



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 at 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, vergers 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.

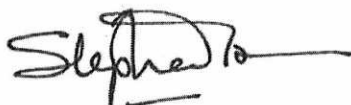
Results from the last census seem to indicate that those moving into the area are now young couples with no children or older people at or approaching retirement. Ministering to

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

A handwritten signature in black ink, appearing to read 'Stephen', followed by a horizontal line.

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.

A handwritten signature in black ink that reads "TC Group". The signature is written in a cursive, slightly stylized font.

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

	Unrestricted Funds £	2022 Restricted Funds £	Total £	2021 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 year³	(58,725)	(55,149)
Net current assets/(liabilities)	281,184	231,766
Net Assets	<u>281,184</u>	<u>231,766</u>
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	<u>281,184</u>	<u>231,766</u>

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		2022	2021
<u>Headings</u>	<u>INCOME</u>	£	£
Donations	Donations Eligible for Gift Aid	86,958	92,948
and	Envelopes	600	511
Legacies	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	Special Services	19,073	14,805
Activities	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	Forecourt Income	37,607	42,411
Trading	Nursery School Rent	41,633	42,217
Activities	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		2022	2021
Headings	EXPENDITURE	£	£
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
<u>INCOME</u>	£	£
Donations & Grants	<u>0</u>	<u>0</u>
TOTAL INCOME	0	0
<u>EXPENDITURE</u>	£	£
Loan Interest	<u>0</u>	<u>410</u>
TOTAL EXPENDITURE	0	410
SURPLUS/(DEFICIT)	0	(410)
Loan Repayments to the Diocese of London	0	0
Transfer from Rainy Day Reserve	<u>0</u>	<u>410</u>
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 £
<u>INCOME</u>		
Donations	<u>0</u>	<u>0</u>
TOTAL INCOME	0	0
 <u>EXPENDITURE</u>		
Organ Plaque	0	86
Organ Tuning & Maintenance	<u>1,933</u>	<u>1,858</u>
TOTAL EXPENDITURE	1,933	1,944
SURPLUS/(DEFICIT)	(1,933)	(1,944)
BALANCE BROUGHT FORWARD	<u>8,205</u>	<u>10,149</u>
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

<u>INCOME</u>	2022 £	2021 £
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	<u>0</u>	<u>1,900</u>
TOTAL INCOME	14,919	17,677
<u>EXPENDITURE</u>		
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	<u>0</u>	<u>1,900</u>
TOTAL EXPENDITURE	9,140	15,852
SURPLUS/(DEFICIT)	5,779	1,825
BALANCE BROUGHT FORWARD	<u>50,553</u>	<u>48,728</u>
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	<u>69,131</u>	<u>(28,200)</u>
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	<u>311,260</u>	<u>242,129</u>
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	<u>69,131</u>	<u>(9,533)</u>
Analysis of cash and cash equivalents		
Cash in hand	311,260	242,129
Notice deposits	0	0
Total cash and cash equivalents	<u>311,260</u>	<u>242,129</u>

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 accordance 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.

<u>¹Debtors</u>	2022	2021
	£	£
Sundry Debtors	2,080	25,153
Income Tax Recoverable	<u>26,569</u>	<u>19,633</u>
TOTAL	28,649	44,786

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

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

<u>⁴Restricted Funds</u>		
Memorial Garden	3,834	3,834
Music	46,254	45,475
Vestments	1,244	1,244
Servers' Robes	5,000	0
Organ Fund	<u>6,272</u>	<u>8,205</u>
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)	<u>0</u>	<u>0</u>	<u>0</u>
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	<u>0</u>	<u>0</u>	<u>0</u>
at 31 December 2022	41,732	17,000	58,732
Net Book Value at 31 December 2022	<u>0</u>	<u>0</u>	<u>0</u>
at 31 December 2021	<u>0</u>	<u>0</u>	<u>0</u>

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	<u>223,580</u>	<u>57,604</u>	<u>281,184</u>

STAFF COSTS	2022 £	2021 £
Wages and Salaries	82,111	75,035
Social Security Costs	6,355	8,026
Pension Costs	<u>14,613</u>	<u>14,040</u>
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 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.

