



St John's PCC Annual Report and Accounts

Year ended 31 December 2021

The Parochial Church Council of the Ecclesiastical Parish of St John the Evangelist, Blackheath
("St John's PCC") is a registered charity number 1132894

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St John's PCC: Report of the Trustees

The trustees submit their Report and the Financial Statements of St John's PCC for the year ended 31 December 2021.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Name

The Parochial Church Council of the Ecclesiastical Parish of St John the Evangelist, Blackheath are the trustees who administer St John's Church, Blackheath. The charity is also referred to as St John's Church, St John's Parochial Church Council and St John's PCC (which is the name used in this report).

Address

The correspondence address is St John's Church, Stratheden Road, Blackheath, London SE3 7TH. It is part of the Diocese of Southwark within the Church of England.

Legal status

St John's PCC is a registered charity under number 1132894.

Governing document

St John's PCC has two approved governing documents: The Parochial Church Council's (Powers) Measure 1956 as amended and the Church Representation Rules (contained in Schedule 3 to the Synodical Government Measure 1969, as amended).

Appointment of trustees

The Church Representation Rules specify the composition of St John's PCC who are the trustees of the charity. St John's PCC is made up of ministerial appointments, lay churchwardens (elected by the parishioners annually at the Annual Parochial Church Meeting) and lay members of the PCC and Deanery Synod (elected for a three-year renewable term at the Annual Parochial Church Meeting). In addition, there are co-opted lay members with defined responsibilities. St John's PCC was chaired by the incumbent until June 2021. From July, at the invitation of the minister under M19(2)(c), the PCC has been chaired by one of the churchwardens as vice-chair (Samuel Hart). All eligible members of the Church are encouraged to join the electoral roll. When vacant positions arise, requests for nominations are published in St John's Church.

Trustees induction and training

New lay trustees are provided with detailed information on their legal obligations under charity law and an explanation of what the role will entail. Their training needs are assessed from time to time by the St John's PCC and training provided where required. Trustees are encouraged to attend appropriate external and diocesan training events where these will facilitate the undertaking of their role.

Organisational structure

St John's PCC members who have served from 1st January 2021 until the date this report was approved, or the date shown if different, are set out below.

<i>Incumbent:</i>	Reverend Dr Edward Scrase-Field
<i>Assistant curate:</i>	Reverend Andrew Beswetherick
<i>Curate:</i>	Reverend Chris Hanning (until March 2022)
<i>Churchwardens:</i>	Samuel Hart Vanessa Ratcliffe

<i>Elected lay representatives:</i>	Tunde Akinkugbe (elected APCM 2021) Jane Beswetherick (elected APCM 2018, until April 2021) Hannah Burns (elected APCM 2018, until April 2021) Pete Burns (elected APCM 2019, until April 2021) Hannah Lockwood (elected APCM 2018, until April 2021) Alice Makoni (elected APCM 2019, until April 2021) Louisa Nevison-Andrews (elected APCM 2021) Tim Webster, PCC Secretary (elected APCM 2021) Julia Wright (elected APCM 2021)
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Lay representatives to the Deanery Synod: Victoria Alexander (elected APCM 2020)
Richard Godden (elected APCM 2020)
Katharine MacKenzie (elected APCM 2020)
Katherine McPherson (elected APCM 2020)
Jeremy Olsen (elected APCM 2020)

Co-opted members: Raki Bogan (Treasurer)

St John's PCC had nine ordinary business meetings during the year, which were held monthly excluding April (when the APCM was held), August and December. Various committees met between meetings and details of their deliberations were received by St John's PCC for discussion and endorsement where necessary.

The standing committee is the only committee required by law. It has power to transact the business of the PCC between meetings, subject to any directions given by the PCC. The Leader's Council was established and comprises the standing committee. Current membership is Victoria Alexander, Matt Baker, Richard Godden, Chris Hanning (until March 2022), Samuel Hart, Vanessa Ratcliffe and Edward Scrase-Field (Chair).

The following were eligible to join St John's PCC as co-opted members but chose not to assume their positions.

Readers: Louis Alexander
Stephen Greenall
Rosie Medhurst

Risk management

The primary aim of St John's PCC is the promotion of the gospel of our Lord Jesus Christ and as Christians we trust that God will complete His work and purposes in us. St John's PCC acknowledges the requirement to identify and manage the risks faced in achieving its primary aim. To this end St John's PCC has identified the primary risks to which it is exposed which relate to operational areas and finances. Identified risks are routinely reviewed and systems or procedures designed to manage those risks have been established.

Safeguarding

The PCC has a duty of care to ensure the protection of the vulnerable in the church community. In this regard the PCC promotes a safer church for all in the church community and has a plan to raise awareness and promote training where required. The PCC has adopted the House of Bishops' Promoting a Safer Church safeguarding policy statement and also has regard for the Diocesan safeguarding policies and practice guidance. The PCC has appointed Louisa Nevison-Andrews as Parish Safeguarding Officer who regularly reports on safeguarding in the parish. Safeguarding is a standing agenda item at each PCC meeting.

AIMS, OBJECTIVES, ACTIVITIES AND ACHIEVEMENTS

Aims

The primary aim of St John's PCC is the promotion of the gospel of our Lord Jesus Christ according to the doctrines and practices of the Church of England.

Objectives

St John's PCC has the responsibility of supporting and co-operating with the incumbent in promoting the whole mission of the Church, pastoral, evangelistic, social and ecumenical in the ecclesiastical parish and for continuing that work during the absence of an incumbent.

Public benefit

The trustees have given due regard to the Charity Commission's guidance on public benefit. St John's PCC's current vision statement comprises three pillars: Growing in Outreach, Growing in Discipleship and Growing the Next Generation.

Activities and achievements

St John's welcomes people of all ages, backgrounds and viewpoints. Up to four Sunday services are held, at 07.30 (one Sunday per month for a traditional Holy Communion using the Book of Common Prayer), 09.15 and 11.15 (family-friendly and welcoming services for all ages with children's activities, Bible teaching and music worship) and 18.00 (an informal service in a variety of different formats). Regular meetings for prayer are held some weekday mornings and on the second Monday evening of each month. In addition to the regular services, baptisms, thanksgivings for the birth of children, marriage and funeral services are held throughout the year.

During the week the church building is open to visitors for a few hours each day and many group meetings and activities take place. As a church family, members support each other through the challenges of daily life. This includes through friendship and hospitality as two of the many gifts God has given to care for each other. Small groups meet in people's homes or at church to discuss the Bible, pray together, have fun and support each other in the development of the Christian faith. As Christians the desire is to be a positive presence in the community. This includes in the parish, in places of work and through mission partners in the UK and overseas.

The coronavirus pandemic meant that activities were restricted for periods of the year, although some were able to continue virtually during these periods. All Government and Church of England guidelines pertaining to places of worship were followed.

Church attendance

The electoral roll currently totals 237, a small decrease from 246 in the previous year. Approximately 84% of these people live outside the Parish. The average weekly attendance counted during October 2021 was 120 adults and 45 children (though more watched online).

Review of the year

St John's continues to exist to grow disciples of Jesus Christ committed to worshipping God in all aspects of life. This is especially by sharing the good news of Jesus Christ and showing love to one another and the wider communities. Through 2021, led by the Vicar, St John's continued to progress the Vision (which was started in 2017) to grow the church and deepen our commitment to Jesus Christ. The Vision is structured under the three pillars of Growing in Outreach, Growing in Discipleship and Growing the Next Generation.

The year continued to be impacted by the coronavirus pandemic which necessitated a number of material changes to the operations of the church. Sunday services were held in-person when permitted and also broadcast online. Other events were cancelled or were held virtually and the church building was open when permitted, with staff working remotely for some of the year. The pandemic presented challenges including the loss of life, where the church sought to assist those affected pastorally. A Hardship Fund provided practical assistance to people in need.

Fabric report

A project of refurbishment to the exterior of the building was started in October 2020 and completed in March 2021. This attended to a number of small masonry issues in the tower and elsewhere as well as replacement of the north porch roof. The project was the culmination of a small number of issues which had arisen since the last major work to the exterior of the building which was undertaken in the 1980s. Minor repairs were made to the interior of the building when required. A quinquennial inspection was undertaken in April 2021 which identified a small number of issues, but none classified as "needing immediate attention". The Elsie Marshall Memorial Hall continues to be let to a local nursery midweek.

Members of staff

In addition to the Vicar, Edward Scrase-Field, the work of the church continued to be supported by Chris Hanning as Curate. Children and Youth work continued to be led by Hannah Mugenyi and Matt Lockwood respectively until the latter's departure in July 2021. Liam Chiltern continued as Ministry Assistant (Music Coordinator), Cathy Livesey as Administration/Operations Assistant and Sue Redford as Parish Worker.

Children's work (up to school year 6)

The Children's work is led by Hannah Mugenyi. Meetings were able to start in-person again this year including children's groups on a Sunday morning and regular parent and toddler meetings called Footprints. Challenges over this period include adapting to changing guidelines, helping families to transition back to in-person church and working with a severely reduced volunteer team. Some activities, including Fri-J's children's club and regular schools work are yet to resume. Evangelistic events such as a Summer Holiday Club, Light Party and Christmas Events and Services have presented opportunities to welcome members of the community into the church to hear about Jesus. About 180 school pupils visited for The Christmas Journey as well as groups from The Pointer and Invicta schools who visited for Christingle Services.

Youth work (school years 7-13)

Youth work continued to be led by Matt Lockwood until his departure in July and from August it has been led by volunteers Jamie and Chloë Ginns. The year provided some new opportunities to engage with young people following the pandemic. In-person sessions were able to commence again as of September and there was no

longer a need for virtual sessions. Four mid-week groups operated: Brave (a Bible study group for girls in school years 7-13), Gravity (a Bible study group for boys in school years 10-13), Fuel club night (a youth club for young people in school years 7-9) and Legacy club night (a youth club for young people in school years 10-13). On Sundays two sessions run: Fuel runs during the evening service (for those in school years 7-9) and Legacy after the evening service (for those in school years 10-13). All groups have grown in terms of attendance numbers, although some more than others. The Brave Bible study group and the Legacy Sunday night group are the best-attended groups of the week. Other activities have included some day trips and a sleepover in the church, with future activities planned including a youth camp in July 2022.

Discipleship

Edward Scrase-Field, Victoria Alexander and Chris Hanning oversaw the coordination of small groups, which continued to play an important part in the life of the church. There are 12 small groups containing around 130 members which meet in various homes, or the church, predominantly on Tuesday, Wednesday and Thursday evenings. Group study material has been recommended to complement the overall church teaching programme. In recent months notes and questions specifically linked to each Sunday morning sermon have been distributed weekly to the leaders. Other activities during the year included a bereavement course, two seeker courses and a meditation and prayer course.

Community outreach

Activities in the community continued to be impacted by the coronavirus pandemic, though efforts continued where permitted. Regular activities include a pub discussion group and a knitting group. In November Andrew Beswetherick led the Royal Borough of Greenwich's public act of Remembrance where local councilors and other dignitaries attended. Christmas community events included a Live Nativity (street drama retelling the story of Christmas), the Nativity Experience (church members dressed up to retell parts of the Christmas story alongside craft activities) and Beer and Carols held in a local pub. The church also set up and operates the St John's Foodbank Welcome Centre. Members of the church have also been involved in the establishment of a local Christians Against Poverty branch. Visitors attended the church during opening hours to pray and discuss life matters. Positive relationships with local businesses continued, with regular visits to promote events, build connections and offer prayer.

Fellowship/pastoral

Make Your Mark, a monthly lunch, craft and biblical teaching session for over 60s recommenced physical meetings. A number of attendees also participate in Holiday at Home, a summer week which included activities such as biblical teaching, lunches, craft, quizzes and a coach trip. Monthly telephone contact is maintained with most members and others needing support and encouragement. A team of visitors continued home visits to older members of the congregation, particularly those unable to attend because of health issues. Three services were held at Westcombe Park Nursing Home, although regular visiting has been restricted. Support for church families having babies continued, including prayer sessions and meal provision.

Missionary Committee

The Committee aims to support and inform the congregation about St John's mission partners. The church provides both financial and prayer support for the work of several diverse missions, operating in the UK and overseas. The Committee comprises Beverley Campbell, Tony Gosden, Ann Hill, Christine Legg, Barbara Ray, Janel Rehn and Edward Scrase-Field. Three Sunday services a year are designated Mission Sundays to maintain the profile of the mission activities that the church supports. Regular mission newsletters are also produced to enable the congregation to receive updates and prayer points for the missions.

FINANCIAL REVIEW

Overview

Following a year dominated by the Coronavirus pandemic, St John's PCC was concerned about the potential impact on giving in 2021. Although some lowered or suspended regular giving, this was broadly offset by new givers which allowed St. John's PCC to continue to meet its commitments to the diocese, staff and other operational requirements. Overall there was a small net general fund loss of £6,455. In 2021 only £22,000 of the budgeted £36,000 quantum was able to be transferred to the maintenance fund in line with the reserve policy guidelines. The Maintenance fund after net expenses of £2,128 and budgeted allocation of £22,000 from General Fund stands at £69,784. An amount of 11% of General Fund income from offerings is tithed to Mission work each year (for details see note 7.1). Mission work, including work in Tanzania, incurred expenditure of just over £51,000 (for details see note 7.2).

During 2021 the Finance Committee was unchanged and comprised: Treasurer (Raki Bogan), Payments Manager (Christine Legg), Payroll Manager (Joanna Godden), Gift Aid Management (Chris and Amanda Coombes) and Accounts Manager (Tony Gosden).

Reserves policy

St John's being a church within the jurisdiction of the Church of England is responsible for the good order of the church building and its associated church hall and for operating the normal function of an evangelistic church.

The St John's PCC has considered the reserves that are appropriate having regard to the scope of the activities of St John's Church and the buildings and other assets for which it is responsible. Its policy is, at the end of each financial year, to have (a) cash in bank and in hand at least equal to the amount of the creditors less the amount of the debtors (excluding prepayments and any amount owing by HMRC) at the year-end (to ensure that it can pay its year-end debts as they fall due) and (b) the following reserves:

- (i) a liquidity reserve equal to the amount of budgeted General Fund tax recoveries for the following financial year less the amount of any budgeted General Fund surplus for that year prior to any budgeted transfer to the Maintenance Fund; at the year end, the balance of the liquidity reserve was £29,000 (2020: £32,500)
- (ii) a budget deficit reserve equal to the amount of any budgeted General Fund deficit for the following financial year prior to any budgeted transfer to the Maintenance Fund; at the year end, the balance of the budget deficit reserve was £Nil (2020: £Nil)
- (iii) a short-term income deficiency reserve equal to one third of the amount of the budgeted General Fund income for the following financial year; at the year end, the balance of the short-term income deficiency reserve was £148,433 (2020: £152,067)
- (iv) a maintenance reserve of at least £150,000 or, in the years following major expenditure on repairs and maintenance, such lower amount as the PCC may consider adequate having regard to the likely scheduling of future repair and maintenance costs. At the year end, the balance on the maintenance reserve was £69,784 (2020: £45,656)

The first three of these reserves are held within the General Fund and must be represented by cash, short-term deposits or debt owing to St John's PCC by HMRC. At the year end the residual general fund was £1,618 (2020: £939). The maintenance reserve is held within a separate Maintenance Fund and may be represented by such assets as the PCC considers appropriate from time to time.

At the end of 2021, all of the reserves of the church were of an amount at least equal to the target amounts set out above with the amount in the Maintenance Fund being £69,784 due to expenditures carried out.

The PCC reviews the financial situation of the church at least four times per year and takes interim steps to brief the members of the church at least twice per year. Annually the PCC reviews the financial position of the church funds and makes decisions as appropriate.

Principal financial management policies

The Finance Committee prepares budgets annually which are approved by St John's PCC. Activities are managed in line with the approved budget with a view to ensuring that significant unplanned deficits do not arise.

Cash balances in excess of St John's PCC's immediate requirements are invested with CCLA Investment Management Ltd in COIF Charity Funds.

Principal funding sources

St John's PCC is principally funded by the members and attendees of the church through regular giving and to a lesser extent, irregular gifts.

Bankers

St John's PCC current account is held at Barclays Bank UK PLC branch at 93 Lewisham High Street, London SE13 6BB.

Auditors

The attached financial statements have been audited by Shipleys LLP of 10 Orange Street, Haymarket, London WC2H 7DQ.

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

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

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently; observe the methods and principles in the charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business; and
- comply with section 17(5) of the Charities Act 2011 through having regard to any guidance issued by the Charities Commission when exercising any powers or duties to which such guidance is relevant.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and provisions of the Governing Documents. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by St John's PCC on 25 April 2022 and signed on its behalf by:



Samuel Hart
Churchwarden



Vanessa Ratcliffe
Churchwarden



St John's PCC, Blackheath

Accounts
for the year ended

31 December 2021

St John's PCC
STATEMENT OF FINANCIAL ACTIVITIES

For the period from 01 January 2021 to 31 December 2021

		Unrestricted Funds			Restricted Funds	Total Funds	Prior Year
		General Fund	Missionary Fund	Maintenance Fund	Tanzania Fund		Total Funds
						2021	2020
	Notes	£	£	£	£	£	£
Income							
Donations and Legacies	3	391,290	4,030	20,454	0	415,774	389,087
Investment income	3	-1	0	478	0	477	1,687
Income from charitable activities	3	25,759	0	698	0	26,457	39,577
Total Income		417,048	4,030	21,630	0	442,708	430,351
Expenditure							
Charitable activities	4	359,395	48,646	19,502	2,531	430,074	565,821
Total Expenditure		359,395	48,646	19,502	2,531	430,074	565,821
Net Income / (Expenditure)		57,653	-44,616	2,128	-2,531	12,634	-135,470
Transfers							
Gross transfers between funds—in	11	0	42,108	22,000	0	64,108	54,912
Gross transfers between funds—out	11	-64,108	0	0	0	-64,108	-54,912
Total Transfers		-64,108	42,108	22,000	0	0	0
Net Income (Expenditure) after Transfers		-6,455	-2,508	24,128	-2,531	12,634	-135,470
Reconciliation of funds							
Total funds brought forward		185,506	19,397	45,656	5,886	256,445	391,915
Total funds carried forward		179,051	16,889	69,784	3,355	269,079	256,445

St John's PCC
BALANCE SHEET

For the period from 01 January 2021 to 31 December 2021

		Unrestricted Funds			Restricted Funds	Total Funds	Prior Year
		General Fund	Missionary Fund	Maintenance Fund	Tanzania Fund		Total Funds
						2021	2020
	Notes	£	£	£	£	£	£
Fixed Assets	8						
Current assets							
Debtors	9	56,702	0	4,000	0	60,702	52,342
Cash in bank and in hand		129,301	16,889	65,784	3,355	215,329	285,570
Total Current Assets		186,003	16,889	69,784	3,355	276,031	337,912
Liabilities							
Creditors: Amounts falling due in one year	10	6,952	0	0	0	6,952	81,467
Net current assets less current liabilities		179,051	16,889	69,784	3,355	269,079	256,445
Total net assets less liabilities		179,051	16,889	69,784	3,355	269,079	256,445

Represented by

Unrestricted : General



-liquidity reserve	14	29,000				29,000	32,500
-budget deficit reserve	14	0				0	0
-short term income deficiency reserve	14	148,433				148,433	152,067
-general reserve	14	1,618				1,618	939
Unrestricted: Maintenance				69,784		69,784	45,656
Unrestricted: Mission			16,889			16,889	19,397
Restricted: Tanzania					3,355	3,355	5,886
Total funds		179,051	16,889	69,784	3,355	269,079	256,445

Signed by two trustees on behalf of all the trustees

Signature

Print Name

Date of Approval

	Rev E Scrase-Field	21/04/22
	Mr R Bogan	21/04/22

Note 1 Basis of Preparation

General information

St John's PCC Blackheath is unincorporated and registered with the Charity Commission in England. The principal address is St John's Church, Stratheden Road, Blackheath, London, SE3 7TH. The objectives of the PCC are set out on page 4.

Basis of accounting

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019. The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The PCC meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The functional currency of the PCC is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates. The financial statements are also presented in pounds sterling.

There are no material areas of judgement or estimation.

Cash flow statement

The PCC has taken advantage of the exemption in the Charities SORP (FRS 102) from the requirement to produce a cash flow statement on the grounds that it is a small charity.

Preparation of the accounts on a going concern basis

The Finance Committee prepares budgets annually which are approved by St John's PCC, and the PCC reviews the financial situation of the church during the course of the year and takes interim steps to brief the members of the church at least twice per year. Annually the PCC reviews the financial position of the church funds and makes decisions as appropriate. Activities are managed in line with the approved budget with a view to ensuring that significant unplanned deficits do not arise. Cash balances in excess of St John's PCC immediate requirements are invested with CCLA Investment Management Ltd in COIF Charity Funds. The trustees are satisfied that, based on its current forecasts, the charity has sufficient funds to meet its liabilities and have prepared the accounts on a going concern basis.

There are no material uncertainties about the PCC's ability to continue as a going concern.

Note 2

Accounting policies

INCOME

Recognition of Income:

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income with related expenditure:

Where income has related expenditure (as with fundraising or contract income) the income and related expenditure are reported gross in the SOFA.

Grants and donations:

Grants and donations are only included in the SOFA when the charity has unconditional entitlement to the resources, it is probable that the income will be received and the amount can be measured reliably.

Tax reclaims on donations and gifts:

Income from tax reclaims are included in the SOFA at the same time as the gift to which they relate.

Investment income:

This is included in the accounts when receivable.

Legacies:

Income from legacies is included when the entitlement becomes known to St John's PCC, receipt is probable and the amount can be reliably measured.

Volunteers:

The Trust benefits greatly from the involvement and enthusiastic support of its many volunteers. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

EXPENDITURE

Recognition of expenditure:

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

Charitable activities:

Include costs of the general running of the church, its maintenance and of supporting mission causes.

Governance costs:

Include costs of the preparation and examination of statutory accounts, the cost of trustee meetings and cost of any legal advice to trustees on governance and constitutional matters.

Irrecoverable VAT:

St John's PCC is not able to recover any VAT. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Note 2

Accounting policies (cont'd)

FUND ACCOUNTING

General Fund:

Unrestricted funds in that the PCC is entitled to dispose of them as it decides, in accordance with the PCC's objectives.

Missionary Committee:

Funds are to be used for mission purposes (note 7) .

Liquidity reserve: This reserve is the lesser of the following two amounts:

- (i) The amount of the budgeted General Fund tax recovery for the following financial year less the amount of any budgeted General Fund surplus for that year prior to any budgeted transfer to the Maintenance Fund; and
- (ii) The sum of the amount of General Fund cash in bank and in hand and the General Fund HMRC debtor at the year-end less the amount of cash notionally allocated to the payment of year-end creditors (being an amount equal to the amount of the General Fund creditors less the amount of the General Fund debtors, excluding prepayments and the HMRC debtor).

Budget deficit reserve: This reserve is the lesser of the following two amounts:

- (i) The amount of any budgeted General Fund deficit for the following financial year prior to any budgeted transfer to the Maintenance Fund; and
- (ii) The sum of the amount of General Fund cash in bank and in hand and the General Fund HMRC debtor at the year-end less an amount equal to the sum of the amounts of the notional cash allocation referred to above under the liquidity reserve.

Short-term income deficiency reserve: This reserve is the lesser of the following two amounts:

- (i) One third of the amount of the budgeted General Fund income for the following year; and
- (ii) The sum of the amount of General Fund cash in bank and in hand and the General Fund HMRC debtor at the year-end less an amount equal to the sum of the amounts of the notional cash allocation referred to above, under the liquidity reserve and the budget deficit reserve.

Maintenance Reserve: This reserve is the amount in the Maintenance Fund at the year-end.

General reserve: This reserve is the balancing figure (i.e. the amount of the total General Fund reserve less the aggregate of the other General Fund reserves

Tanzania Fund: Restricted fund for specific use in supporting work in Tanzania.

PENSIONS

Contributions to defined benefit contribution plans are recognised in the period in which the related service is provided.

ASSETS

Tangible fixed assets for use by charity:

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, listed in the church's inventory, which can be inspected (at any reasonable time). Other fixed assets are capitalised if they can be used for more than one year, and cost at least £1,000. They are valued at cost or, if gifted, at the value to the charity on receipt. All fixed assets are depreciated over 3 years on a straight line basis.

DEBTORS

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

Cash at bank and in hand

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

Note 2

Accounting policies (cont'd)

LIABILITIES

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

FINANCIAL INSTRUMENTS

The PCC only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

TAXATION

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

Note 3
Analysis of Income

	<i>Unrestricted Funds</i>			<i>Restricted Funds</i>	Total Funds	Prior Year
	General Fund	Missionary Fund	Maintenance Fund	Tanzania Fund		Total Funds
	£	£	£	£	2021	2020
	£	£	£	£	£	£
<u>Donations and Legacies</u>						
Gift Aid—Bank and Envelopes	198,118				198,118	207,738
One off Gift Aid gifts	55,611				55,611	55,709
CAF Stewardship giving	16,655				16,655	10,575
Cash collections and envelopes	5,596				5,596	4,215
Monthly giving—Bank	17,876				17,876	23,224
Earmarked giving and donations	8,811	4,030			12,841	6,511
Legacies	10,000				10,000	1,000
Rent	14,300				14,300	14,300
Sub totals	326,967	4,030	0	0	330,997	323,272
Tax recoverable on Gift Aid	64,323				64,323	65,815
Other Grants			20,454		20,454	
Sub-totals	391,290	4,030	20,454	0	415,774	389,087
Investment income						
on Bank and COIF deposits	-1		18		17	537
Interest on STHA loan			460		460	1,150
Sub totals	-1		478		477	1,687
Income from Generated Funds Totals	391,289	4,030	20,932	0	416,251	390,774
Income from charitable activities						
Fees for weddings and funerals	2,345				2,345	3,875
Older people's work	634				634	668
Memorial Hall lettings	21,667				21,667	17,564
Church use	425				425	275
Parish weekend	232				232	11,061
Church events	139				139	1,634
Income re youth drop in	20				20	0
Income re Legacy youth group	50				50	150
Holiday Club	10				10	0
Footprints	229				229	336
Administration	5				5	0
Sundries	3		698		701	4,014
Income from Charitable Activity Totals	25,759		698		26,457	39,577
Income Grand Totals	417,048	4,030	21,630	0	442,708	430,351

In the prior year, income related to restricted funds amounted to £0 from donations & legacies and £0 from income from charitable activities.

Note 4

Analysis of Expenditure

	<i>Unrestricted Funds</i>			<i>Restricted Funds</i>	Gross Total	<i>Income</i>		Prior Year Gross Total
	General Fund	Missionary Fund	Maintenance Fund	Tanzania Fund		General Fund	Total Funds	
	£	£	£	£	£	£	2021 £	2020 £
Charitable activities								
Giving to missionary societies	0	44,613		2,500	47,113		47,113	47,400
Home mission	3,052	4,000			7,052		7,052	1,660
Parish share	157,200				157,200		157,200	157,200
Parish administrator	30,357				30,357		30,357	28,580
Ministry assistant	28,545				28,545		28,545	27,149
Parish worker	25,159				25,159		25,159	24,762
Childrens worker	32,904				32,904		32,904	44,127
Youth worker	11,597				11,597		11,597	20,811
Working expenses of clergy/readers	1,163				1,163		1,163	465
Youth work expenses	1,093				1,093		1,093	2,422
Visiting speakers	159				159		159	210
Vicarage expenses	0				0		0	372
Church insurance	5,795				5,795		5,795	5,515
Church office—telephone	1,826				1,826		1,826	1,971
Organ tuning and maintenance	2,789				2,789		2,789	991
Worship group	3,746				3,746		3,746	2,786
Church maintenance			19,502		19,502		19,502	128,154
Cleaning	6,906				6,906		6,906	3,515
Communion wine	0				0		0	120
Service and festival expenses	2,943				2,943	0	2,943	6,319
Wedding and funeral expenses	1,469				1,469	2,345	-876	2,565
Administration	328				328	5	323	6
Printing, stationery and computing	4,686				4,686		4,686	8,387
Children's work expense	1,536				1,536		1,536	1,435
Legacy youth group	349				349	50	299	956
Youth drop in and J's	1,198				1,198	20	1,178	338
Holiday club expenses	357				357	10	347	421
Footprints	798				798	229	569	215
Children outreach, training	529				529	0	529	456
Alpha/ Christianity explored etc	0				0	0	0	175
Conferences and courses	920				920		920	580
Parish weekend	0				0	232	-232	21,126
PCC and other church events	3,633				3,633	564	3,069	1,795
Older people's work	2,693				2,693	634	2,059	1,438
Sundry expense	9,423				9,423	701	8,722	7,120
Church heat, light and water	13,365				13,365		13,365	11,414
Hall expenses	3,430				3,430	21,667	-18,237	9,479
NIC employment allowance	-4,000				-4,000		-4,000	-9,937
Charitable activities totals	355,948	48,613	19,502	2,500	426,563	26,457	400,106	562,498
Governance costs								
Subscriptions	327				327		327	288
Bank Charges		33		31	64		64	35
Audit Fee	3,120				3,120		3,120	3,000
Total	3,447	33		31	3,511		3,511	3,323
Expenditure Grand totals	359,395	48,646	19,502	2,531	430,074	26,457	403,617	565,821

In the prior year, expenditure relating to restricted funds amounted to £0 for charitable activities.

Note 5**Details of certain types of expenditure****5.1 Trustee travel and subsistence expenses**

	This year	Last year
Number of trustees who were paid expenses	1	1
Nature of the expenses	Travel and subsistence	Travel and subsistence
Total amount paid	£1,163	£465

No Trustee or member of key management was paid a salary in the current or prior year.

5.2 Fees for examination of the accounts

Auditor's fee	£3,120	£3,000
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Note 6**Paid employees****6.1 Staff costs**

	<u>2021</u>	<u>2020</u>
	£	£
Gross wages and salaries	111,396	127,350
Employer's national insurance costs	11,996	12,552
NICs employment allowance	-4,000	-9,937
Pension Costs	<u>5,170</u>	<u>5,528</u>
	<u>124,562</u>	<u>135,493</u>

6.2 Average number of full-time equivalent employees in the year

Working on charitable activities	4.4	5.6
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The average number of employees during the year was 4.6 (2020: 5.8)

6.3 Emoluments

There are no employees with emoluments in excess of £60,000 per annum.

Note 7**Grant making****7.1 Missionary grants**

The PCC has decided to transfer 11% of the prior year's General Fund income, excluding contributions towards specific expenses, to the Missionary Committee for distribution. If, however, this amount is less than the amount given in the prior year, the PCC agreed to reduce the transfer and only 11% of the prior year's General Fund income will be given. In 2021, therefore, £42,108 was given and in 2022 £41,448 should be given.

7.2. Breakdown of Missionary grant making

(a) The Missionary Committee made the following gifts during the year:

	<u>2021</u>	<u>2020</u>
	£	£
Tear Fund	5,001	10,000
Tanzania (Mara) (unrestricted)	3,032	4,035
Youth for Christ (To support Neil & Joy)	6,000	6,000
CMS (To support Ben & Katy)	7,800	3,880
Street Pastors	2,328	1,920
Sports Chaplaincy	5,150	3,550
Greenwich Youth for Christ	6,000	6,000
Crosslinks	0	5,150
London City Mission	3,480	2,050
Other	<u>4,600</u>	<u>0</u>
	£43,391	£42,585
Other grants	<u>5,255</u>	<u>5,250</u>
	£48,646	£47,835
(b) Tanzania Fund	<u>2,531</u>	<u>0</u>
Total Missionary activities	<u>£51,117</u>	<u>£47,835</u>

7.3 The Missionary Fund holds the following balances at the year end

	<u>2021</u>	<u>2020</u>
	£	£
Allocated to named organisations	811	726
Not allocated	<u>16,078</u>	<u>18,672</u>
	16,889	19,398
(d) Tanzania Fund	<u>3,355</u>	<u>5,886</u>
Total Missionary balances	<u>£20,244</u>	<u>£25,284</u>

Note 8
Tangible Fixed Assets

8.1 Cost or valuation

	Furniture & Fittings	Office Equipment	Clavinova	Total
	£	£	£	£
At 1st January 2021	800	0	1,000	1,800
Additions	-	-	-	0
Disposals	-800	-	-	-800
At 31st December 2021	0	0	1,000	1,000

8.2 Accumulated depreciation

At 1st January 2021	800	0	1,000	1,800
Charge for Period	-	-	-	0
Eliminated on Disposal	-800	-	-	-800
At 31st December 2021	0	0	1,000	1,000

8.3 Net Book Value

At 31st December 2020	0	0	0	£0
At 31st December 2021	0	0	0	£0

Note 9
Debtors and prepayments

	2021	2020
St John's Housing Assn	0	30,000
Insurance	4,962	4,780
Parish Weekend	3,255	0
Tax recoverable	38,485	17,562
Other	14,000	0
Total	£60,702	£52,342

In the prior year, £0 of debtors related to the restricted fund.

One existing unsecured loan of £100,000 (for 15 St. John's Park) made to St John's Housing Association was repaid in the year. 2 payments of £15,000 were made for the remaining 15 St. John's Park loan. The loans aggregated reduced from £30,000 to the current balance of Nil, all representing the St John's Park loan.

Interest was payable at the greater of 2.3% per annum or the rate applied to the COIF charities deposit fund.

Note 10**Creditors and accruals**

	<u>2021</u>	<u>2020</u>
Audit	3,000	3,000
Maintenance	0	75,000
Various creditors	750	(36)
Inland Revenue	2,587	2,774
Pension provider	615	729
Total	£6,952	£81,467

In the prior year, £nil of creditors related to restricted funds

Note 11**Additional disclosures****Transfers between funds**

During 2021 £22,000 (2020: £12,000) was transferred from the General Fund to the Maintenance Fund and £42,108 (2020: £42,912) was transferred from the General Fund to the Missionary Fund, each in accordance with decisions of St John's PCC

Income from legacies

There was £10,000 income from legacies during 2021 (2020: £1,000).

Note 12**Related party transactions**

The PCC has made loans to St John's Housing Association in which a PCC member (at the time of the decision), Peter Andrews, is a member. Details of the loans are provided in Note 9.

A close family member of a trustee was paid a salary by St John's Church of £10,395 (2020: £18,587) and a pension of £473 (2020: £866).

Note 13**Cash in bank and in hand**

In the prior year, £5,886 of cash in bank and in hand related to restricted funds.

Note 14**Reserves Policy**

The liquidity reserve and the short-term income deficiency reserves are equal to the target amount that the PCC has considered to be appropriate pursuant to the Reserves Policy set out in the Trustees Report. No budget deficit reserve is required in 2021 since the 2022 budget is positive prior to maintenance allocation. The general reserve represents the balance of the reserves in the General Fund after deduction of the other reserves.

Note 15

Analysis of Funds

	Funds at 01/01/2021	Income	Expenditure	Transfers	Funds at 31/12/2021
Unrestricted funds					
General fund	185,506	417,048	-359,395	-64,108	179,051
Missionary fund	19,397	4,030	-48,646	42,108	16,889
Maintenance fund	45,656	21,630	-19,502	22,000	69,784
Restricted funds					
Tanzania fund	5,886	0	-2,531	0	3,355
Total funds	£256,445	£442,708	-£430,074	£0	£269,079

	Funds at 01/01/2020	Income	Expenditure	Transfers	Funds at 31/12/2020
Unrestricted funds					
General fund	198,841	422,839	-381,262	-54,912	185,506
Missionary fund	22,504	1,816	-47,835	42,912	19,397
Maintenance fund	164,684	5,696	-136,724	12,000	45,656
Restricted funds					
Tanzania fund	5,886	0	0	0	5,886
Total funds	£391,915	£430,351	-£565,821	£0	£256,445

INDEPENDENT AUDITORS' REPORT TO THE PCC OF ST. JOHN THE EVANGELIST CHURCH, BLACKHEATH

OPINION

We have audited the financial statements of St. John the Evangelist Church, Blackheath for the year ended 31 December 2021 which comprise the statement of financial activities, balance sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 PCC's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

INDEPENDENT AUDITORS' REPORT TO THE PCC OF ST. JOHN THE EVANGELIST CHURCH, BLACKHEATH (*continued*)

OTHER INFORMATION

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The PCC are responsible for the other information. 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. In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF PCC

As explained more fully in the trustees' responsibilities statement, the PCC 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 PCC determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the PCC are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the PCC either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE PCC OF ST. JOHN THE EVANGELIST CHURCH, BLACKHEATH (*continued*)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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:

- We obtained an understanding of the charity's activities, controls and laws and regulations and assessed the susceptibility of the charity's financial statements to material misstatement from irregularities, including fraud.
- We determined that the laws and regulations that are most significant to the charity are the Church Accounting Regulations 2006, the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Parochial Church Council's (Powers) Measure 1956 as amended and the Church Representation Rules.
- Based on this understanding we designed our audit procedures to detecting irregularities, including fraud. Testing undertaken included making enquiries on the management and those charged with governance; journal entry testing; review of bank letters, PCC minutes and governing documents; reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations. These procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the PCC.

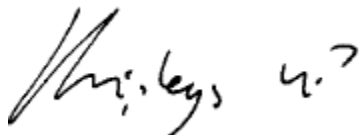
**INDEPENDENT AUDITORS' REPORT TO THE PCC OF
ST. JOHN THE EVANGELIST CHURCH, BLACKHEATH (*continued*)**

- Conclude on the appropriateness of the PCC's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

USE OF OUR REPORT

This report is made solely to the PCC (also known as "trustees"), as a body, in accordance with Section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act, and the requirements of the Church Accounting Regulations 2006. Our audit work has been undertaken so that we might state to the PCC 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 PCC as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read 'Shipleys LLP', with a stylized flourish at the end.

SHIPLEYS LLP
Statutory Auditors
10 Orange Street
Haymarket
London, WC2H 7DQ

28 April 2022