



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
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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, vergers and associate vicars 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 vergers 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 vergers 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 vergers.

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.

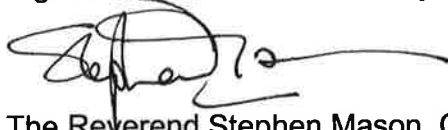
We continue to seek a self-supporting minister since the retirement of Margaret Legg in February 2020. An SSM will enable us to provide a vibrant ministry for older members of the congregation. Attempts to recruit an SSM are ongoing via advertising in a newsletter for self-supporting ministers and to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

Date: 19 March 2025

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

	Unrestricted Funds £	2024 Restricted Funds £	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 year⁴	(76,951)	(55,949)
Net current assets/(liabilities)	483,428	259,001
Net Assets	<u>491,373</u>	<u>259,001</u>

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	<u>491,373</u>	<u>259,001</u>

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, 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		2024	2023
<u>Headings</u>	<u>INCOME</u>	£	£
Donations	Donations Eligible for Gift Aid	100,340	88,161
and	Envelopes	308	470
Legacies	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	Forecourt Income	38,805	37,632
Generating	Nursery School Rent	44,841	43,758
Funds	Crypt Rent	3,824	4,000
		87,470	85,390
Incoming	Special Services	13,811	9,919
Resources	Hire of Church	239,295	90,560
frm Charitable	Hire of Hall	16,808	23,671
Activities	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		2024	2023
Headings	EXPENDITURE	£	£
Raising Funds	Forecourt Expenditure	5,691	4,527
	Events Costs	42,560	21,619
		48,251	26,146
Charitable	London Diocesan Fund	100,000	97,000
Activities	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

	2024 £	2023 £
Jenny Clark Fund		
Value of fund on receipt at 21 st 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

<u>INCOME</u>	£	£
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	<u>2,850</u>	<u>1,965</u>
TOTAL INCOME	12,570	13,724
 <u>EXPENDITURE</u>		
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	<u>2,850</u>	<u>1,965</u>
TOTAL EXPENDITURE	12,945	13,364
SURPLUS/(DEFICIT)	(375)	360
BALANCE BROUGHT FORWARD	<u>62,604</u>	<u>62,604</u>
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	<u>95,768</u>	<u>(21,592)</u>
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	<u>385,436</u>	<u>289,668</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)	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	<u>95,768</u>	<u>(21,593)</u>
Analysis of cash and cash equivalents		
Cash in hand	385,436	289,668
Notice deposits	0	0
Total cash and cash equivalents	<u>385,436</u>	<u>289,668</u>

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 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) 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.

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

³Cash at Bank and in Hand

General Fund	385,316	289,548
Petty Cash	<u>120</u>	<u>120</u>
TOTAL	385,436	289,668

⁴Amounts Falling Due within One Year

Sundry Creditors	70,131	49,009
Rent Deposits	1,000	1,000
Audit Fee	<u>5,820</u>	<u>5,940</u>
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)	<u>(8,030)</u>	<u>0</u>	<u>(8,030)</u>
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	<u>(8,030)</u>	<u>0</u>	<u>(8,030)</u>
at 31 December 2024	36,630	17,000	53,630
Net Book Value at 31 December 2024	<u>7,945</u>	<u>0</u>	<u>7,945</u>
at 31 December 2023	<u>0</u>	<u>0</u>	<u>0</u>

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	<u>290,550</u>	<u>200,823</u>	<u>491,373</u>

STAFF COSTS

	2024 £	2023 £
Wages and Salaries	135,856	96,788
Social Security Costs	14,785	10,737
Pension Costs	<u>17,088</u>	<u>17,580</u>
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 1 year	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.