Maintenance Reserve		10,000		10,000
	Staff Accommodation Deposit Reserve		5,000		5,000
	Planned Vicarage Maintenance		900		1,500
SURPLUS/(DEFICIT) AFTER DESIGNATIONS			**6,672**		**30**

St John the Evangelist with St Michael and All Angels, Paddington

General Fund Income & Expenditure

Year Ending 31st December 2022

SOFA Headings	EXPENDITURE		2022 £		2021 £
Raising Funds	Forecourt Expenditure	2,560		2,560	
	Events Costs	27,979		8,722	
			30,539		**11,282**
Charitable Activities	London Diocesan Fund	94,000		94,000	
	Additional Clergy Costs	41,079		73,584	
	Vicar's Expenses	12,781		13,341	
	Additional Clergy Expenses	1,639		2,293	
	Rents, Running Costs	28,799		24,084	
	Archery Close Works	0		13,552	
	Vicarage Routine Maintenance	1,100		0	
	Children's Education	6,458		2,269	
	Adult Education	52		263	
	Director of Music	17,299		16,960	
	Music Expenses	35,529		25,083	
	Fellowship	16,447		9,041	
	Altar Requisites	3,016		827	
	Light, Heat & Insurance	19,954		15,143	
	Cleaning	10,991		12,819	
	Grounds	1,287		1,603	
	Repairs & Maintenance	15,534		27,088	
	Printing & Publicity	3,385		1,430	
	Administrative Staff	51,333		49,636	
	Verger	30,778		25,899	
	Catering Staff	770		0	
	Staff Pension Contributions	22,676		23,320	
	Office Expenses	15,195		11,586	
	Equipment	3,597		530	
	Miscellaneous Expenses	752		1,068	
	Professional Fees	600		11,540	
	Contribution to Clergy Discretionary A/c	4,000		0	
	Culture Vulture Ventures	818		0	
			439,869		**456,959**
Governance Costs	Audit Fee	5,340		5,400	
	Bank Charges	531		193	
			5,871		**5,593**
TOTAL EXPENDITURE			**476,279**		**473,834**

St John the Evangelist with St Michael and All Angels, Paddington

Development Fund Income & Expenditure

Year Ending 31st December 2022

	2022	2021
INCOME	£	£
Donations & Grants	0	0
TOTAL INCOME	**0**	**0**
EXPENDITURE	£	£
Loan Interest	0	410
TOTAL EXPENDITURE	**0**	**410**
SURPLUS/(DEFICIT)	**0**	**(410)**
Loan Repayments to the Diocese of London	0	0
Transfer from Rainy Day Reserve	0	410
SURPLUS/(DEFICIT)	**0**	**0**

St John the Evangelist with St Michael and All Angels, Paddington

Organ Fund Restricted Income & Expenditure

Year Ending 31st December 2022

	2022	2021
INCOME	£	£
Donations	0	0
TOTAL INCOME	**0**	**0**
EXPENDITURE		
Organ Plaque	0	86
Organ Tuning & Maintenance	1,933	1,858
TOTAL EXPENDITURE	**1,933**	**1,944**
SURPLUS/(DEFICIT)	**(1,933)**	**(1,944)**
BALANCE BROUGHT FORWARD	**8,205**	**10,149**
BALANCE CARRIED FORWARD	**6,272**	**8,205**

St John the Evangelist with St Michael and All Angels, Paddington

Other Restricted Income & Expenditure

Year Ending 31st December 2022

	2022	2021
INCOME	£	£
Charities Income	319	3,560
Flower donations	2,340	1,562
Music Donations – Director of Music	2,220	2,930
Music Donations – Singers & Musicians	5,040	7,725
Servers' Robes	5,000	0
Clergy Leaving Purse	0	1,900
TOTAL INCOME	**14,919**	**17,677**
EXPENDITURE		
Charitable Donations	319	3,560
Flower Expenses	2,340	1,562
Music Expenditure – Director of Music	2,110	2,080
Music Expenditure – Singers & Musicians	4,371	6,750
Clergy Leaving Purse	0	1,900
TOTAL EXPENDITURE	**9,140**	**15,852**
SURPLUS/(DEFICIT)	**5,779**	**1,825**
BALANCE BROUGHT FORWARD	**50,553**	**48,728**
BALANCE CARRIED FORWARD	**56,332**	**50,553**

St John the Evangelist with St Michael and All Angels, Paddington

Statement of Cash Flows

Year Ending 31st December 2022

	2022 £	2021 £
Cash flows from operating activities:		
Net cash provided by (used in) operating activities	**69,131**	**(9,533)**
Cash flows from financing activities:		
Cash flows from new borrowings	0	0
Repayment of borrowings	0	(18,667)
Change in cash & cash equivalents in the reporting period	**69,131**	**(28,200)**
Cash and cash equivalents at the beginning of the reporting period	242,129	270,329
Cash and cash equivalent at the end of the reporting period	**311,260**	**242,129**

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

Net movement in funds for the reporting period (as per the SOFA)	49,418	934
Adjustments for:		
Depreciation charges	0	0
(Increase)/decrease in debtors	16,137	(17,702)
Increase/(decrease) in creditors	3,576	7,235
(Purchase)/sale of fixed assets	0	0
Net cash provided by (used in) operating activities	**69,131**	**(9,533)**

Analysis of cash and cash equivalents

Cash in hand	311,260	242,129
Notice deposits	0	0
Total cash and cash equivalents	**311,260**	**242,129**

St John the Evangelist with St Michael and All Angels, Paddington

Notes to the Financial Statements

Year Ending 31st December 2022

a) General information and basis of preparation

The Parochial Church Council of St John the Evangelist with St Michael and All Angels, Paddington is a registered charity with the Charity Commission for England and Wales. The address of the registered office is given in the charity information on page 4 of these financial statements. The nature of the charity's operations and principal activities are, in co-operation with the vicar, promoting within the Parish the whole mission of the Church: pastoral, evangelistic, social, ecumenical and community building.

The charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with the Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in according with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102) (issued in October 2019) – (Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102) and the Companies Act 2006.

The financial statements are prepared on a going concern basis under the historical cost convention modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant policies applied in presentation of these financial statements are set out below. These policies have been consistently applied to all years present unless otherwise stated.

b) Funds

Unrestricted funds are available for use at the discretion of the trustees 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 trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

The accounts include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body nor those that are informal gatherings of church members.

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 cost 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.

c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be

received. For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity; however, it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes rates and other costs appropriate to that activity, including costs incurred in fundraising and appeals;
- Expenditure on charitable activities includes all costs incurred in fulfilling the church's objectives, together with any costs in support of these. This category includes costs normally considered support costs but because the building and staff are integral to fulfilling our objectives, they are included here.
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

e) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

- Equipment – 3-5 years on a straight line basis
- Grand piano – 10 years on a straight line basis

Consecrated and beneficed property is not included in the accounts in accordance with s.10(2)(a) and (c) of the Charities Act 2011. Movable church furnishings held by the Vicar and Churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property. They are listed in the church's inventory which can be inspected (at any reasonable time). For inalienable property acquired prior to 2000 there is insufficient cost information available and therefore such assets are not valued in the accounts. Subsequently no individual item has cost more than £1,000 so all such expenditure has been written off when incurred.

f) Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

g) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

h) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

i) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

j) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

As set out in the Statement of Parochial Church Council Responsibilities Statement on pages 12 to 13, in preparing these financial statements the PCC are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate. In satisfaction of this responsibility the PCC has considered their expectations for the charity over the next 12 months and the charity's ability to meet its liabilities as they fall due, based upon the information available to the PCC at the date of these financial statements.

At the time of approving the financial statements, the charity has significant cash reserves to cover the operating costs of the charity for a period of at least six months. In addition, the charity has strategies planned to address potential significant changes to its incomes during the forthcoming period, should the charity experience a significant change in its incomes. The PCC therefore has a reasonable expectation that the charity

has adequate resources to contend with the uncertainties that may arise and to continue in operational existence for the foreseeable future. Thus the PCC continues to adopt the going concern basis of accounting in preparing the financial statements.

Accordingly, the financial statements are prepared on a going concern basis, under which assets are recovered and liabilities repaid in the ordinary course of activities. The accompanying financial statements do not include adjustments that would need to be made in the case the charity was unable to continue as a going concern, should the assumptions referred to above subsequently prove to be invalid.

[1]Debtors	2022	2021
	£	£
Sundry Debtors	2,080	25,153
Income Tax Recoverable	26,569	19,633
TOTAL	28,649	44,786

[2]Cash at Bank and in Hand		
General Fund	311,140	212,466
Petty Cash	120	120
Special Purposes Account	0	29,544
TOTAL	311,260	242,130

[3]Amounts Falling Due within One Year		
Sundry Creditors	51,405	48,749
Rent Deposits	1,800	1,000
Audit Fee	5,520	5,400
TOTAL	58,725	55,149

[4]Restricted Funds		
Memorial Garden	3,834	3,834
Music	46,254	45,475
Vestments	1,244	1,244
Servers' Robes	5.000	0
Organ Fund	6,272	8,205
TOTAL	62,604	58,758

Fixed Assets for Use by the PCC

	Equipment	Grand Piano	Total
Gross Book Value at 1 January 2022	41,732	17,000	58,732
Additions	0	0	0
(Disposals)	0	0	0
as at December 31 2022	41,732	17,000	58,732
Depreciation at 1 January 2022	41,732	17,000	58,732
Charge for the Year	0	0	0
Release on Disposal	0	0	0
at 31 December 2022	41,732	17,000	58,732
Net Book Value at 31 December 2022	0	0	0
at 31 December 2021	0	0	0

Analysis of Net Assets by Fund

	Unrestricted Funds	Restricted Funds	Total
Fixed Assets	0	0	0
Current Assets	281,505	58,404	339,909
Current Liabilities	(57,925)	(800)	(58,725)
TOTAL ASSETS	**223,580**	**57,604**	**281,184**

STAFF COSTS	2022	2021
	£	£
Wages and Salaries	82,111	75,035
Social Security Costs	6,355	8,026
Pension Costs	14,613	14,040
TOTAL COSTS	103,079	97,101

The average number of staff during the year was two (two in 2021). No employee was paid more than £60,000 during the year or preceding year. In addition to salaries, fees of £17,229 were paid to Robert Greenhill.

Pension contributions are currently payable for two members of staff and clergy and are made under a defined contribution scheme.

FUND DETAILS

In 2007, the Parochial Church Council adopted a Reserves Policy which established the following funds: General Reserves, Ministry Reserve, Music Reserve, Church Maintenance Reserve and Clergy Accommodation Reserve. The policy was reviewed in 2013 and 2019.

The General Reserve is for any surpluses over and above those specified under the policy. It is the aim of the PCC to build up reserves to cover six months' running costs.

The Ministry Reserve was created in 1998 when the PCC decided to recruit an Associate Vicar. It is a provision made to cover anticipated additional ministry costs that might not be met by the operational budget.

The Staff Accommodation Deposit was created by the PCC in recognition that the properties they lease for the accommodation of staff are on short- to medium-term rolling leases and agreements. In addition, the clergy house used to accommodate curates is held on an historic agreement which expires in in approximately 15 years and which is not expected to be renewed. The PCC has been budgeting each year to build up this reserve so as to have a fund to provide for the deposit to purchase a property when the lease expires in which to house staff and so reduce dependence on leased properties.

The flourishing of a music tradition over the past years has greatly enhanced the worship on Sundays and at special services. Many of the costs of the choir, director of music and guest singers and musicians have been generously provided in the past by members of the congregation. Donations received in excess of costs are accumulated and held in a restricted reserve. In recognition of the fluidity of the parish and that generous contributors to the music programme have only been around for a short times, the PCC have aimed to have the equivalent of two years' costs in reserve.

The Church Maintenance Reserve is intended to be used to assist funding the costs of major works undertaken. It was last used in 2017 to help pay for high level repairs to the roof and parapets. The PCC budgets to set aside £10,000 each year to this reserve.

The Clergy Accommodation Reserve was created in 2001 when major repairs and renovations to most of the clergy accommodation made a large call on parish resources. Currently, the PCC budgets £2,000 a year towards future Vicarage redecoration works. Any unspent amount in the year is set aside for future works.

In 2007 the PCC began replacement of its vestments, many of which had given considerable service and were nearing the end of their lives. A fund was set up into which the PCC designated funds each year and into which donations toward new vestments were put. In 2010 orders were placed with Messrs Watts & Co for white and gold sets of vestments. Red vestments were acquired in 2012. Further sets will be purchased as funds become available. Once the restricted donations for vestments have been exhausted, the remaining amounts will be taken from funds designated for vestments by the PCC.

Restricted funds held by the PCC are as set out in note 4 to the Balance Sheet. Memorial Garden funds will be used to develop one of the gardens along the church as a Garden of Remembrance. The Music Reserve holds funds donated explicitly for music. Vestments are as set out at the top of this page. The Organ Fund arose when the grade 2* listed organ was refurbished in 2015 and is used for upkeep and maintenance of the organ.

2022 PAYMENTS TO PCC MEMBERS

No elected members of St John's PCC received any reimbursement of expenses or remuneration. All clergy are reimbursed reasonable expenses incurred in the performance of their duties. In 2022, such reimbursements totalled £15,860. During the year the charity paid £9,280 of pension contributions on behalf of one member of the PCC.

Trustees' and Officers' Indemnity is provided for members of the PCC under the terms of the church's insurance cover and is included in the premium for the year.

COMMITMENTS UNDER OPERATING LEASES

At 31 December 2022 the charity had commitments under non-cancellable leases as follows:

		2022	2021
Operating leases which expire:			
Due within 1 year	12a Connaught Street	4,962	4,962
	11 Star Street	15,600	15,600
Within 2-5 years	12a Connaught Street	4,962	4,962
	11 Star Street	15,600	15,600

The assistant curate taken on by the PCC in 2018 had his own house and he wished to live there during his term. In order to assist the PCC with the additional cost of a housing grant to enable this, the Church Commissioners offered to take back the 2nd and 3rd floor maisonette at 12a Connaught Street. From the proceeds of letting it, they would make a contribution of £1,500 per month to assist the PCC with these costs. They would again make it available to the PCC at the end of the curate's time at St John's.

CONNECTED CHARITY

The church received grants in the year of £40,000 from the William Gibbs Religious and Educational Trust. Furtherance of the educational and charitable work of the Church of England in the parish of St John the Evangelist is one of the objectives of the Trust. The Vicar and Churchwardens of St John's are *ex officio* trustees. The parish administrator also serves as clerk to the Trust and the Trust Administration Contribution is a voluntary donation on the part of the Trust in recognition of the services provided by him and in

recognition that expenses are incurred by the parish in servicing the Trust. A contribution of £10,149 was made for 2022.

AUDIT FEE

The fee for the audit of the 2021 accounts was £5,220. A provision of £5,340 has been made for the audit of the 2022 accounts.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN WITH ST MICHAE

England & Wales - Charity number 1132885

Accounts



ST JOHN'S HYDE PARK
HYDE PARK CRESCENT
LONDON W2 2QD

ANNUAL REPORT AND FINANCIAL STATEMENTS OF THE PAROCHIAL CHURCH COUNCIL

FOR THE YEAR ENDED
31 DECEMBER 2021

Registered Charity 1132885

The Parochial Church Council of St John the Evangelist with St Michael and All Angels, Paddington

Financial Statements

For the year ending 31st December 2021

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Administrative Information

PCC Members

The under-mentioned persons served on the PCC during the year		PCC Meetings attended
Ex Officio Members		
The Reverend Stephen Mason	Incumbent	6/6
The Reverend Daniel Warnke	Stipendiary Assistant Curate (to July)	3/3
The Reverend Georgina Elsey	Stipendiary Assistant Curate	5/6
Damon Greeney	Church Warden	5/6
Ian Smith	Church Warden (to May)	2/2
Gaynor Scruton	Church Warden (from May)	2/4
David Fletcher	Deanery Synod Rep	1/6
Chris Lees	Deanery Synod Rep	5/6
Chris Skarratt	Deanery Synod Rep	3/6
Elected Members		
Andrew Beverley		4/6
David Hughes		5/6
Helen Isibor-Epega	(from May)	2/4
Ian Nelson	Treasurer	6/6
Gaynor Scruton	(to May)	1/2
Bryan Stephens		3/6
Shakira Watts	(from May)	3/4

Bankers: HSBC plc
69 Pall Mall
London SW1Y 5EY

Insurers: Ecclesiastical Insurance
Beaufort House
Brunswick Road
Gloucester GL1 1JZ

Architect: Colin Kerr
Thomas Ford and Partners
177 Kirkdale
London SE26 4QH

Solicitor: Winckworth Sherwood
Minerva House
5 Montague Close
London SE1 9BB

Auditor: TC Group
Statutory Auditor
3 Acorn Business Centre
Northarbour Road
Cosham, Portsmouth
Hampshire PO6 3TH

The church office is situated at St John's Church, Hyde Park Crescent, London, W2 2QD

Incumbent: The Reverend Stephen Mason

Church Administrator: Bryan Sollenberger

2021 Report and Accounts for the Parochial Church Council of St John the Evangelist with St Michael and all Angels, Paddington

The Parochial Church Council (PCC) has pleasure in presenting its report and the financial statements of the Church for the year ended 31st December 2021.

Overview of the Year

2021 to a large part was again dominated by the Covid-19 pandemic. At the beginning of the year England was once again in lockdown, although places of worship remained open. The staff team invested much thought and work into making sure St John's complied with the constantly changing government and Church of England guidelines. Seating was set out in clusters, socially distanced, worshippers were expected to wear face masks and congregational singing was not permitted. Hospitality remained suspended until the autumn. Sadly, as restrictions began to ease in the summer and autumn, the emergence of the Omicron variant of Covid-19 paused this progress. Face masks returned, hospitality was outdoors over Advent and Christmas and people were discouraged from meeting in crowded spaces. Christmas for the second year running was a time of great uncertainty.

Normal church life remained suspended for much of the year with a gradual reintroduction of some aspects during the autumn before coming to a halt again. Worship was available via livestreaming during those times in which the clinically vulnerable were advised to isolate and weekly education courses occurred via Zoom. Essential meetings were conducted online until restrictions were eased in the summer, when meetings took place on the vicarage terrace until allowed to resume indoors.

The PCC balanced the needs and wishes of those who wanted to return to normality as quickly as possible with those who were cautious; however, all have been disappointed that numbers attending services have not recovered to anything like pre-pandemic levels.

The financial well-being of the parish remained precarious throughout the year. While congregational giving remained strong and the carpark did well, the letting of the church for events was substantially hit. We were delighted that, due to drawing on reserves and exceptional grants, we managed to end the year better than we expected.

Aims and Purposes

Covid-19 may have meant altering the way we sought to achieve them, but our core aims and purposes remained unchanged: to promote within the parish the whole mission of the Church: pastoral, evangelistic, social, ecumenical and community building and to provide pastoral care to those resident within our geographical parish as well as to those who attend services.

Inclusivity continues to be an integral component of our ministry and we seek to build an inclusive congregation where all are welcome regardless of race, gender, ethnicity, sexual orientation, socio-economic circumstances or spiritual background. We also strive to be an outward-facing, dynamic church rooted in a broad Anglican tradition and to be a key component in the local community.

The pandemic necessarily structured much of what we did during the year as we sought to keep the building open and safe for worshippers, visitors and other users of the building and, in the changing context, to be creative in how we sought to achieve the above aims.

Objectives and Activities

Church Attendance

The average Sunday attendance was 74 in 2021. This is marginally down on 2020's average of 79 post lockdown average attendance and significantly lower than the average of 134 in 2019. 192 persons attended church services at Easter (churches were closed for easter in 2020; attendance in 2019 was 318) and 146 on Christmas Eve and Christmas Day (176 in 2020 and 230 in 2019). The numbers of under 16's attending have been impacted even more. For 2021, the average number on a Sunday was 7, compared to 11 in 2020 and 18 in 2019. The impact of Covid-19 was significant as many people felt it important to isolate until restrictions were lifted in June. To encourage people back to church, the PCC took a deliberate decision to stop livestreaming services once the vulnerable were no longer required to isolate. Some understandably were slow to return to church, choosing to exercise caution, and regular attenders are attending slightly less frequently than before Covid. Rebuilding the congregation will be a key focus as we move forward.

Church Activities and Highlights

The effects of Covid and the government restrictions meant worship was held on a reduced scale and all other activities ceased except for educational courses, which took place online. The PCC felt it wise not to have any evening services at all until the autumn and of our five great carol services, only those for Advent and Christmas were held.

As restrictions eased and greater numbers were permitted at weddings and funerals, the numbers of such services also increased. A special service to commemorate the life of HRH Prince Philip took place on 16th April which was attended by 72 persons.

We were thrilled at the ordination of Georgina Elsey on 26th June and she celebrated Holy Communion for the first time at the 10am service on 27th June. Two weeks later, we said farewell to Dan Warnke, who left St John's to take up a post as Chaplain at Westminster School. Celebrations at both events were necessarily low key with no hospitality. A presentation was made outside on the forecourt to Dan to thank him for his three years of ministry among us.

For the first half of the year meetings were held on Zoom but as restrictions lifted, face-to-face meetings resumed: initially outdoors on the vicarage terrace and, with the return of colder weather, indoors.

Use of the church for external lettings disappeared during Covid but with the lifting of restrictions, some events were able to take place. While not anywhere near the level of activity pre-Covid, the number of such events was slightly higher than anticipated.

Fellowship and Social Life

With social distancing, there was very little social life during the first half of the year, although when safe to do so, people were happy to talk on the forecourt for a short while in groups of 6.

The staff team continued regular contact by telephone with those who were most vulnerable and especially the elderly.

Hospitality resumed as soon as we were allowed to do so. From the autumn, it was served outside on the forecourt weather permitting. Individually wrapped snacks or biscuits were provided and people discouraged from congregating around the hospitality stations. When the weather turned colder hospitality was offered indoors, although for large services waiting staff were engaged and no hospitality stations were set up so people would stay dispersed around the church and mingle in small groups.

With the advent of the Omicron variant, the PCC felt it was safer to serve hospitality outside. While this was not met with universal enthusiasm, most people continued to value being able to socialise and would often stay for a considerable time after services.

While after service hospitality resumed, social activities remained on hold along with entertaining at the Vicarage. Culture Vulture Ventures in particular continued in hiatus as large numbers of those taking part were over 50 and therefore more at risk of infection.

Most social life and fellowship ceased throughout the year and dramatically affected our communal life.

Children at St John's

Up to the summer, no children's activities took place within the life of the congregation. The children of Kids' Club were able to connect via a weekly video and work pack produced by Blanche Mbanda. As a means of spring boarding the return of Sunday school from the autumn, St John's contracted with Red Balloon Foundation to provide family ministry and children's Sunday school. The vicar and a member of the PCC met with them a number of times, then a wider group of parents from the young families at St John's to explore the possibility of them working with us. Kids' Club was relaunched in September, but the number of children attending remained disappointingly low. Our initial appointed children's worker left the employment of Red Balloon after three weeks and was replaced in a job share with Luke Lowrie, CEO, and Elizabeth Lysaght, Partnerships Manager. There has clearly been a struggle to reach the interests of those children who still remain connected to St John's who are now from an older age range than those pre-Covid. Interestingly, for the first time in some years there are a number of older children & teenagers in the congregation and we are aware of the challenges that this brings but hope that Red Balloon might help us meet them along with providing stimulating activities for younger children.

Adult Education

Our Wednesday evening educational series continued to meet by Zoom until the summer. Led by the curates, each Wednesday focussed on a different theme:

First Wednesday – Bible study
Second Wednesday – Ignatian Prayer
Third Wednesday – living faith
Fourth Wednesday – pub theology

With the departure of Dan Warnke, the series was reduced to two Wednesdays per month: a Bible study led by the Vicar which considered the coming Sunday's gospel reading and pub theolog now, on the third Wednesday, which resumed meeting in a local pub.

In the autumn, Georgina Elsey led a series on *Living in Love and Faith*, the Church of England project seeking to engage people in discussion on different perspectives on identity, sexuality, relationships and marriage which was launched on 19th September with guest preacher the Reverend Andrew Goddard. This consultation process at St John's was much valued as Dr Michael King, a member of the congregation who sadly died on September 10th, had been an adviser to one of the committees involved in the process nationally for the Church of England.

An Advent course took place during November and December which explored the apocalypse, final judgement and God's seeming absence.

Music at St John's

Choral singing once again came under restrictions at the start of January. The choir was reduced to four members, returning to its full complement of five just before Easter in April, when outdoor singing was once again allowed. The congregation marked Easter Day by ending the service outside with a hymn on the forecourt. It was July before members of the congregation were once again allowed to sing within public worship indoors.

From the autumn, our normal pattern of services resumed with St John's *Late*, Advent and Christmas, but numbers remained frustratingly low as people remained cautious or failed to return. This included the carol services of Advent and Christmas.

Social Outreach and Charitable Giving

Age UK, Westminster, which had been using the church as a hub for receiving food deliveries and making up parcels for the isolated and housebound during Covid-19, handed over their work to the North Paddington Food Bank and made their final deliveries from St John's at the end of June. In March, we had made Age UK the focus of our Lent fund raising efforts and were able to donate £2,569, which provided for food purchases and other costs for one month. Age UK returned in December for a week to prepare Christmas hampers. We were pleased to support them in their very valuable and essential service in our local community.

Our harvest collection for the year, as well as the beneficiary of our Christmas carolling around the local pubs, went to support North Paddington Food Bank and a total of £758 was raised. In addition, £94 was raised from poppy sales around Remembrance Sunday for the Royal British Legion and £115 for the Children's Society at a Christingle service on 5th December.

Working practices

The church and office remained open throughout the year. Although only staff were permitted in the office, a welcome station was set up in the church to facilitate pastoral and other face-to-face meetings socially distanced. Clergy did work from their homes while people were encouraged to work from home but worked from the office more and more over the course of the year.

Working in Local Schools

Our voluntary aided primary school, St James & St John, which we share with St James's, Sussex Gardens, was supported throughout the year by all the clergy through governorship, support of the head teacher and the provision of assemblies through

Zoom, Google Teams and Google Classrooms. We were very pleased to welcome the school back for a Harvest service in October, the first visit since before the Covid outbreak, although the outbreak of the Omicron variant meant no more school or class visits were able to take place before the end of the year. Despite a testing time for the school, it continued to do very well in terms of numbers of admissions to both the nursery and reception years and is one of the few schools in the area not to have any vacant places.

The Vicar served as vice chair of governors until September.

Connaught House School held their Christmas programme in church as usual.

Working in the Community

St John's continued to foster wider community development on the Hyde Park Estate despite the pandemic. Its ministry in hospitality continued in the hosting of Age UK, Westminster and other community groups from time to time as restrictions allowed.

The Vicar and churchwardens are *ex officio* trustees for the William Gibbs Religious and Educational Trust. The Vicar liaises on its behalf with local schools and educational projects to facilitate the grant-making process.

From November the Vicar took on the responsibility of Area Dean for Paddington. He acts as a mentor for new incumbents in the Diocese as part of the Diocese of London mentoring programme. He is both a participant and a review facilitator in the Continuing Ministerial Development Review programme for the Diocese, facilitating the annual professional review of clergy. In addition, he acts as one of the Bishop's Surrogates for issuing Common Licences for marriage. He is an elected member of the Hyde Park Estate Association executive committee and the Hyde Park and Paddington Forum steering group. He attends the Hyde Park Neighbourhood Ward Panel along with Westminster City Council's LGBTQI Forum. The administrator, verger and assistant curate represent him at some of these meetings from time to time.

Safeguarding

Ensuring the safety and security of all who worship at St John's or who use the building is a primary concern of the PCC. They have a Safeguarding Policy which gives due regard to the House of Bishops' guidance on safeguarding children and vulnerable adults and which is reviewed annually at the first meeting following the Annual Parochial Church Meeting. Members of the PCC were encouraged to undertake a DBS check and to complete basic safeguarding training.

Trustee Induction

With the easing of restrictions on face-to-face meetings, an induction evening for new members of the PCC was held as usual on 1st June following elections at the annual parochial church meeting held on 23rd May. A training evening for the churchwardens was held on 6th June.

Fabric Development

The regular programme of roof cleans was carried out throughout the year along with annual maintenance of the fire safety equipment, clock, gas central heating systems and roof safety system.

Universal Stone attended in February to remove loose masonry along the south elevation. An area of the footpath outside the south garden gate made very uneven due to the extensive tree roots running underneath the pavement was relaid in July including the replacement of broken paving stones.

The third phase of electrical works arising from the electrical inspection of 2019 were undertaken in September thanks to a grant from the Ward Councillors' budget and a VAT grant from the Listed Places of Worship Scheme.

Water ingress did occur during the heavy storms in July as the large plane trees overhanging the church roofs drop a high level of leaf and other debris on the roofs which, in such storms, often accumulates around the drainage points and prevents the efficient run off of rainwater. Some sections of the crypt also experienced flooding from the same storms and led to the largest licensee using crypt space giving notice and vacating the premises. Colin Kerr, our architect, designed new hoppers which should alleviate this problem and the PCC is pursuing a DAC certificate and faculty for them.

Statement of Parochial Church Council Responsibilities

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

Charity law requires the PCC to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the church and of the incoming resources and application of resources for that period. In preparing those financial statements the PCC is required

a) to select suitable accounting policies and then to apply them consistently;
b) to observe the methods and principles in the Charities SORP;
c) to make judgements and estimates that are reasonable and prudent;
d) to state whether the policies adopted are in accordance with the appropriate Statement of Recommended Practice (SORP) on Accounting by Charities and the Accounting Regulations and applicable accounting standards, subject to any material departures disclosed and explained in the financial statements and
e) to prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue.

The PCC is responsible for keeping proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the church and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the Statement of Recommended Practice on Accounting and Reporting 2019 (FRS 102). It is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

Financial Review

At the beginning of the year there was some concern that 2021 would be worse financially than 2020. Lockdown continued to impact attendance at services. There was virtually no hire of the building for wedding receptions, concerts, charity fund raising events or seasonal events. Weddings, funerals, wedding blessings and memorial services continued to be deferred. Would existing users of the church such as Paint

Pots Montessori Nursery School again ask for a reduction in rent? For most of the year projections were showing an operating deficit (although little by little it was reducing each month).

At the end of the year, the PCC did just manage to cover its costs for the year. Over the course of the twelve months, several significant factors aided their finances:

a) regular giving increases the year before continued (although regular ad hoc contributions received in 2020 reduced in amount and frequency as the year progressed)
b) forecourt income topped £40,000 for the first time for at least 15 years
c) the number of weddings, funerals and other special services increased once the limits on numbers attending such services were lifted
d) rental of the church and hall, while still only 1/3 of that in 2019, was up by 60% on 2020 and significantly ahead of budget

Over the course of the year the PCC was also able to pay off the loan taken out in 2017 to cover the costs of repairs to the high level masonry and rainwater goods.

While £13,552 was drawn down from the Clergy Accommodation Maintenance Reserve to carry out essential repairs to the roof at the Archery Close house, the PCC were also able to meet their commitment to putting aside funds to build up the Church Maintenance, Ministry and Staff Accommodation Deposit Reserves.

Payments to the Diocese

The standard parish cost for 2021 was £85,200. The PCC agreed a further contribution to Common Fund, from which clergy stipends and costs are paid, of £8,800 for a total contribution of £94,000. In addition, £73,584 was paid to the Diocese to cover the costs of our assistant curates.

Total payments to the Diocese of London for 2021 amounted to £167,584.

Reserves Policy

The PCC budgets to put £10,000 each year in the Church Maintenance Reserve and £5,000 in its Staff Accommodation Deposit and Ministry Reserves. These provisions were able to be made in 2021

In addition to the above, the budget of £1,500 for refurbishment of one room in the vicarage, as encouraged by the Archdeacon, was not spent in 2021, so it was also set aside in a reserve to be used in 2022.

Structure, Governance and Management

The Parochial Church Council is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council (Powers) Measure 1956 and is a charity registered with the Charity Commission for England and Wales.

The appointment of members to the PCC is governed by and set out in the Church Representation Rules. New members to the PCC as well as churchwardens normally undergo an induction to brief them on their legal obligations under Church Law, the content of the Constitution, the Council and the decision-making processes, and the recent performance of the Church. Due to Covid this did not happen in 2020 but did take place again as normal in 2021.

Organisation

The PCC meets regularly throughout the year and there are committees to which there are delegated specific duties. In 2021 these committees were largely unable to meet although some business was conducted remotely.

The Standing Committee is the only committee required by law. It has power to transact the business of the PCC between its meetings subject to any directions given by the Council. Members of the Standing Committee comprise the Vicar, Church Wardens, Deputy Church Wardens and Treasurer. There is an open seat on Standing Committee for one member of the PCC to attend each meeting on the proviso that they give prior notice. The full PCC met five times during the year. The Standing Committee met six times during the year.

Risk Management

In order to mitigate the financial impact of the decrease in revenue from all income streams due to the Covid-19 pandemic, a close eye was kept on finances on a monthly basis through the following:

- regular meetings between the vicar and treasurer
- regular review of finances and spending by Standing Committee
- monthly reasonable worst case budget reviews and income & expenditure actuals by the administrator

The PCC was aware that its wise accumulation of reserves for ministry and music as well as building maintenance put the parish in a better position to get through the pandemic than would otherwise have been the case. It is also aware that the immediate future could likely be precarious financially and careful use of resources will continue to be required.

The PCC has an appropriate insurance policy with Ecclesiastical Insurance. This is reviewed periodically to ensure that the sums insured are adequate and a review was conducted in 2019.

While aiming to return to normality as soon as possible, the PCC adopted a careful approach to relaxing restrictions when permitted to do so. Seating arrangements were modified to accommodate greater numbers but still further apart than would usually be the case and seats even further distanced were arranged in the south aisle and reserved for those feeling the need for greater distancing. Hospitality, when reintroduced, was served outdoors for large services and even for Sunday mornings with the emergence of the Omicron variant of Covid-19. Risk assessments for private prayer & meditation, public worship, working practices and use of the parish hall were reviewed on each new guidance issued by the government or by the Church of England and adapted to comply with any changes. Actions taken in this regard have already been set out under Safeguarding above.

Clergy and Staff Housing

The Vicarage at 18 Somers Crescent forms part of the Vicar's freehold. While being maintained by the Diocese of London, the parish is responsible for internal decoration and any improvement works. The PCC budgets £1,500 annually for redecoration works. In a year when this is not spent, it is put aside into a reserve for use in a future year.

The parish has leases on two additional properties from the Church Commissioners which may be used for the accommodation of clergy and other members of staff. Robert Greenhill, our Director of Music, occupies the first floor flat at 12a Connaught Street. As our assistant curate had his own house, the second and third floor maisonette at 12a Connaught Street has been returned to the Church Commissioners but will be made available again to the parish for the next member of staff.

23 Archery Close is available for housing staff on a long lease. During the year major works to the roof costing £13,552 were carried out. Funds from the Clergy Accommodation Reserve were drawn down to cover the cost of these works.

During the year the PCC took a lease on the ground floor and basement flat at 11 Star Street to house the verger.

Looking Ahead

As we look ahead to life post the pandemic, the prime objective will be to rebuild the congregation. Numbers are nearly 50% reduced from pre-Covid levels and it is expected that regrowing the congregation will take some time. Many of the young families have either moved out of London and have not been replaced due to the rising cost of accommodation and those who have remained have lost the habit of attending church on a regular basis. Older members of the congregation remain cautious and they, along with many others, while returning on an occasional basis, are not doing so with the same regularity. We are not yet through the pandemic, although the hope is that we are learning to live with the virus, which means we are cautiously optimistic but uncertain as to whether further restrictions may be imposed over the coming winters. It may take several years for our ministry and outreach to adapt to changing circumstances. A focus on ministry will be key in plans for the next few years.

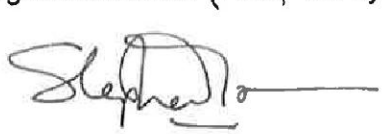
As we rebuild, key areas of church life to focus on will be social activities, fellowship and Culture Vulture Ventures, as well as incorporating the needs of older children as part pf our families' ministry. We look forward in 2022 to Her Majesty the Queen's Platinum Jubilee in the hope that a jubilee lunch will be added to the annual big social events. It is also hoped that entertaining at the vicarage will be resumed if a new suitable caterer can be found.

The PCC's finances are still relatively robust but reserves which had been carefully and prudently built up over some years have been depleted. The PCC will seek to continue to replenish its reserves as it was able to do in 2021.

Auditors

TC Group were first appointed to audit the 2013 financial statements after a review of our audit procedures. They were reappointed to audit the 2021 financial statements.

Signed on behalf ~~of the~~ PCC by



The Reverend Stephen Mason, Chair
20th March 2022

Independent Auditor's Report to the Parochial Church Council of St John the Evangelist with St Michael and all Angels

Opinion

We have audited the financial statements of the Parochial Church Council St John the Evangelist with St Michael and all Angels (the 'charity') for the year ended 31 December 2021 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement and the 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 31st December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis 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 Parochial Church 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 Parochial Church Council 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 2021 report of the Parochial Church Council, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, 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.

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 Parochial Church Council members' report; or
- the charity has not kept adequate accounting records; 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 the Parochial Church Council members

As explained more fully in the Statement of Parochial Church Council Responsibilities statement, the Parochial Church Council members 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 Parochial Church Council 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 Parochial Church Council 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 Parochial Church Council members either intend to liquidate the charity or 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 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the Parochial Church Council members and other management (as required by auditing standards), and discussed with the Parochial Church Council members and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Charities Act 2011) and the relevant charity regulations in the UK;
- We considered the nature of the industry, the control environment and the charity's performance;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the charity has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. 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.

TC Group

TC Group (Statutory Auditor) Date: 22 March 2022
Office: Portsmouth

TC Group is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

St John the Evangelist with St Michael and All Angels, Paddington

Statement of Financial Activities (Incorporating Income & Expenditure Account)

Year Ending 31st December 2021

	2021 Unrestricted Funds £	2021 Restricted Funds £	2021 Total £	2020 Total £
Income from:				
Donations and Legacies	316,058	28,244	344,302	476,672
Charitable Activities	52,314	0	52,314	29,136
Other Trading Activities	96,348	0	96,348	77,998
Investments	10	0	10	9
Total Income	**464,730**	**28,244**	**492,974**	**583,815**
Expenditure on:				
Raising Funds	11,282	0	11,282	7,813
Charitable Activities	440,287	34,878	475,165	503,178
Other	5,593	0	5,593	5,000
Total Expenditure	**457,162**	**34,878**	**492,040**	**515,991**
Net Income/(Expenditure)	7,568	(6,634)	934	67,824
Transfers between Funds	**0**	**0**	**0**	**0**
Net Movement in Funds	**7,568**	**(6,634)**	**934**	**67,824**
Reconciliation in Funds				
Total funds brought forward	165,440	65,392	230,832	163,008
Total funds carried forward	**173,008**	**58,758**	**231,766**	**230,832**

All income and expenditure derive from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised during the year.

St John the Evangelist with St Michael and All Angels, Paddington

Balance Sheet

Year Ending 31st December 2021

	2021 £		2020 £	
Fixed Assets				
Tangible Assets	0		0	
Current Assets				
Debtors[1]	44,786		27,084	
Cash at bank and in hand[2]	242,129		270,329	
Creditors: Amounts falling due within one year[3]	(55,149)		(47,914)	
London Diocesan Fund loan due in 2021	0		(18,667)	
Net current assets/(liabilities)	**231,766**		**230,832**	
Net Assets	**231,766**		**230,832**	
Charity Funds				
Restricted Funds[4]	58,758		65,392	
Unrestricted Funds				
General Funds	349		319	
Ministry Reserve	86,358		81,358	
Clergy Accommodation Maintenance Reserve.	7,947		21,499	
Church Maintenance Reserve	54,505		44,505	
Rainy Day Appeal Funds	1,395		20,472	
Vestments	4,454		4,454	
Development Funds	0		(18,667)	
Staff Accommodation Deposit	15,000		10,000	
Planned Maintenance	3,000		1,500	
Total Unrestricted Funds		173,008		165,440
Total Charity Funds		**231,766**		**230,832**

The financial statements were approved and authorised for issue by the Parochial Church Council on 22nd March 2022.

Signed on behalf of the Parochial Church Council

Ian Nelson, Treasurer
20th March 2022

The notes on pages 29-35 form part of these financial statements.

St John the Evangelist with St Michael and All Angels, Paddington

General Fund Income & Expenditure

Year Ending 31st December 2021

SOFA Headings		Unrestricted £	Restricted £	2021 Total £	2020 £
	INCOME				
Donations and Legacies	Donations Elgbl for Gift Aid	92,948	0	92,948	99,750
	Envelopes	511	0	511	576
	Non-Taxed Pledges	765	0	765	1,940
	Tax Refund	32,423	0	32,423	32,475
	Collections	6,270	0	6,270	4,469
	Other Donations	89,837	0	89,837	72,809
	Alms	206	0	206	413
	Fellowship	397	0	397	122
	Special Clergy Services	1,625	0	1,625	4,171
	Church Comm	18,000	0	18,000	18,000
	Grants	60,333	10,567	70,900	185,442
	Insurance Claims	2,743	0	2,743	11,964
	Vol Trust Admin Contrib	10,000	0	10,000	9,500
		316,058	**10,567**	**326,625**	**441,631**
Charitable Activities	Special Services	14,805	0	14,805	5,733
	Hire of Church	25,088	0	25,088	15,037
	Hire of Hall	10,921	0	10,921	6,866
	Other Rents	1,500	0	1,500	1,500
		52,314	**0**	**52,314**	**29,136**
Other Trading Activities	Forecourt Income	42,411	0	42,411	30,490
	Nursery School Rent	42,217	0	42,217	27,513
	Crypt Rent	11,720	0	11,720	19,995
		96,348	**0**	**96,348**	**77,998**
Investments	Interest	**10**	**0**	**10**	**9**
TOTAL INCOME		**464,730**	**10,567**	**475,297**	**548,774**
TOTAL EXPENDITURE		**(456,752)**	**(17,082)**	**(473,834)**	**(485,648)**
SURPLUS/(DEFICIT) FOR YEAR		**7,978**	**(6,515)**	**1,463**	**63,126**
RESERVES USED:					
	HLF Grant Reserve		6,515	6,515	0
	Clergy Accommodation Reserve	13,552		13,552	8,954
	Ministry Reserve			0	18,000
SURPLUS/(DEFICIT) INCORPORATING USED RESERVES				**21,529**	**90,080**
DESIGNATIONS TO RESERVES					
	HLF Grant Reserve			0	6.515
	Church Maintenance Reserve			10,000	10,000
	Ministry Reserve			5,000	65,000
	Planned Maintenance			1,500	1,500
	Staff Accommodation Deposit Reserve			5,000	5,000
SURPLUS/(DEFICIT) AFTER DESIGNATIONS				**29**	**2,065**

St John the Evangelist with St Michael and All Angels, Paddington

General Fund Income & Expenditure

Year Ending 31st December 2021

SOFA Headings	EXPENDITURE	Unrestricted £	Restricted £	2021 Total £	2020 £
Raising Funds	Forecourt Expenditure	2,560	0	2,560	2,256
	Events Costs	8,722	0	8,722	5,498
		11,282	**0**	**11,282**	**7,754**
Charitable Activities	London Diocesan Fund	94,000	0	94,000	94,000
	Additional Clergy Costs	73,584	0	73,584	81,512
	Vicar's Expenses	13,341	0	13,341	10,835
	Additional Clergy Expenses	2,293	0	2,293	2,150
	Rents, Running Costs	24,084	0	24,084	29,325
	Archery Close Works	13,552	0	13,552	8,954
	Vicarage Routine Maintenance	0	0	0	188
	Children's Education	2,269	0	2,269	249
	Adult Education	263	0	263	0
	Kensal Rise Plant	0	0	0	86
	Director of Music	16,960	0	16,960	8,480
	Music Expenses	25,083	0	25,083	12,998
	Oliver! School Music Project	0	0	0	9,841
	Fellowship	9,041	0	9,041	6,918
	Special Clergy Services	0	0	0	3,473
	Altar Requisites	827	0	827	2,395
	Light, Heat & Insurance	11,602	3,541	15,143	16,790
	Cleaning	12,051	768	12,819	10,119
	Grounds	1,603	0	1,603	989
	Repairs & Maintenance	16,011	11,077	27,088	28,613
	Organ Protection & Repairs	0	0	0	4,635
	Organ Chamber Repairs	0	0	0	7,918
	Printing & Publicity	1,430	0	1,430	4,210
	Administrative Staff	49,636	0	49,636	51,122
	Verger	24,203	1,696	25,399	25,982
	Staff Pension Contributions	23,320	0	23,320	23,320
	Office Expenses	11,586	0	11,586	13,928
	Equipment	530	0	530	789
	Depreciation	0	0	0	2,498
	Miscellaneous Expenses	1,068	0	1,068	583
	Professional Fees	11,540	0	11,540	10,095
		439,877	**17,082**	**456,959**	**472,894**
Governance Costs	Audit Fee	5,400	0	5,400	5,000
	Bank Charges	193		193	0
		5,593	**0**	**5,593**	**5,000**
TOTAL EXPENDITURE		**456,752**	**17,082**	**473,834**	**485,648**

St John the Evangelist with St Michael and All Angels, Paddington

Development Fund Income & Expenditure

Year Ending 31st December 2021

	Unrestricted	Restricted	2021 Total	2020
INCOME	£	£	£	£
Congregational Donors	0	0	0	13,791
Grants	0	0	0	13,558
TOTAL INCOME	**0**	**0**	**0**	**27,349**
EXPENDITURE	£	£	£	£
Events Costs	0	0	0	59
Loan Interest	410	0	410	506
TOTAL EXPENDITURE	**410**	**0**	**410**	**565**
SURPLUS/(DEFICIT)			**(410)**	**26,784**
Loan Repayments to the Diocese of London			(18,667)	(33,333)
Transfer from Rainy Day Reserve			19,077	6,549
SURPLUS/(DEFICIT)			**0**	**0**

St John the Evangelist with St Michael and All Angels, Paddington

Organ Fund Restricted Income & Expenditure

Year Ending 31st December 2021

	2021 £	2020 £
INCOME		
Donations	0	0
TOTAL INCOME	**0**	**0**
EXPENDITURE		
Organ Plaque	86	0
Organ Tuning & Maintenance	1,858	276
TOTAL EXPENDITURE	**1,944**	**1,071**
SURPLUS/(DEFICIT)	**(1,944)**	**(1,068)**
BALANCE BROUGHT FORWARD	**10,149**	**11,494**
BALANCE CARRIED FORWARD	**8,206**	**10,149**

St John the Evangelist with St Michael and All Angels, Paddington

Other Restricted Income & Expenditure

Year Ending 31st December 2021

	2021	2020
INCOME	£	£
Charities Income	3,560	1,252
Flower donations	1,562	1,702
Music Donations – Director of Music	2,930	910
Music Donations – Singers & Musicians	7,725	1,621
Clergy Leaving Purse	1,900	2,207
TOTAL INCOME	**17,677**	**7,692**
EXPENDITURE		
Charitable Donations	3,560	1,252
Flower Expenses	1,562	1,702
Music Expenditure – Director of Music	2,080	9,165
Music Expenditure – Singers & Musicians	6,750	15,176
Clergy Leaving Purse	1,900	2,207
TOTAL EXPENDITURE	**15,852**	**29,502**
SURPLUS/(DEFICIT)	**1,825**	**(21,810)**
BALANCE BROUGHT FORWARD	48,728	74,188
BALANCE CARRIED FORWARD	**50,553**	**48,728**

St John the Evangelist with St Michael and All Angels, Paddington

Notes to the Financial Statements

Year Ending 31st December 2021

a) General information and basis of preparation

The Parochial Church Council of St John the Evangelist with St Michael and All Angels, Paddington is a registered charity with the Charity Commission for England and Wales. The address of the registered office is given in the charity information on page 4 of these financial statements. The nature of the charity's operations and principal activities are, in co-operation with the vicar, promoting within the Parish the whole mission of the Church: pastoral, evangelistic, social, ecumenical and community building.

The charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with the Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in according with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102) (issued in October 2019) – (Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102) and the Companies Act 2006.

The financial statements are prepared on a going concern basis under the historical cost convention modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant policies applied in presentation of these financial statements are set out below. These policies have been consistently applied to all years present unless otherwise stated.

b) Funds

Unrestricted funds are available for use at the discretion of the trustees 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 trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

The accounts include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body nor those that are informal gatherings of church members.

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 cost 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.

c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be

received. For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity; however, it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes rates and other costs appropriate to that activity, including costs incurred in fundraising and appeals;
- Expenditure on charitable activities includes all costs incurred in fulfilling the church's objectives, together with any costs in support of these. This category includes costs normally considered support costs but because the building and staff are integral to fulfilling our objectives, they are included here.
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

e) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

- Equipment – 3-5 years on a straight line basis
- Grand piano – 10 years on a straight line basis

Consecrated and beneficed property is not included in the accounts in accordance with s.10(2)(a) and (c) of the Charities Act 2011. Movable church furnishings held by the Vicar and Churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property. They are listed in the church's inventory which can be inspected (at any reasonable time). For inalienable property acquired prior to 2000 there is insufficient cost information available and therefore such assets are not valued in the accounts. Subsequently no individual item has cost more than £1,000 so all such expenditure has been written off when incurred.

f) Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

g) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

h) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

i) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

j) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

As set out in the Statement of Parochial Church Council Responsibilities Statement on pages 12 to 13, in preparing these financial statements the PCC are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate. In satisfaction of this responsibility the PCC has considered their expectations for the charity over the next 12 months and the charity's ability to meet its liabilities as they fall due, based upon the information available to the PCC at the date of these financial statements.

At the time of approving the financial statements, the charity has significant cash reserves to cover the operating costs of the charity for a period of at least six months. In addition, the charity has strategies planned to address potential significant changes to its incomes during the forthcoming period, should the charity experience a significant change in its incomes. The PCC therefore has a reasonable expectation that the charity

has adequate resources to contend with the uncertainties that may arise and to continue in operational existence for the foreseeable future. Thus the PCC continues to adopt the going concern basis of accounting in preparing the financial statements.

Accordingly, the financial statements are prepared on a going concern basis, under which assets are recovered and liabilities repaid in the ordinary course of activities. The accompanying financial statements do not include adjustments that would need to be made in the case the charity was unable to continue as a going concern, should the assumptions referred to above subsequently prove to be invalid.

[1]Debtors	2021	2020
	£	£
Sundry Debtors	25,153	8,844
Income Tax Recoverable	19,633	18,240
TOTAL	44,786	27,084

[2]Cash at Bank and in Hand		
General Fund	212,466	240,036
Petty Cash	120	120
Special Purposes Account	29,544	30,173
TOTAL	242,130	270,329

[3]Amounts Falling Due within One Year		
Sundry Creditors	48,749	41,914
Rent Deposits	1,000	1,000
Audit Fee	5,400	5,000
Diocesan Loan	0	18,667
TOTAL	55,149	66,581

[4]Restricted Funds		
HLF Grant	0[5]	6,515[5]
Memorial Garden	3,834	3,834
Music	45,475	43,650
Vestments	1,244	1,244
Organ Fund	8,205	10,149
TOTAL	58,758	65,392

[5]HLF Grant

In September 2020 the HLF awarded a grant to the Parochial Church Council which was to be spent on approved categories of expenditure. The award covered some expenditure not incurred until January 2021. Under the terms of the grant, should the funds not be spent by 31st January 2021 or the expenditure not approved by the HLF, they could require the funds to be repaid. At 1st January, £6,515 had been agreed to be used to cover expenditure in January 2021. A restricted fund was set up which was used to cover these costs.

Fixed Assets for Use by the PCC

	Equipment	Grand Piano	Total
Gross Book Value at 1 January 2021	41,732	17,000	58,732
Additions	0	0	0
(Disposals)	0	0	0
as at December 31 2021	41,732	17,000	58,732
Depreciation at 1 January 2021	41,732	17,000	58,732
Charge for the Year	0	0	0
Release on Disposal	0	0	0
at 31 December 2021	41,732	17,000	58,732
Net Book Value at 31 December 2021	0	0	0
at 31 December 2020	0	0	0

Analysis of Net Assets by Fund

	Unrestricted Funds	**Restricted Funds**	**Total**
Fixed Assets	0	0	0
Current Assets	227,164	59,571	286,915
Current Liabilities	(54,156)	(993)	(55,149)
TOTAL ASSETS	**173,008**	**58,758**	**231,766**

STAFF COSTS	2021 £	2020 £
Wages and Salaries	75,035	79,431
Social Security Costs	8,026	8,465
Pension Costs	14,040	9,280
TOTAL COSTS	97,101	97,176

The average number of staff during the year was two (two in 2020). No employee was paid more than £60,000 during the year or preceding year. In addition to salaries, fees of £16,960 were paid to Robert Greenhill.

Pension contributions are currently payable for two members of staff and clergy and are made under a defined contribution scheme.

FUND DETAILS

In 2007, the Parochial Church Council adopted a Reserves Policy which established the following funds: General Reserves, Ministry Reserve, Music Reserve, Church Maintenance Reserve and Clergy Accommodation Reserve. The policy was reviewed in 2013 and 2019.

The General Reserve is for any surpluses over and above those specified under the policy. It is the aim of the PCC to build up reserves to cover six months' running costs.

The Ministry Reserve was created in 1998 when the PCC decided to recruit an Associate Vicar. It is a provision made to cover anticipated additional ministry costs that might not be met by the operational budget.

The Staff Accommodation Deposit is a new reserve, created by the PCC in recognition that the properties they lease for the accommodation of staff are on short- to medium-term rolling leases and agreements. The aim of the PCC is to build up adequate funds to

provide for the deposit to purchase a property in which to house staff and so reduce dependence on leased properties.

The flourishing of a music tradition over the past years has greatly enhanced the worship on Sundays and at special services. Many of the costs of the choir, director of music and guest singers and musicians have been generously provided by members of the congregation. Donations received in excess of costs are accumulated and held in a restricted reserve. In recognition of the fluidity of the parish and that generous contributors to the music programme may only be around for a short time, the PCC have aimed to have the equivalent of two years' costs in reserve.

The Clergy Accommodation Reserve was created in 2001 when major repairs and renovations to most of the clergy accommodation made a large call on parish resources. Currently, the PCC are setting aside £1,500 a year towards future Vicarage redecoration works in years when no works are undertaken.

In 2007 the PCC began replacement of its vestments, many of which had given considerable service and were nearing the end of their lives. A fund was set up into which the PCC designated funds each year and into which donations toward new vestments were put. In 2010 orders were placed with Messrs Watts & Co for white and gold sets of vestments. Red vestments were acquired in 2012. Further sets will be purchased as funds become available. Once the restricted donations for vestments have been exhausted, the remaining amounts will be taken from funds designated for vestments by the PCC.

The clergy house used to accommodate curates is held on an historic agreement which expires in in approximately 15 years. It is not anticipated that the agreement will be renewed so Standing Committee began to budget to set aside funds each year and held in a Staff Accommodation Deposit Reserve in order to build up a deposit to purchase a property when the existing house is no longer available.

Restricted funds held by the PCC are as set out in note 4 to the Balance Sheet. Details on the HLF fund have been given in note 5 on page 32. Memorial Garden funds will be used to develop one of the gardens along the church as a Garden of Remembrance. The Music Reserve holds funds donated explicitly for music. Vestments are as set out at the top of this page. The Organ Fund arose when the grade 2* listed organ was refurbished in 2015 and is used for upkeep and maintenance of the organ.

In considering how to fund major repairs to the roof and high level masonry carried out in 2017, the PCC had cash reserves, some of which had been designated for such purposes. Other reserves, however, represented restricted funds on the balance sheet and it was felt that it would be inappropriate to use these funds to pay for the costs of the works. An application therefore was made to the Diocese of London for a loan of £200,000 which was approved. The loan was drawn on during the course of the works. The PCC repaid £33,333 in 2020 and the balance on the loan of £18,667 in 2021.

2021 PAYMENTS TO PCC MEMBERS

No elected members of St John's PCC received any reimbursement of expenses or remuneration. All clergy are reimbursed reasonable expenses incurred in the performance of their duties. In 2021, such reimbursements totalled £15,634. During the year the charity paid £9,280 of pension contributions on behalf of one member of the PCC.

Trustees' and Officers' Indemnity is provided for members of the PCC under the terms of the church's insurance cover and is included in the premium for the year.

COMMITMENTS UNDER OPERATING LEASES

At 31 December 2020 the charity had commitments under non-cancellable leases as follows:

		2021	2020
Operating leases which expire:			
Due within 1 year	12a Connaught Street	4,962	4,962
	11 Star Street	15,600	
Within 2-5 years	12a Connaught Street	4,962	4,962

The assistant curate taken on by the PCC in 2018 has his own house and he wished to live there during his term. In order to assist the PCC with the additional cost of a housing grant to enable this, the Church Commissioners offered to take back the 2nd and 3rd floor maisonette at 12a Connaught Street. From the proceeds of letting it, they would make a contribution of £1,500 per month to assist the PCC with these costs. They would again make it available to the PCC at the end of the curate's time at St John's.

CONNECTED CHARITY

The church received grants in the year of £60,000 from the William Gibbs Religious and Educational Trust. Furtherance of the educational and charitable work of the Church of England in the parish of St John the Evangelist is one of the objectives of the Trust. The Vicar and Churchwardens of St John's are *ex officio* trustees. The parish administrator also serves as clerk to the Trust and the Trust Administration Contribution is a voluntary donation on the part of the Trust in recognition of the services provided by him and in recognition that expenses are incurred by the parish in servicing the Trust. A contribution of £10,000 was made for 2021.

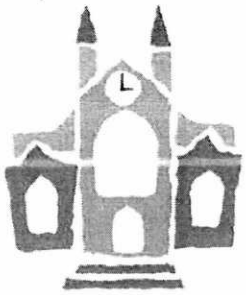
AUDIT FEE

The fee for the audit of the 2020 accounts was £5,000. A provision of £5,400 has been made for the audit of the 2021 accounts.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN WITH ST MICHAE

England & Wales - Charity number 1132885

Accounts



ST JOHN'S HYDE PARK
HYDE PARK CRESCENT
LONDON W2 2QD

ANNUAL REPORT AND FINANCIAL STATEMENTS OF THE PAROCHIAL CHURCH COUNCIL

FOR THE YEAR ENDED
31 DECEMBER 2020

Registered Charity 1132885

The Parochial Church Council of St John the Evangelist with St Michael and All Angels, Paddington

Financial Statements

For the year ending 31st December 2020

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Administrative Information

PCC Members

The under-mentioned persons served on the PCC during the year

		PCC Meetings attended
Ex Officio Members		
The Reverend Stephen Mason	Incumbent	4/4
The Reverend Daniel Warnke	Stipendiary Assistant Curate	2/4
The Reverend Georgina Elsey	Stipendiary Assistant Curate (from July)	2/2
Neville David	Church Warden	3/4
Damon Greeney	Church Warden elect (from October)	1/1
Ian Smith	Church Warden	4/4
David Fletcher	Deanery Synod Rep	0/4
Chris Lees	Deanery Synod Rep (from October)	1/1
Chris Skarratt	Deanery Synod Rep	2/4
Elected Members		
Andrew Beverley		3/4
Esme Daley	Minutes Secretary	3/4
Sven Haase	(to October)	2/3
David Hughes		4/4
Ian Nelson	Treasurer	4/4
Gaynor Scruton		4/4
Bryan Stephens	(from October)	1/1
Samantha Tear		4/4

Bankers: HSBC plc
69 Pall Mall
London SW1Y 5EY

Insurers: Ecclesiastical Insurance
Beaufort House
Brunswick Road
Gloucester GL1 1JZ

Architect: Colin Kerr
Thomas Ford and Partners
177 Kirkdale
London SE26 4QH

Solicitor: Winckworth Sherwood
Minerva House
5 Montague Close
London SE1 9BB

Auditor: TC Group
Statutory Auditor
3 Acorn Business Centre
Northarbour Road
Cosham, Portsmouth
Hampshire PO6 3TH

The church office is situated at St John's Church, Hyde Park Crescent, London, W2 2QD

Incumbent: The Reverend Stephen Mason

Church Administrator: Bryan Sollenberger

2020 Report and Accounts for the Parochial Church Council of St John the Evangelist with St Michael and all Angels, Paddington

The Parochial Church Council (PCC) has pleasure in presenting its report and the financial statements of the Church for the year ended 31st December 2020.

Overview of the Year

2020 was a year like no other for many years and, we hope, for many more to come. While previous years have offered unique challenges and opportunities, those provided by the Covid-19 pandemic have been particularly exceptional. They required considerable time and attention to redeveloping our working practices, maintaining pastoral contact with parishioners, balancing the books and ensuring that, when open for public worship, those attending could do so in an environment that was safe. As we livestreamed services during lockdowns and while vulnerable people were urged by the government to isolate, we came into contact with new people and renewed contacts with some who had moved away. Having come out of the first lockdown at the time of finalising last year's annual report, we had hoped that by this time we could be looking back on the impact of the coronavirus rather than be in yet another lockdown; but we are encouraged that as more and more of the population receive the vaccine, this will allow things to begin to return to 'normal' and slowly the restrictions and precautions that have dominated the last 12 months will be rolled back.

Aims and Purposes

Covid-19 may have meant altering the way we sought to achieve them, but our core aims and purposes remained unchanged: to promote within the parish the whole mission of the Church: pastoral, evangelistic, social, ecumenical and community building and to provide pastoral care to those resident within our geographical parish as well as to those who attend services.

The PCC continued to be guided by its Ethos Statement, although the way in which it did so was dramatically different:

- St John's Hyde Park is an outward-facing, dynamic church, rooted in a broad Anglican tradition.
- We are proud to be a diverse church community, offering an unconditional welcome to everyone. We are committed to living by our Christian values through this sense of inclusiveness and through a genuine engagement with our neighbours beyond the church walls.
- We are determined to stay dynamic and evolve constantly, striving to be relevant within our local context.
- We will do all we can to ensure St John's becomes even more of a spiritual, physical and social hub for the local community in London W2, its home for over a century and a half.
- We will continue to set ourselves ambitious targets in order to fulfil St John's potential as an inspirational channel for change.

This outlook influences all that we do and our approach to planning services, pastoral care, social events and other activities which we undertake in furtherance of our aims. In all our activities we seek to minister to each one who comes through our doors – to provide a means to deepen the faith for those who are part of our worshipping community, and to attract and to minister to those who are, at present, outside it.

Inclusivity is an integral component of our ministry, which is centred upon our love of and discipleship in our Lord Jesus Christ. We believe that the Good News is for all people regardless of gender, ethnicity, sexual orientation, socio-economic circumstances or spiritual background and we seek to draw people into a deeper relationship with the Divine through Jesus Christ in our worship, teaching and social action. St John's welcomes anyone and seeks to build a congregation that reflects the diversity of the community we serve. We are aware that a number of our parishioners, along with occasional members of our congregation, are of other or no faith but all are welcomed with generosity and hospitality. While often facilitated by maintenance of and careful use of our historic building, restrictions on contact and socialising in 2020 meant that this was often done at a distance: via livestreaming services, cards, letters, e-mail, WhatsApp, telephone calls and, when permitted, small groups chatting informally outside after a service.

The staff and PCC have taken into account the Charity Commission's guidance on public benefit, especially the guidance specifically for charities for the advancement of religion, when planning activities in order to meet this objective.

Objectives and Activities

Church Attendance

Average attendance on a Sunday during the whole year was 100. However, numbers varied pre- and post-lockdown and then according to government guidance. Averages therefore should be considered as follows;

Pre-lockdown	142 (132 in 2019)
Post first lockdown	79
Sundays when only livestreaming allowed	13
Approximate engagements via livestreaming	230

We were encouraged by the high number of engagements with livestreaming during the first lockdown and again in the second; however, we note that 'engagements' does not necessarily mean that people engaged for very long and indeed, the number that engaged for three minutes or longer was considerably lower – between 35 and 45 maximum. We should note that an engagement accounts for one computer screen and in many cases one engagement would represent a couple or even more in the case of families. We were therefore encouraged that a significant number of people remained connected and participated in worship electronically even though it is very difficult to ascertain exactly how many did so in a meaningful way.

Easter fell during the first lockdown, when no public worship was permitted. Services were able to take place at Christmas, when attendance for the three services was 176 (230 in 2019). The number on the parish Electoral Roll at 31st December stood at 163.

Membership of the congregation is diverse, with representation from most socio-economic spectra: gender, ethnicity, age, sexual orientation, political persuasion and religious background. While around 50% are drawn from our ecclesiastical parish, many others travel in from neighbouring parishes and further afield. The international makeup of the congregation means that there is a significant amount of coming and going, reflecting London life in the area with people attending services when they are in town but nonetheless on a regular basis.

Church Activities and Highlights

The year began well. Attendances were slightly higher than the previous year. We celebrated Epiphany on 5th January with a family eucharist, featuring the procession of the kings and presentation of gifts, and Epiphany Carols the following Sunday.

On Candlemas, 2nd February, we said good-bye to Margaret Legg, a self-supporting minister, who was retiring after more than 12 years of part time service to the parish. Margaret worked initially 2 days a week, reducing in recent years to one day, plus Sundays. She was a valued member of the clergy and staff team, playing a full role on the preaching and presiding rota, taking on a pastoral role and organising Culture Vulture Ventures. The parish eucharist was followed by a champagne reception after the service, after which there was a sit-down lunch in the nave. A special presentation was made to Margaret in gratitude for her service. As part of Margaret's farewell commemorations, a drinks party was held to which all who had taken part in one of the Culture Vulture Ventures were invited and there were also two dinners for her – one with the staff team and another with the churchwardens.

A review of Sunday evening services in Lent resulted in consolidating our resources into an additional carol service for Lent: Being Mindful, exploring the Lenten themes of mortality, fasting, prayer, restoration and perseverance through readings, hymns and music by our choir and musicians. The service took place on Sunday evening, 8th March, and was attended by 84 people.

As the pandemic began to show up in the country, we were approached in early March by local councillors and Age UK, Westminster to explore the use of the church as a base for food storage and parcel assembly. Shortly after the first lockdown began, food was delivered to St John's on a weekly basis and parcels assembled by a group of volunteers who then distributed them to those shielding, along with the vulnerable and elderly. As a means of storage, they were allocated space along the south aisle of the church. Our thanks to our verger, Andrejs Livins, who liaised with them to open the building for all their activities.

In response to the Covid-19 pandemic, parish life was turned upside down. Our last service during which a congregation was physically present was on 15th March. The following Sunday churches up and down the country were closed to public worship and a small team livestreamed the service from the sanctuary without a congregation. Over the following days, under instruction both nationally and from the Bishop of London, churches were closed for all worship and clergy asked to livestream from their homes. For the next three months Sunday morning services and weekday evening prayer from Monday to Friday were livestreamed from the vicarage and the curate's house, with volunteers taking part in the service to read and lead the intercessions from their homes. Over the weeks, the livestreaming became slightly more elaborate as familiarity with technology allowed us to include the participation of volunteers to read and lead the intercessions. In addition, short clips were pre-recorded for the notices, which included presentations from the treasurer and also featured the lay staff explaining what they were up to during lockdown. From 8th June churches were allowed to open for private prayer only and a team could once again livestream from the sanctuary. Public worship resumed from 5th July.

The cautious reopening involved the carrying out of risk assessments at each stage of opening and the removal of approximately half the chairs in order that clusters of chairs for family units could be created with 2 metres' distance from another cluster. Sanitisation and cleaning procedures were introduced The congregation remained

standing in their places to receive communion and all hospitality was suspended. Until September, only one service at 10am was reinstated on Sundays.

A 'Community Behaviour Agreement', one of the government requirements for reopening, presented as a more user-friendly document in question and answer style, was drafted, circulated to parishioners and put on the website. A risk assessment was conducted at that time and reviewed on each revision of government or Church of England guidance. As the vulnerable and elderly were still being encouraged to isolate, livestreaming continued until they were able to attend services at the beginning of September, when we also resumed the 8am Sunday service.

Over the summer we welcomed a new curate, Georgina Elsey, recently graduated from Cranmer Hall, Durham. Due to Covid, ordinations could not take place until September so she joined as a licensed lay worker, Following her ordination on Saturday, 26th September we formally welcomed her as a deacon the next day at the 10am service.

Attendance the first two months of reopening averaged 57, but after the summer holidays, average attendance was 79, with a high of 100 the Sunday before the second lockdown in November. We resumed livestreaming the 10am service and evening prayer and recorded our usual November programme of evening services either immediately after the 10am service or during the week to be shown on Facebook at 6pm Sunday evenings.

Remembrance Sunday fell during the second lockdown. The clergy and staff in church for the livestreaming did process to the War Memorial, where a wreath was laid by a former member of the armed forces. The ceremony was attended by a number of ex-servicemen, serving diplomats and international armed services personnel, as well as members of the community. Some of these returned at 11am on 11th November a few days later. A similar rite had been enacted on 16th August to mark the 75th anniversary of VJ Day. Sadly, plans to mark VE Day in May had to be cancelled as the church was closed at that time.

The second lockdown was lifted on the second Sunday of Advent and the planned Advent Sunday carol service took place that evening. A Christingle service for the children and young families was held on Advent 3. The nativity play and carol service were held as usual on the Sunday before Christmas, albeit with much smaller numbers and everything according to social distancing guidelines.

Christmas services followed the usual pattern with attendance roughly 50% of the previous year.

Fellowship and Social Life

All hospitality both in church and at the vicarage was suspended from the first lockdown and remained so for the rest of the year.

Fellowship, such as it was, was limited to that which could be conducted online. An invitation went out each week to join the clergy after the Sunday morning service for virtual coffee via Zoom! and the vicar hosted a Wednesday morning virtual coffee during the first lockdown. During the second lockdown, coffee over Zoom on Sunday mornings continued but with less take up, as people began to feel Zoomed out!

Several parishioners voluntarily set up Zoom events during the first lockdown on Tuesdays that ran into the summer: a music workshop for children, originally in the

morning, then in the afternoons so that older children could join in after school, and a popular quiz at in the evening.

When public worship first resumed, people were allowed to meet in small groups of up to six and we set out cones in the forecourt around which people could gather a minimum of two metres apart provided they remained in that group and did not intermingle. This allowed the clergy to have some contact with people.

From the first lockdown, the clergy encouraged members of the congregation to keep in touch with one another through telephoning and Zoom and they indeed kept in contact with many members of the congregation, especially those who were shielding.

A proportion of a grant from the Heritage Lottery Fund was for re-engaging the local community. This enabled us to host both an outdoor theatre event on 8th October and a community carol singing on 21st December. These events were received well and alerted us to the forecourt as an attractive space for this kind of event. This of course has been enhanced in recent years by the Church Commissioners' installation of a lighting scheme at the west end of the church. Planned social events on the vicarage terrace for up to six people, socially distanced, were not able to happen due to the November lockdown and December restrictions; however, we were able to purchase a marquee and accessories which will enable us to host such events once restrictions are lifted and make them much less reliant on the weather.

Applications had been invited by the Heritage Lottery Fund (HLF) for emergency funding from heritage sites. We were asked to submit lost income and how this money would have been spent had it been raised in relation to all non-religious activities. For St John's, the application related to maintenance and repair of the organ and as a building used by the local community for a variety of activities. The application was successful.

Culture Vulture Ventures

Culture Vulture Ventures is a programme of social activities which take place 2-3 times per term such as an outing to a theatre, place of interest, concert, even the seaside and includes a meal or other social time for people to interact. Initiated by Margaret Legg and initially aimed at the over 50's, they have proved immensely popular to a broad range of people across all age groups. Margaret bowed out in great style by organising a private tour of Buckingham Palace in January. The event was so oversubscribed that two booking were required and the dinner after was held in two separate locations in order to accommodate all who wished to go.

As a new curate was scheduled to arrive over the summer , it was envisaged that they would take over the organisation of these events in due course and in the meantime other members of staff would take it in turn to organise an event. Sadly, the lockdown put all plans for any future events on hold for the foreseeable future.

Children at St John's

From the time of the enforced closure in March, all children's activities largely came to a standstill and this naturally affected the numbers of those under 16 at services when they resumed. In place of Kids' Club on a Sunday morning, Blanche Mbanda made a short video each week that was uploaded to the website with a short lesson centred on that week's gospel along with a craft. The videos were very good and often as interesting to adults as they were to children. A young families WhatsApp group was formed and Christmas cards were sent by the clergy team to the children in December.

Adult Education

It had already been decided to take a break from the usual Lent course hosted at the Grosvenor Chapel before Covid hit. However, the bi-monthly Wednesday evenings that met for Bible study and to discuss matters of ethics and theology in a local pub were expanded to meet four times a month and were held on Zoom:

First Wednesday – Bible study
Second Wednesday – Ignatian Prayer
Third Wednesday – living faith
Fourth Wednesday – pub theology

Confirmation preparation had been scheduled in the weeks preceding Easter, leading to a Confirmation by the Bishop of London in May. Confirmations having been suspended until further notice, this did not take place; however, we were joined electronically by the Bishop of London on Sunday, 17th May.

A group took part in Courageous Conversations, a discussion group in response to Black Lives Matter.

Music at St John's

With worship going online and being livestreamed from homes, musical life at St John's came to a complete stop. As we became more adept at using available technology, however, our Director of Music was able to work with the choral scholars to pre-record an anthem for some of the Sundays during the first lockdown, with scholars recording their parts from various areas of the country, and within a few weeks this became a much-valued feature of our online worship. Aware of choral scholars' dependence on income from St John's, especially when other sources of income had dried up, St John's continued to pay their weekly fee, subject to monthly reviews of finances by both the vicar and treasurer as well as Standing Committee. When public worship resumed in July, one cantor was allowed to sing. On the last Sunday of July, the end of the academic year, all eight scholars were in church even though only one sung for the service, but afterwards all eight sang Rutter's *The Lord Bless You and Keep You* socially distanced outside on the carpark.

With the resumption of public worship, we undertook a commitment to support our musicians by using them as much as possible on Sunday mornings, although this was generally limited to one per Sunday in order to adhere to social distancing requirements. When we returned to livestreaming services, this was no longer possible due to the fees they were due under Performing Rights issues and we were mindful of minimising costs. The opening up for public worship again in time for our music services in December was welcome so that we could incorporate them into our Christmas plans.

The Heritage Lottery Grant referred to above covered the costs of our Director of Music for four months in his role as curator of the organ. A key element covered by the grant was a children's music project to be delivered for students from local primary schools. Our Director of Music produced this project over a six-week period, going into St James and St John Primary School preparing the children for a production of *Oliver!*. It was then performed in the church alongside music students from Royal Holloway School of Music.

Social Outreach and Charitable Giving

St John's aims to support local and related charities as part of its ministry. We were pleased to host Age UK Westminster for them to store food and to prepare food parcels for those shielding and isolating. For Harvest, collections received on Sundays in October went to purchase a pallet of food for the North Paddington Food Bank, the bulk of the money having been raised by carol singing in December 2019. A donation tin for the Royal British Legion was in church and £98 was raised. In December, our usual children's activities for St Nicholas were replaced by a Christingle and the collection, after expenses, went to support the work of the Children's Society.

In June a family privately made cookies and distributed them to elderly and isolating parishioners. In early December, the parish office distributed potted hyacinth bulbs to the vulnerable and isolating. At Christmas, the families of Kids' Club organised the children to make items for gift bags for our elderly parishioners, most of whom were on their own, at Christmas.

Working practices

With the closure of churches in March, all staff worked remotely during the first lockdown. Staff met at 10am and 4pm on Zoom to facilitate work and ministry and to keep everyone connected. With the reopening of churches for private prayer and meditation in June, the administrator and verger resumed working in the building in order to staff it with the verger based in the church itself and the administrator in the office at the rear of the building. This continued during the second lockdown as well, when the curates alternated days working from home and in the office. When the church was open, only members of staff were allowed into the office and were expected to sanitise their hands before entering. Staff meetings took place in church with staff socially distanced.

Parishes in Partnership

St John's continued to offer support and encouragement to St John's, Kensal Rise and is partnered with The Church of the Heavenly Rest in New York City. A similar relationship with Kirchengemeinde Halensee in Berlin is in the very early days of exploration. An exchange of visits that had been hoped to have taken place in 2020 had to be deferred due to the pandemic and the consequent travel restrictions.

Working in Local Schools

Our voluntary aided primary school, St James & St John, which we share with St James's, Sussex Gardens, was supported throughout the year by all the clergy through governorship, support of the head teacher and the provision of assemblies and Christmas services all through Zoom, Google Teams and Google Classrooms. Despite a traumatic year for the school, indications are that it is doing extremely well in terms of numbers of admissions to both the nursery and reception years. Our thanks to Mark Hewitt, the head teacher, for leading the school and coping so admirably with the changing circumstances.

We should note that the school remained open for children of key workers and for vulnerable children during both lockdowns and staff responded extremely well to providing educational resources online and keeping in touch with children.

Covid limited the numbers of schools coming to St John's this year but Connaught House School was still able to have their Christmas programme in church.

Safeguarding

Ensuring the safety and security of all who worship at St John's or who use the building is a primary concern of the PCC. They have a Safeguarding Policy which gives due regard to the House of Bishops' guidance on safeguarding children and vulnerable adults and which is reviewed annually at the first meeting following the Annual Parochial Church Meeting.

Covid raised new safeguarding issues. Livestreaming services meant that volunteers participating in the service would be shown in their private homes. With the reopening of the church in June, a priority for the PCC was to ensure that all those entering the church could do so safely. To achieve this, daily cleaning & sanitising procedures were drafted and staff trained to carry them out, sanitising stations set up, stocks of PPE purchased, a new seating plan enabling people to observe social distancing was implemented and signage alerting people to safe practices was displayed. The Sunday eucharist was reviewed and adapted: a cantor led the music instead of a full choir, the procession of the clergy and cantor amended to avoid going through the congregation, a volunteer was on duty as people came into church to encourage them to sanitise their hands and a new procedure for the distribution of bread at communion was created. Many attending services during these times expressed appreciation of the efforts made to enable them to attend worship safely.

Trustee Induction

Due to the coronavirus, the annal meeting was not held until 25th October. As there were restrictions in place on meeting with people outside one's own household or support bubble, inductions for new PCC members and our new church warden were not able to take place.

Fabric Development

During the first lockdown, water ingress took place which was not discovered until May. Repairs were required both to the roof and ceiling in the organ chamber as well as to the organ itself. The costs of these repairs were met through the grant from the Heritage Lottery Fund and from a claim on our insurance policy.

Following on from an electrical inspection in 2019, the second phase of works arising from that inspection were carried out during the year thanks to the grant from the Heritage Lottery Fund.

The drop-down ladders accessing storage areas above the kitchen and toilets were reaching the end of their life and needed replacing. The ladder above the toilets had been replaced early in the year and, thanks again to the HLF grant, we were able to replace the ladder leading to the space above the kitchen.

A programme of roof cleans was carried out throughout the year along with annual maintenance of the fire safety equipment, clock, gas central heating systems and roof safety system.

Statement of Parochial Church Council Responsibilities

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

Charity law requires the PCC to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the church and of the incoming resources and application of resources for that period. In preparing those financial statements the PCC is required

a) to select suitable accounting policies and then to apply them consistently;
b) to observe the methods and principles in the Charities SORP;
c) to make judgements and estimates that are reasonable and prudent;
d) to state whether the policies adopted are in accordance with the appropriate Statement of Recommended Practice (SORP) on Accounting by Charities and the Accounting Regulations and applicable accounting standards, subject to any material departures disclosed and explained in the financial statements and
e) to prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue.

The PCC is responsible for keeping proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the church and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the Statement of Recommended Practice on Accounting and Reporting 2019 (FRS 102). It is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

Financial Review

From the beginning of the first lockdown, Standing Committee met monthly to consider the impact of Covid-19. Normally, in a year when one source of income might not quite meet budget, it is possible to raise additional income elsewhere. In 2020, however, nearly all sources of income were affected: parking income plummeted at the start of each lockdown (although it recovered soon after), hire of the church evaporated completely and all bookings after 22 March cancelled, Paint Pots Montessori Nursery approached us for a reduction in their rent and weddings, funerals and memorial services were all deferred if not cancelled. While some rents did come in, they were often deferred over several months.

Several fortuitous occurrences greatly helped during the course of the year:

- parishioners kept up their regular giving and many made additional donations or set up a new regular standing order in favour of the PCC. A number of parishioners also made extraordinary donations.
- the William Gibbs Religious & Educational Trust made a larger than usual grant of £105,000 (normal grant is £40,000) and Standing Committee earmarked the additional £65,000 for our Ministry Reserve, in order to comply with the Diocese of London's wish for us to demonstrate the ability to fund all four years of our curate's costs
- the Heritage Lottery Fund made a grant of £94,000 to cover some general core costs, recovery costs due to Covid, urgent repair works and costs to re-engage the local community. While £60,000 of this covered items we could have deferred or would only have undertaken had the money came in, it still provided £34,000 to cover regular running costs such as heating, lighting, insurance, remuneration of the Verger and Director of Music (who look after our heritage building and organ) and routine maintenance. The contribution to staff remuneration was especially welcome as Standing Committee had taken the decision in April (and reaffirmed it throughout lockdown) not to furlough any staff

but to continue to pay them as it was felt that all staff were working efficiently from home except for the verger, who continued to collect charges from the few vehicles using the carpark, largely builders and key workers. He also facilitated the use of the building by Age UK. In addition, he supplied a number of parishioners with shopping not covered by essential food parcels.

Before the two grants mentioned above, the PCC were facing a potential deficit for the year of £80,000. In order to break even for the year, it was able to use £34,000 of the HLF grant and only put aside £47,000 (instead of the full £65,000) of the William Gibbs additional grant into the Ministry Reserve. It also drew £22,196 from the Music Reserve (Standing Committee had potentially agreed to draw down £28,196 to cover the costs of continuing to pay the choral scholars and Director of Music during the first lockdown).

In 2017, the PCC took a loan from the Diocese of London for £200,000 in order to assist with funding high level repairs to the masonry and gutters. The balance outstanding at 1st January was £52,000. Before lockdown, it made a repayment of £20,000 and because of the funding of the HLF, it was able to make a further repayment of £13,333. There is a balance of £18,667 outstanding which is due to be repaid by the end of 2021.

Payments to the Diocese

The standard parish cost for 2020 was £85,200. The PCC agreed a further contribution to Common Fund, from which clergy stipends and costs are paid, of £8,800 for a total contribution of £94,000. In addition, £81,512 was paid to the Diocese to cover the costs of our assistant curates.

Total payments to the Diocese of London for 2020 amounted to £175,512.

Reserves Policy

The PCC budgets to put £10,000 each year in the Church Maintenance Reserve and £5,000 in its Staff Accommodation Deposit and Ministry Reserves. A larger than usual grant from the William Gibbs Religious & Educational Trust has allowed the Ministry Reserve to be increased by £47,000. This reserve demonstrates the parish's ability to pay the costs of having additional clergy.

Each year the PCC budgets £1,500 for refurbishment of one room in the vicarage as encouraged by the Archdeacon. As this was not spent in 2020, it was also set aside in a reserve to be used in 2021.

Structure, Governance and Management

The Parochial Church Council is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council (Powers) Measure 1956 and is a charity registered with the Charity Commission for England and Wales.

The appointment of members to the PCC is governed by and set out in the Church Representation Rules. New members to the PCC as well as churchwardens normally undergo an induction to brief them on their legal obligations under Church Law, the content of the Constitution, the Council and the decision-making processes, and the recent performance of the Church. Due to Covid this did not happen but we note that the newly elected churchwarden had previous experience as a member of the PCC and as assistant churchwarden. We also note that members of Standing Committee elected

in 2019 remained in place until December 2020 and no new members of the PCC were elected until 25th October.

Organisation

The PCC meets regularly throughout the year and there are committees to which there are delegated specific duties. In 2020 these committees were largely unable to meet although some business was conducted via Zoom.

The Standing Committee is the only committee required by law. It has power to transact the business of the PCC between its meetings subject to any directions given by the Council. Members of the Standing Committee comprise the Vicar, Church Wardens, Deputy Church Wardens and Treasurer. There is an open seat on Standing Committee for one member of the PCC to attend each meeting on the proviso that they give prior notice. The full PCC met four times during the year. The Standing Committee met nine times during the year.

Risk Management

In order to mitigate the financial impact of the decrease in revenue from all income streams due to the Covid-19 pandemic, a close eye was kept on finances on a monthly basis through the following:

- monthly meetings by telephone between the vicar and treasurer
- regular review of finances and spending by the vicar and a churchwarden
- monthly reasonable worst case budget reviews and income & expenditure actuals by the administrator
- monthly meetings of Standing Committee

The PCC was aware that its wise accumulation of reserves for ministry and music as well as building maintenance put the parish in a better position to get through the pandemic than would otherwise have been the case. It is also aware that 2021 is likely to be a very precarious year financially and careful use of resources will be required.

The PCC has an appropriate insurance policy with Ecclesiastical Insurance. This is reviewed periodically to ensure that the sums insured are adequate and a review was conducted in 2019.

The PCC felt it important to reopen as soon as possible once regulations permitted. Risk assessments were carried out and reviewed for private prayer & meditation, public worship, working practices and use of the parish hall. They were reviewed on each change of guidance issued by the government or by the Church of England and adapted to comply with any changes. Actions taken in this regard have already been set out under Safeguarding above.

Clergy and Staff Housing

The Vicarage at 18 Somers Crescent forms part of the Vicar's freehold. While being maintained by the Diocese of London, the parish is responsible for internal decoration and any improvement works. The PCC budgets £1,500 annually for redecoration works. In a year when this is not spent, it is put aside into a reserve for use in a future year.

The parish has leases on two additional properties from the Church Commissioners which may be used for the accommodation of clergy and other members of staff. Robert Greenhill, our Director of Music, occupies the first floor flat at 12a Connaught Street. As

our assistant curate has his own house, the second and third floor maisonette at 12a Connaught Street has been returned to the Church Commissioners but will be made available again to the parish for the next member of staff.

23 Archery Close is available for housing staff on a long lease. In preparation for occupancy by our new curate, Georgina Elsey, works of £8,954 were carried out and were covered by drawing this sum from the Clergy Accommodation Reserve.

Looking Ahead

The challenges of the Covid-19 pandemic continue into 2021 and the PCC is aware that there will likely be no return to normality for many months to come; and while restrictions may be eased into the summer, there is a likelihood that they may be increased again during the winter of 2021/22. The emergence and rollout of the vaccine programme bring signs of hope to some return to more normal functioning, but it is likely to be a slow process not only in terms of the relaxation of social distancing guidelines, but also in building up confidence for large congregations to return. The prohibition of international travel will also have an impact on members of our community that commute between different countries as they may be unable to move freely to and from London.

Financial prudence and careful planning will be required. In the absence of any new grants, St John's is likely to rely heavily on reserves again during the coming 12 months.

We hope that we will be able to re-engage with members of the community as and when we are allowed, in small groups and by outdoor social events in the summer.

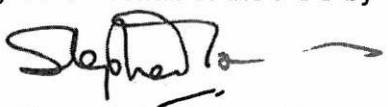
It is likely that the reduced number of choral scholars appointed for the academic year 2020//21 will be continued into 2021/22 and there may be a need to reduce the numbers of musicians at services. Having said that, our loyalty to our musicians will encourage us to use them as and when we are able according to finances. We note that as of yet, very few weddings and blessings have been scheduled for 2021.

We very much hope that congregational giving will continue to be generous and are aware that we may need to encourage this as the year goes on. The vicar and administrator are also aware of the need to keep a close eye on the possibilities of emergency funding or help with maintenance from outside sources.

Auditors

TC Group were first appointed to audit the 2013 financial statements after a review of our audit procedures. They were reappointed to audit the 2020 financial statements.

Signed on behalf of the PCC by



The Reverend Stephen Mason, Chair
22nd April 2021

Independent Auditor's Report to the Parochial Church Council of St John the Evangelist with St Michael and all Angels

Opinion

We have audited the financial statements of the Parochial Church Council St John the Evangelist with St Michael and all Angels (the 'charity') for the year ended 31 December 2020 which comprise the Statement of Financial Activities (incorporating the Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement and the 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 31st December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis 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 Parochial Church 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 Parochial Church Council 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 2020 report of the Parochial Church Council, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, 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.

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 Parochial Church Council members' report; or
- the charity has not kept adequate accounting records; 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 the Parochial Church Council members

As explained more fully in the Statement of Parochial Church Council Responsibilities statement, the Parochial Church Council members 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 Parochial Church Council 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 Parochial Church Council 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 Parochial Church Council members either intend to liquidate the charity or 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 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the Parochial Church Council members and other management (as required by auditing standards), and discussed with the Parochial Church Council members and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Charities Act 2011) and the relevant charity regulations in the UK;
- We considered the nature of the industry, the control environment and the charity's performance;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the charity has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. 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.

TC Group

TC Group (Statutory Auditor) Date: 13 May 2021
Office: Portsmouth

TC Group is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

St John the Evangelist with St Michael and All Angels, Paddington

Statement of Financial Activities (Incorporating Income & Expenditure Account)

Year Ending 31st December 2020

	2020			2019
	Unrestricted Funds	Restricted Funds	Total	Total
	£	£	£	£
Income from:				
Donations and Legacies	374,980	101,692	476,672	345,926
Charitable Activities	29,136	0	29,136	112,210
Other Trading Activities	77,998	0	77,998	91,513
Investments	9	0	9	27
Total Income	**482,123**	**101,692**	**583,815**	**549,676**
Expenditure on:				
Raising Funds	7,813	0	7,813	34,682
Charitable Activities	399,248	103,930	503,178	460,118
Other	5,000	0	5,000	5,100
Total Expenditure	**412,061**	**103,930**	**515,991**	**499,900**
Net Income/(Expenditure)	70,062	(2,238)	67,824	49,777
Transfers between Funds	**13,333**	**(13,333)**	**0**	**0**
Net Movement in Funds	**83,395**	**(15,571)**	**67,824**	**49,777**
Reconciliation in Funds				
Total funds brought forward	82,045	80,963	163,008	113,231
Total funds carried forward	**165,440**	**65,392**	**230,832**	**163,008**

All income and expenditure derive from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised during the year.

St John the Evangelist with St Michael and All Angels, Paddington

Balance Sheet

Year Ending 31st December 2020

	2020 £	2019 £
Fixed Assets		
Tangible Assets	0	2,498
Current Assets		
Debtors[1]	27,084	36,282
Cash at bank and in hand[2]	270,329	237,404
Creditors: Amounts falling due within one year[3]	(47,914)	(61,176)
London Diocesan Fund loan due in 2021	(18,667)	(13,000)
Net current assets/(liabilities)	**230,832**	**199,510**
Long Term Liabilities		
London Diocesan Fund loan	0	(39,000)
Net Assets	**230,832**	**163,008**
Charity Funds		
Restricted Funds[4]	65,392	80,963
Unrestricted Funds		
General Funds	319	(1,746)
Ministry Reserve	81,358	34,358
Clergy Accommodation Maintenance Reserve	21,499	30,453
Church Maintenance Reserve	44,505	34,505
Rainy Day Appeal Funds	20,472	27,021
Vestments	4,454	4,454
Development Funds	(18,667)	(52,000)
Staff Accommodation Deposit	10,000	5,000
Planned Maintenance	1,500	0
Total Unrestricted Funds	165,440	82,045
Total Charity Funds	**230,832**	**163,008**

The financial statements were approved and authorised for issue by the Parochial Church Council on 8th March 2021.

Signed on behalf of the Parochial Church council

Ian Nelson

Ian Nelson, Treasurer
22nd April 2021

The notes on pages 29-35 form part of these financial statements.

St John the Evangelist with St Michael and All Angels, Paddington

General Fund Income & Expenditure

Year Ending 31st December 2020

SOFA Headings		Unrestricted £	Restricted £	2020 Total £	2019 £
	INCOME				
Donations and Legacies	Donations Elgbl for Gift Aid	99,750	0	99,750	93,658
	Envelopes	576	0	576	937
	Non-Taxed Pledges	1,940	0	1,940	3,120
	Tax Refund	32,475	0	32,475	27,097
	Collections	4,469	0	4,469	6,669
	Other Donations	72,809	0	72,809	71,487
	Alms	413	0	413	1,010
	Fellowship	122	0	122	2,216
	Special Clergy Services	4,171	0	4,171	2,246
	Church Comm	18,000	0	18,000	18,000
	Grants	105,000	80,442[5]	185,442	40,000
	Insurance Claims	11,964	0	11,964	0
	Vol Trust Admin Contrib	9,500	0	9,500	9,250
		361,189	**80,442**	**441,631**	**275,690**
Charitable Activities	Special Services	5,733	0	5,773	2,318
	Hire of Church	15,037	0	15,073	76,134
	Hire of Hall	6,866	0	6,866	28,312
	Other Rents	1,500	0	1,500	5,447
		29,136	**0**	**29,136**	**112,210**
Other Trading Activities	Forecourt Income	30,490	0	30,490	35,721
	Nursery School Rent	27,513	0	27,513	37,217
	Crypt Rent	19,995	0	19,995	18,575
		77,998	**0**	**77,998**	**91,513**
Investments	Interest	**9**	**0**	**9**	**27**
TOTAL INCOME		**468,332**	**80,442**	**548,774**	**479,440**
TOTAL EXPENDITURE		**(411,721)**	**(73,927)**	**(485,648)**	**(485,035)**
SURPLUS/(DEFICIT) FOR YEAR		**56,611**	**6,515**	**63,066**	**(5,595)**
DESIGNATED RESERVES USED:					
	Church Maintenance Reserve			0	12,594
	Clergy Accommodation Reserve			8,954	0
	Ministry Reserve			18,000	0
SURPLUS/(DEFICIT) INCORPORATING USED RESERVES				**86,565**	**6,999**
DESIGNATIONS TO RESERVES					
	Church Maintenance Reserve			10,000	0
	Ministry Reserve			65,000	5,000
	Planned Maintenance			1,500	0
	Staff Accommodation Deposit Reserve			5,000	5,000
SURPLUS/(DEFICIT) AFTER DESIGNATIONS				**2,065**	**(3,001)**

St John the Evangelist with St Michael and All Angels, Paddington

General Fund Income & Expenditure

Year Ending 31st December 2020

SOFA Headings	EXPENDITURE	Unrestricted £	Restricted £	2020 Total £	2019 £
Raising Funds	Forecourt Expenditure	2,256	0	2,256	3,142
	Events Costs	5,498	0	5,498	30,442
		7,754	**0**	**7,754**	**33,584**
Charitable Activities	London Diocesan Fund	94,000	0	94,000	90,000
	Additional Clergy Costs	81,512	0	81,512	55,571
	Vicar's Expenses	10,835	0	10,835	11,116
	Additional Clergy Expenses	2,150	0	2,150	1,629
	Rents, Running Costs	29,325	0	29,325	32,166
	Archery Close Works	8,954	0	8,954	0
	Vicarage Routine Maintenance	188	0	188	0
	Children's Education	249	0	249	315
	Adult Education	0	0	0	75
	Kensal Rise Plant	86	0	86	150
	Director of Music	2,827	5,653	8,480	16,293
	Music Expenses	3,815	9,083	12,898	39,593
	Oliver! School Music Project	0	9,841	9,841	0
	Fellowship	1,814	5,104	6,918	13,863
	Special Clergy Services	3,473	0	3,473	1,612
	Altar Requisites	2,395	0	2,395	2,414
	Light, Heat & Insurance	9,499	7,291	16,790	15,031
	Cleaning	8,201	1,919	10,119	9,695
	Grounds	989	0	989	1,666
	Repairs & Maintenance	15,526	13,087	28,613	22,593
	Organ Protection & Repairs	0	4,635	4,635	0
	Organ Chamber Repairs	0	7,918	7,918	0
	Printing & Publicity	4,210	0	4,210	3,073
	Administrative Staff	51,122	0	51,122	51,026
	Verger	16,585	9,397	25,982	25,229
	Staff Pension Contributions	23,320	0	23,320	21,759
	Catering Staff	0	0	0	2,913
	Office Expenses	13,928	0	13,928	12,956
	Equipment	789	0	789	179
	Depreciation	2,498	0	2,498	3,122
	Miscellaneous Expenses	582	0	583	4,279
	Professional Fees	10,095	0	10,095	8,033
		398,967	**73,927**	**472,894**	**446,352**
Governance Costs	Audit Fee	5,000	0	5,000	5,100
		5,000	**0**	**5,000**	**5,100**
TOTAL EXPENDITURE		**411,721**	**73,927**	**485,648**	**485,035**

St John the Evangelist with St Michael and All Angels, Paddington

Development Fund Income & Expenditure

Year Ending 31st December 2020

	Unrestricted	Restricted	2020 Total	2019
INCOME	£	£	£	£
Congregational Donors	13,791	0	13,791	45,057
Gift Aid on Donations	0	0	0	7,096
Fund Raising Events	0	0	0	6.958
Other Grants	0	13,558[5]	13,558	0
TOTAL INCOME	**13,791**	**13,558**	**27,349**	**59,112**
EXPENDITURE	£	£	£	£
Events Costs	59	0	59	1,098
Loan Interest	281	225	506	1,804
TOTAL EXPENDITURE	**340**	**225**	**565**	**2,902**
SURPLUS/(DEFICIT)			**26,784**	**56,210**
Loan Repayments to the Diocese of London			(33,333)	(54,000)
Transfer from Rainy Day Reserve			6,549	0
SURPLUS/(DEFICIT)			**0**	**2,210**

St John the Evangelist with St Michael and All Angels, Paddington

Organ Fund Restricted Income & Expenditure

Year Ending 31st December 2020

	2020	2019
INCOME	£	£
Donations	0	3
TOTAL INCOME	**0**	**3**
EXPENDITURE		
Events	0	100
Organ Consultant's Fees & Bonus	0	(800)
Organ Tuning & Maintenance	276	1,771
TOTAL EXPENDITURE	**276**	**1,071**
SURPLUS/(DEFICIT)	**(276)**	**(1,068)**
BALANCE BROUGHT FORWARD	**10,425**	**11,494**
BALANCE CARRIED FORWARD	**10,149**	**10,425**

St John the Evangelist with St Michael and All Angels, Paddington

Other Restricted Income & Expenditure

Year Ending 31st December 2020

	2020	2019
INCOME	£	£
Charities Income	1,252	1,232
Flower donations	1,702	1,527
Under 5's	0	338
Music Donations – Director of Music	910	695
Music Donations – Singers & Musicians	1,621	1,110
Mary Poppins Schools Project	0	5,000
Clergy Leaving Purse	2,207	815
TOTAL INCOME	**7,692**	**10,717**
EXPENDITURE		
Charitable Donations	1,252	1.232
Flower Expenses	1,702	1,527
Under 5's Expenses	0	338
Music Expenditure – Director of Music	9,165	695
Music Expenditure – Singers & Musicians	15,176	860
Mary Poppins Schools Project	0	5,000
Clergy Leaving Purse	2,207	815
TOTAL EXPENDITURE	**29,502**	**10,487**
SURPLUS/(DEFICIT)	**(21,810)**	**230**
BALANCE BROUGHT FORWARD	**70,536**	**70,306**
BALANCE CARRIED FORWARD	**48,726**	**70,536**

St John the Evangelist with St Michael and All Angels, Paddington

Statement of Cash Flows

Year Ending 31st December 2020

	2020 £	2019 £
Cash flows from operating activities:		
Net cash provided by (used in) operating activities	**66,258**	**31,134**
Cash flows from financing activities:		
Cash flows from new borrowings	0	0
Repayment of borrowings	(33,333)	(54,000)
Net cash provided by (used in) operating activities	**32,925**	**(22,886)**
Change in cash & cash equivalents In the reporting period	32,925	(22,886)
Cash and cash equivalents at the beginning of the reporting period	237,404	260,270
Cash and cash equivalent at the end of the reporting period	**270,329**	**237,404**

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

Net movement in funds for the reporting period (as per the SOFA)	61,309	49,777
Adjustments for:		
Depreciation charges	2,498	3,122
(Increase)/decrease in debtors	(6,747)	(8,572)
Increase/(decrease) in creditors	9,198	(13,193)
(Purchase)/sale of fixed assets	0	0
Net cash provided by (used in) operating activities	**66,258**	**31,134**

Analysis of cash and cash equivalents

Cash in hand	270,329	237,404
Notice deposits	0	0
Total cash and cash equivalents	**270,329**	**237,404**

St John the Evangelist with St Michael and All Angels, Paddington

Notes to the Financial Statements

Year Ending 31st December 2020

a) General information and basis of preparation

The Parochial Church Council of St John the Evangelist with St Michael and All Angels, Paddington is a registered charity with the Charity Commission for England and Wales. The address of the registered office is given in the charity information on page 4 of these financial statements. The nature of the charity's operations and principal activities are, in co-operation with the vicar, promoting within the Parish the whole mission of the Church: pastoral, evangelistic, social, ecumenical and community building.

The charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with the Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in according with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102) (issued in October 2019) – (Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102) and the Companies Act 2006.

The financial statements are prepared on a going concern basis under the historical cost convention modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant policies applied in presentation of these financial statements are set out below. These policies have been consistently applied to all years present unless otherwise stated.

b) Funds

Unrestricted funds are available for use at the discretion of the trustees 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 trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

The accounts include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body nor those that are informal gatherings of church members.

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 cost 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.

c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be

received. For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity; however, it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes rates and other costs appropriate to that activity, including costs incurred in fundraising and appeals;
- Expenditure on charitable activities includes all costs incurred in fulfilling the church's objectives, together with any costs in support of these. This category includes costs normally considered support costs but because the building and staff are integral to fulfilling our objectives, they are included here.
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

e) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

- Equipment – 3-5 years on a straight line basis
- Grand piano – 10 years on a straight line basis

Consecrated and beneficed property is not included in the accounts in accordance with s.10(2)(a) and (c) of the Charities Act 2011. Movable church furnishings held by the Vicar and Churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property. They are listed in the church's inventory which can be inspected (at any reasonable time). For inalienable property acquired prior to 2000 there is insufficient cost information available and therefore such assets are not valued in the accounts. Subsequently no individual item has cost more than £1,000 so all such expenditure has been written off when incurred.

f) Debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

g) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

h) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

i) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

j) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

As set out in the Statement of Parochial Church Council Responsibilities Statement on pages 12 to 13, in preparing these financial statements the PCC are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate. In satisfaction of this responsibility the PCC has considered their expectations for the charity over the next 12 months and the charity's ability to meet its liabilities as they fall due, based upon the information available to the PCC at the date of these financial statements.

At the time of approving the financial statements, the charity has significant cash reserves of £224,317, which the charity calculates is sufficient to cover the operating costs of the charity for a period of at least six months. In addition, the charity has strategies planned to address potential significant changes to its incomes during the forthcoming period, should the charity experience a significant change in its incomes.

The PCC therefore has a reasonable expectation that the charity has adequate resources to contend with the uncertainties that may arise as a result of the UK Governments ongoing strategies for tackling the COVID-19 pandemic and to continue in operational existence for the foreseeable future. Thus the PCC continues to adopt the going concern basis of accounting in preparing the financial statements.

Accordingly, the financial statements are prepared on a going concern basis, under which assets are recovered and liabilities repaid in the ordinary course of activities. The accompanying financial statements do not include adjustments that would need to be made in the case the charity was unable to continue as a going concern, should the assumptions referred to above subsequently prove to be invalid.

[1]Debtors	2020 £	2019 £
Sundry Debtors	8,844	5,830
Income Tax Recoverable	18,240	30,452
TOTAL	27,084	36,282
[2]Cash at Bank and in Hand		
General Fund	240,036	203,603
Petty Cash	120	120
Special Purposes Account	30,173	33,681
TOTAL	270,329	237,404
[3]Amounts Falling Due within One Year		
Sundry Creditors	41,914	55,076
Rent Deposits	1,000	1,000
Audit Fee	5,000	5,100
Diocesan Loan	18,667	13,000
TOTAL	66,581	74,176
[4]Restricted Funds		
HLF Grant	6,515[5]	0
Memorial Garden	3,834	3,834
Music	43,650	65,460
Vestments	1,244	1,244
Organ Fund	10,149	10,425
TOTAL	65,392	80,963

[5]HLF Grant

In September the HLF awarded a grant to the Parochial Church Council which was to be spent on approved categories of expenditure. The award covered some expenditure not incurred until January 2021. Under the terms of the grant, should the funds not be spent by 31st January 2021 or the expenditure not approved by the HLF, they could require the funds to be repaid. At 31st December, £6,515 was due to be used to cover expenditure in January 2021. A restricted fund was set up which will be used either to cover these costs once approved by the HLF or to cover the repayment should the HLF not approve the expenditure.

Changes in Reserves

Unrest funds	Bal b/f	Income	Expend	Loan Rpymts	Trans	Bal c/f
Gen Fund	134,045	468,332	(411,721)	(20,000)	13,451	184,107
Devel Fund	(52,000)	13,791	(340)	33,333	(13,451)	(18,667)
Subtotals	82,045	482,123	(412,061)	13,333	0	165,440
Restrct funds						
HLF Grant						
Gen Fund	0	80,442	(73,927)	0	0	6,515
Dev Fund	0	13,558	(225)	(13,333)	0	0
Organ Fund	10,425	0	(276)	0	0	10,149
Other Funds	70,538	7,692	(29,502)	0	0	48,728
Subtotals	80,963	101,692	(103,930)	(13,333)	0	65,391
TOTALS	163,008	583,815	(515,991)	0	0	230,832

Fixed Assets for Use by the PCC

	Equipment	Grand Piano	Total
Gross Book Value at 1 January 2020	41,732	17,000	58,732
Additions	0	0	0
(Disposals)	0	0	0
as at December 31 2020	41,732	17,000	58,732
Depreciation at 1 January 2020	39,234	17,000	56,234
Charge for the Year	2,498	0	2,498
Release on Disposal	0	0	0
at 31 December 2020	41,732	17,000	58,732
Net Book Value at 31 December 2020	0	0	0
at 31 December 2019	2,498	0	2,498

Analysis of Net Assets by Fund

	Unrestricted Funds	**Restricted Funds**	**Total**
Fixed Assets	0	0	0
Current Assets	239,090	68,323	297,413
Current Liabilities	(63,650)	(2,931)	(66,581)
TOTAL ASSETS	**165,440**	**65,392**	**230,832**

STAFF COSTS	2020 £	2019 £
Wages and Salaries	79,431	80,079
Social Security Costs	8,465	8,635
Pension Costs	9,280	12,575
TOTAL COSTS	97,176	101,289

The average number of staff during the year was two (two in 2019). No employee was paid more than £60,000 during the year or preceding year. In addition to salaries, fees of £16,960 were paid to Robert Greenhill.

Pension contributions are currently payable for two members of staff and clergy and are made under a defined contribution scheme.

FUND DETAILS

In 2007, the Parochial Church Council adopted a Reserves Policy which established the following funds: General Reserves, Ministry Reserve, Music Reserve, Church Maintenance Reserve and Clergy Accommodation Reserve. The policy was reviewed in 2013 and 2019.

The General Reserve is for any surpluses over and above those specified under the policy. It is the aim of the PCC to build up reserves to cover six months' running costs.

The Ministry Reserve was created in 1998 when the PCC decided to recruit an Associate Vicar. It is a provision made to cover anticipated additional ministry costs that might not be met by the operational budget.

The Staff Accommodation Deposit is a new reserve, created by the PCC in recognition that the properties they lease for the accommodation of staff are on short- to medium-term rolling leases and agreements. The aim of the PCC is to build up adequate funds to provide for the deposit to purchase a property in which to house staff and so reduce dependence on leased properties.

The flourishing of a music tradition over the past years has greatly enhanced the worship on Sundays and at special services. Many of the costs of the choir, director of music and guest singers and musicians have been generously provided by members of the congregation. Donations received in excess of costs are accumulated and held in a restricted reserve. In recognition of the fluidity of the parish and that generous contributors to the music programme may only be around for a short time, the PCC have aimed to have the equivalent of two years' costs in reserve.

The Clergy Accommodation Reserve was created in 2001 when major repairs and renovations to most of the clergy accommodation made a large call on parish resources. Currently, the PCC are setting aside £1,500 a year towards future Vicarage redecoration works in years when no works are undertaken.

In 2007 the PCC began replacement of its vestments, many of which had given considerable service and were nearing the end of their lives. A fund was set up into which the PCC designated funds each year and into which donations toward new vestments were put. In 2010 orders were placed with Messrs Watts & Co for white and gold sets of vestments. Red vestments were acquired in 2012. Further sets will be purchased as funds become available. Once the restricted donations for vestments have been exhausted, the remaining amounts will be taken from funds designated for vestments by the PCC.

The clergy house used to accommodate curates is held on an historic agreement which expires in in approximately 15 years. It is unlikely that the agreement will be renewed so Standing Committee began to budget to set aside funds each year and held in a Staff Accommodation Deposit Reserve in order to build up a deposit to purchase a property when the existing house is no longer available.

Restricted funds held by the PCC are as set out in note 4 to the Balance Sheet. Details on the HLF fund have been given in note 5 on page 32. Memorial Garden funds will be used to develop one of the gardens along the church as a Garden of Remembrance. The Music Reserve holds funds donated explicitly for music. Vestments are as set out at the

top of this page. The Organ Fund arose when the grade 2* listed organ was refurbished in 2015 and is used for upkeep and maintenance of the organ.

In considering how to fund major repairs to the roof and high level masonry carried out in 2017, the PCC had cash reserves, some of which had been designated for such purposes. Other reserves, however, represented restricted funds on the balance sheet and it was felt that it would be inappropriate to use these funds to pay for the costs of the works. An application therefore was made to the Diocese of London for a loan of £200,000 which was approved. The loan was drawn on during the course of the works. The PCC repaid £54,000 of the loan in 2019 and £33,333 in 2020.

2020 PAYMENTS TO PCC MEMBERS

No elected members of St John's PCC received any reimbursement of expenses or remuneration. All clergy are reimbursed reasonable expenses incurred in the performance of their duties. In 2020, such reimbursements totalled £20,596.

Trustees' and Officers' Indemnity is provided for members of the PCC under the terms of the church's insurance cover and is included in the premium for the year.

COMMITMENTS UNDER OPERATING LEASES

At 31 December 2020 the charity had commitments under non-cancellable leases as follows:

		2021	2020
Operating leases which expire:			
Due within 1 year	12a Connaught Street	4,962	4,962
Within 2-5 years	12a Connaught Street	4,962	4,962

The assistant curate taken on by the PCC in 2018 has his own house and he wished to live there during his term. In order to assist the PCC with the additional cost of a housing grant to enable this, the Church Commissioners offered to take back the 2nd and 3rd floor maisonette at 12a Connaught Street. From the proceeds of letting it, they would make a contribution of £1,500 per month to assist the PCC with these costs. They would again make it available to the PCC at the end of the curate's time at St John's.

CONNECTED CHARITY

The church received grants in the year of £105,000 from the William Gibbs Religious and Educational Trust. Furtherance of the educational and charitable work of the Church of England in the parish of St John the Evangelist is one of the objectives of the Trust. The Vicar and Churchwardens of St John's are *ex officio* trustees. The parish administrator also serves as clerk to the Trust and the Trust Administration Contribution is a voluntary donation on the part of the Trust in recognition of the services provided by him and in recognition that expenses are incurred by the parish in servicing the Trust. A contribution of £9,500 was made for 2020.

AUDIT FEE

The fee for the audit of the 2019 accounts was £5,100. A provision of £5,000 has been made for the audit of the 2020 accounts.