



# **St John's PCC Annual Report and Accounts**

**Year ended 31 December 2022**

**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 2022.

### **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 is chaired by one of the churchwardens as vice-chair (Samuel Hart) at the invitation of the minister under M19(2)(c). 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. All trustees are required to complete the Church of England's Foundations safeguarding training.

#### ***Organisational structure***

St John's PCC members who have served from 1st January 2022 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 2022) Louisa Nevison-Andrews (elected APCM 2021) Tim Webster, PCC Secretary (elected APCM 2022) Julia Wright (elected APCM 2021)
<i>Lay representatives to the Deanery Synod:</i>	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). Day-to-day matters not reserved for the PCC or Standing Committee are dealt with by the Vicar and Churchwardens.

The following were eligible to join St John's PCC 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. Identified risks are routinely reviewed and systems or procedures designed to manage those risks have been established. To this end St John's PCC has identified the primary risks to which it is exposed along with their respective mitigants as follows:

- Reduced donations make St John's PCC unable to meet its financial obligations: whilst the church relies on God's provision through the generosity of its members, it does operate under a reserves policy outlined on p7.
- Harm comes to those in the care of St John's PCC: physical risks are managed by Health and Safety reviews, operational risks by a number of policies and procedures and safeguarding risks by the measures outlined in the *Safeguarding* section of this report. Church members are encouraged to raise concerns and those have been brought forward, such as the front step access rails and uneven payment on the wheelchair ramp.
- Loss of key personnel: oversight of major areas of ministry is split amongst senior members of the church, principally members of the Leader's Council. Succession planning for different areas is regularly discussed by the Leader's Council.

***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:

- Revive: purposeful refreshing of our hearts;
- Build: purposeful building up of disciples; and
- Speak: purposeful growing in our witness.

### *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 Sunday School, 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 their 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.

### *Church attendance*

The electoral roll currently totals 221, a small decrease from 237 in the previous year. Approximately 84% of these people live outside the Parish. The average weekly attendance during 2022 was 175 adults and 78 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 2022, led by the Vicar, St John's updated its Vision which is now structured under the three pillars of Revive, Build and Speak.

### *Future plans*

The long term aim of St John's PCC remains the promotion of the gospel of our Lord Jesus Christ according to the doctrines and practices of the Church of England. The updated Vision and medium term planning are focused around the methods judged best to effect this in the local context.

### *Fabric report*

A quinquennial inspection was undertaken in April 2021 which identified a small number of issues, but none classified as "needing immediate attention". The items identified as requiring attention within the quinquennial period were primarily masonry in nature and were attended to in a small project during the autumn of 2022. Minor repairs were made to the interior of the building when required. 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 until March 2022. Liam Chilton continued as Ministry Assistant (Music Coordinator), Cathy Livesey as Administration/Operations Assistant and Sue Redford as Parish Worker. Children and Youth work continued to be led by Hannah Mugenyi, who moved to part time in May and resigned in January 2023. Chloë Ginns was appointed Youth Worker in June 2022 to lead efforts in this area on a part time basis. Non-Clergy staff are employees of St John's PCC. Their responsibilities and performance are discussed in an annual review with the Vicar and a Churchwarden. Pay levels are set by the Vicar and Churchwardens on behalf of the PCC with regard to the level offered for similar roles in other churches and the charity sector and with consideration to prevailing inflation levels. Budgets for their respective areas as set by St John's PCC. To support the work of the paid staff a host of volunteers fulfil a number of roles within the church for the provision of the activities. Examples of those would be leading children and youth activities during the Sunday services, welcoming and serving refreshments, upkeep and care of the grounds, organising community events. The church would not be able to have it full impact to the parish/community without the loving commitments and unmeasurable time and energy sacrifice of the congregation.

### *Children's work (up to school year 6)*

Children's work is led by Hannah Mugenyi. Weekly activities include: groups for two to 11-year olds at Sunday morning services, 'Footprints' stay and play group and 'Dig' a bible study for children in school years 4 to 6. In the course of the year the 'Footprints' stay and play group moved from offsite into the church building which has increased opportunities to talk about faith and some families have begun to attend Sunday services.

Evangelistic events such as a summer Holiday Club, Light Party, Toddler Services and Christmas Events have presented further opportunities to welcome members of the community into the church to hear about Jesus. Connections have remained with a number of local schools and events included a collective worship and Christingle service. In December six local schools totalling around 280 children visited the 'Christmas Journey' exhibition in the church building. Hannah began working part time in May and resigned in January 2023. Whilst recruitment is ongoing, the broader team has been supplemented by a number of new joiners through the year.

#### *Youth work (school years 7-13)*

Youth work continued to be led by volunteers Jamie and Chloë Ginns until Chloë Ginns was appointed as part time Youth Worker in June 2022. The year provided the opportunity for growth in youth, being the first full year following the pandemic. Five mid-week groups operated: 'Brave' (a Bible study group for girls in school years 7 to 13), 'Delve' (a Bible study group for boys in school years 7 to 9), 'Legacy' home group (a Bible study group for boys in school years 7 to 9), 'Fuel' club night (a youth club for young people in school years 7 to 9) and 'Legacy' club night (a youth club for young people in school years 10 to 13). There have been several encouragements including growth in numbers at Legacy and a number of young people making a commitment for the first time or taking the next step of baptism. Other activities have included day trips, sleepovers in the church building, a camp in July 22 which almost 50 youth attended and joint events with Greenwich Youth For Christ.

#### *Discipleship*

Edward Scrase-Field and Victoria Alexander 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 a total of around 125 members, which meet predominantly on Tuesday, Wednesday and Thursday evenings. Group study material has been recommended to complement the overall church teaching programme. Notes and questions specifically linked to each Sunday morning and evening sermon are distributed weekly to the leaders and more recently have been made available on the church website. Other activities during the year included two seeker courses and a meditation and prayer course. Church members are strongly encouraged to use *The Word One to One* books for personal evangelism and discipleship.

#### *Community outreach*

Activities in the community continued through the year. 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 councillors and other dignitaries attended. Christmas community events included a 'Nativity Pop Up' which ran over three days in an empty shop at the Royal Standard and 'Beer and Carols' were held in two local pubs. The church operates the St John's Foodbank Welcome Centre in the church building which is managed and staffed by church volunteers. 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*

Activities in the year included 'Make Your Mark', a monthly lunch, craft and bible teaching session aimed at older people. A number of attendees also participated in 'Holiday at Home', a summer week of activities such as biblical teaching, lunches, craft, quizzes and a local coach trip. Weekly telephone contact is maintained with those unable to attend the church building. In addition, a team conducts regular home visits to mostly seniors with health issues. Four services per year are held at Westcombe Park Nursing Home alongside weekly visits. In addition, a monthly communion service is held at Tudor Grange sheltered accommodation lead by the Vicar. Walk-in support and appointments are available during opening hours mid-week. Welcome teas for newcomers and other social events were held throughout the year.

#### *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, Alianore Smith (recently appointed Chair) 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*

Income for the year totalled £805,877 which is primarily composed of donations and legacies. Whilst this was a significant increase on the 2021 total of £442,708, the year saw a legacy of £345,783. Excluding this legacy, income for the year increased by 3.9% on the prior year. Total expenses increased from £430,074 in 2021 to £486,918, an increase of 13.2%. The effect of expenses growing more quickly than income resulted in a net General Fund loss of £18,884. An amount of 11% of General Fund income from offerings is tithed to mission work each year (for details see note 7.1).

Whilst the legacy is unrestricted, St John's PCC is intending to set aside the funds for a specified capital investment rather than funding ongoing working capital requirements. The nature of the capital investment has not been determined. Pending further decisions on this, the funds have been allocated to the Maintenance Fund as an interim measure. Aside from this and in light of the General Fund loss, there was a nominal transfer to the Maintenance Fund of £12,000 compared to the £36,000 budget per St John's PCC's reserves policy. Members of the church will be encouraged to consider their giving in the light of the general fund loss, context of rising costs and absent the legacy given its expected use as detailed above.

During 2022 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).

### *Grants*

The most significant grants made by St John's PCC are to mission partners. The distribution of these gifts is overseen by the Missionary Committee which operates under a Guidelines and Policy document agreed by St John's PCC. The overarching principles of mission are in line with the Anglican Communion Five Marks of Mission. Mission work, including work in Tanzania, incurred expenditure of just over £49,000 (for details see note 7.2). Grants, which are generally smaller in nature, are made to individuals under a Hardship Fund policy which has been agreed by St John's PCC.

### *Reserves policy*

St John's PCC, 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.

St John's PCC has considered the reserves that are appropriate having regard to the scope of its activities 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 £52,294 (2021: £29,000);
- (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 (2021: £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 £107,873 (2021: £148,433); which falls short of policy calculation to remove a negative general reserve. The target amount for this reserve should have been £145,767, PCC will review the maintenance fund balance as well as address giving with the congregation,
- (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 £416,012 (2021: £69,784).

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 £Nil (2021:

£1,618). 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 31 December 2022, the church has total free reserves of £588,038 (2021: £269,079).

St John's 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 St John's 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.

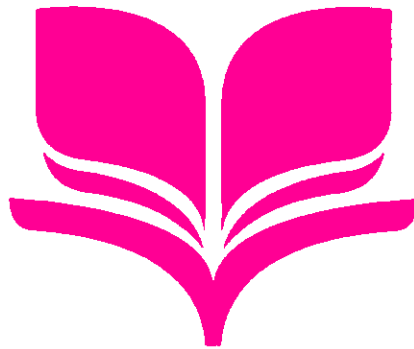
This report is to be presented to the congregation at the APCM on April 17<sup>th</sup> and was approved by St John's PCC on 20 March 2023 and signed on its behalf by:



**Samuel Hart**  
Churchwarden



**Vanessa Ratcliffe**  
Churchwarden



# St John's PCC Accounts

Year ended  
31 December 2022

**St John's PCC**  
**STATEMENT OF FINANCIAL ACTIVITIES**

For the period from 01 January 2022 to 31 December 2022


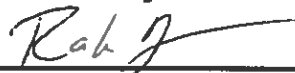
	Notes	Unrestricted Funds			Restricted Funds		Prior Year Total Funds 2021
		General Fund	Missionary Fund	Maintenance Fund	Tanzania Fund	Total Funds	
		£	£	£	£	£	
<b>Income</b>							
Donations and Legacies	3	743,533	2,802	5,670	0	752,005	415,774
Investment income	3	0	0	1,492	0	1,492	477
Income from charitable activities	3	52,092	0	288	0	52,380	26,457
<b>Total Income</b>		<b>795,625</b>	<b>2,802</b>	<b>7,450</b>	<b>0</b>	<b>805,877</b>	<b>442,708</b>
<b>Expenditure</b>							
Charitable activities	4	415,278	49,280	19,005	3,355	486,918	430,074
<b>Total Expenditure</b>		<b>415,278</b>	<b>49,280</b>	<b>19,005</b>	<b>3,355</b>	<b>486,918</b>	<b>430,074</b>
<b>Net Income / (Expenditure)</b>		<b>380,347</b>	<b>-46,478</b>	<b>-11,555</b>	<b>-3,355</b>	<b>318,959</b>	<b>12,634</b>
<b>Transfers</b>							
Gross transfers between funds—in	11	0	41,448	357,783	0	399,231	64,108
Gross transfers between funds—out	11	-399,231	0	0	0	-399,231	-64,108
<b>Total Transfers</b>		<b>-399,231</b>	<b>41,448</b>	<b>357,783</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Net Income (Expenditure) after Transfers</b>		<b>-18,884</b>	<b>-5,030</b>	<b>346,228</b>	<b>-3,355</b>	<b>318,959</b>	<b>12,634</b>
<b>Reconciliation of funds</b>							
Total funds brought forward		179,051	16,889	69,784	3,355	269,079	256,445
<b>Total funds carried forward</b>		<b>160,167</b>	<b>11,859</b>	<b>416,012</b>	<b>0</b>	<b>588,038</b>	<b>269,079</b>

**St John's PCC  
BALANCE SHEET**

**For the period from 01 January 2022 to 31 December 2022**

	Notes	Unrestricted Funds			Restricted Funds		Prior Year Total Funds 2021
		General Fund	Missionary Fund	Maintenance Fund	Tanzania Fund	Total Funds	
		£	£	£	£	£	
<b>Fixed Assets</b>	8						
<b>Current assets</b>							
Debtors	9	72,520	0	343,280	0	415,800	60,702
Cash in bank and in hand		103,682	12,659	72,732	0	189,073	215,329
<b>Total Current Assets</b>		<b>176,202</b>	<b>12,659</b>	<b>416,012</b>	<b>0</b>	<b>604,873</b>	<b>276,031</b>
<b>Liabilities</b>							
Creditors: Amounts falling due in one year	10	16,035	800	0	0	16,835	6,952
<b>Net current assets less current liabilities</b>		<b>160,167</b>	<b>11,859</b>	<b>416,012</b>	<b>0</b>	<b>588,038</b>	<b>269,079</b>
<b>Total net assets less liabilities</b>		<b>160,167</b>	<b>11,859</b>	<b>416,012</b>	<b>0</b>	<b>588,038</b>	<b>269,079</b>
<b>Represented by</b>							
Unrestricted : General							
-liquidity reserve	14	52,294				52,294	29,000
-budget deficit reserve	14	0				0	0
-short term income deficiency reserve	14	107,873				107,873	148,433
-general reserve	14	0				0	1,618
Unrestricted: Maintenance				416,012		416,012	69,784
Unrestricted: Mission			11,859			11,859	16,889
Restricted: Tanzania						0	3,355
<b>Total funds</b>		<b>160,167</b>	<b>11,859</b>	<b>416,012</b>	<b>0</b>	<b>588,038</b>	<b>269,079</b>

Signed by two trustees on behalf of all the trustees

Signature	Print Name	Date of Approval
	Rev E Scrase-Field	16/4/23
	Mr R Bogan	16/04/23

**St John's PCC**  
**STATEMENT OF CASH FLOWS**

For the period from 01 January 2022 to 31 December 2022

	2022	2021
	£	£
<b>Cash flows from operating activities</b>		
Net income	318,959	12,634
Adjustments for:		
Interest from investments	(1,492)	(477)
Changes in:		
Debtors	(355,098)	(38,360)
Creditors	9,883	(74,516)
<b>Cash generated from operations</b>	<b>(27,748)</b>	<b>(100,719)</b>
<b>Cash flows from investing activities</b>		
Interest from investments	1,492	478
Receipt of loan receivable	-	30,000
<b>Net cash from investing activities</b>	<b>1,492</b>	<b>30,478</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(26,256)</b>	<b>(70,241)</b>
Cash and cash equivalents at beginning of the year	215,329	285,570
<b>Cash and cash equivalents at end of the year</b>	<b>189,073</b>	<b>215,329</b>

<b>Analysis of change in debt</b>	<b>At 1 Jan 2022</b>	<b>Cash flows</b>	<b>At 31 Dec 2022</b>
Net cash			
Cash at bank and in hand	215,329	(26,256)	189,073
<b>Analysis of change in debt</b>	<b>At 1 Jan 2021</b>	<b>Cash flows</b>	<b>At 31 Dec 2021</b>
Net cash			
Cash at bank and in hand	285,570	(70,241)	215,329

## **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.

### **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 for 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>		Prior Year
	General Fund	Missionary Fund	Maintenance Fund	Tanzania Fund	Total Funds	Total Funds
	£	£	£	£	2022	2021
					£	£
<b><u>Donations and Legacies</u></b>						
Gift Aid—Bank and Envelopes	204,316				204,316	198,118
One off Gift Aid gifts	66,370				66,370	55,611
CAF Stewardship giving	12,765				12,765	16,655
Cash collections and envelopes	8,629				8,629	5,596
Monthly giving—Bank	17,355				17,355	17,876
Earmarked giving and donations	5,456	2,802			8,258	12,841
Legacies	345,783				345,783	10,000
Rent	14,300				14,300	14,300
<b>Sub totals</b>	<b>674,974</b>	<b>2,802</b>	<b>0</b>	<b>0</b>	<b>677,776</b>	<b>330,997</b>
Tax recoverable on Gift Aid	67,159				67,159	64,323
Other Grants	1,400		5,670		7,070	20,454
<b>Sub-totals</b>	<b>743,533</b>	<b>2,802</b>	<b>5,670</b>	<b>0</b>	<b>752,005</b>	<b>415,774</b>
<b>Investment income</b>						
on Bank and COIF deposits			1,492		1,492	17
Interest on STHA loan					0	460
<b>Sub totals</b>			<b>1,492</b>		<b>1,492</b>	<b>477</b>
<b>Income from Generated Funds Totals</b>	<b>743,533</b>	<b>2,802</b>	<b>7,162</b>	<b>0</b>	<b>753,497</b>	<b>416,251</b>
<b>Income from charitable activities</b>						
Fees for weddings and funerals	6,575				6,575	2,345
Older people's work	1,867				1,867	634
Memorial Hall lettings	20,000				20,000	21,667
Church use	350				350	425
Parish weekend	12,393				12,393	232
Church events	6,014				6,014	139
Income re youth activities	3,879				3,879	70
Holiday Club	0				0	10
Footprints	922				922	229
Administration	64				64	5
Sundries	28		288		316	701
<b>Income from Charitable Activity Totals</b>	<b>52,092</b>	<b>0</b>	<b>288</b>	<b>0</b>	<b>52,380</b>	<b>26,457</b>
<b>Income Grand Totals</b>	<b>795,625</b>	<b>2,802</b>	<b>7,450</b>	<b>0</b>	<b>805,877</b>	<b>442,708</b>

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

	Unrestricted Funds			Restricted Funds	Gross Total	Income		Prior Year Gross Total
	General Fund	Missionary Fund	Maintenance Fund	Tanzania Fund		General Fund	Total Funds	
	£	£	£	£	£	£	2022 £	2021 £
<b>Charitable activities</b>								
Giving to missionary societies	0	45,246		3,355	48,601		48,601	47,113
Home mission	2,084	4,000			6,084		6,084	7,052
Parish share	157,200				157,200		157,200	157,200
Parish Staff	86,388				86,388		86,388	84,061
Youth Activities Staff	39,160				39,160		39,160	44,501
Working expenses of clergy/readers	427				427		427	1,163
Youth work expenses	0				0		0	1,093
Visiting speakers	1,000				1,000		1,000	159
Vicarage expenses	713				713		713	0
Church insurance	6,069				6,069		6,069	5,795
Church office—telephone	1,508				1,508		1,508	1,826
Organ tuning and maintenance	1,447				1,447		1,447	2,789
Worship group	3,556				3,556		3,556	3,746
Church maintenance	716		19,005		19,721		19,721	19,502
Cleaning	7,595				7,595		7,595	6,906
Communion wine	129				129		129	0
Service and festival expenses	3,643				3,643		3,643	2,943
Wedding and funeral expenses	5,120				5,120	6,575	-1,455	1,469
Administration	404				404	64	340	328
Printing, stationery and computing	10,949				10,949		10,949	4,686
Holiday club expenses	0				0		0	357
Footprints	1,482				1,482	922	560	798
Youth activities and training	7,931				7,931	3,879	4,052	3,612
Conferences and courses	515				515		515	920
Parish weekend	20,817				20,817	12,393	8,424	0
PCC and other church events	7,705				7,705	6,364	1,341	3,633
Older people's work	2,435				2,435	1,867	568	2,693
Sundry expense	8,033				8,033	316	7,717	9,423
Church heat, light and water	30,223				30,223		30,223	13,365
Hall expenses	8,946				8,946	20,000	-11,054	3,430
NIC employment allowance	-5,000				-5,000		-5,000	-4,000
<b>Charitable activities totals</b>	<b>411,195</b>	<b>49,246</b>	<b>19,005</b>	<b>3,355</b>	<b>482,801</b>	<b>52,380</b>	<b>430,421</b>	<b>426,563</b>
<b>Governance costs</b>								
Subscriptions	603				603		603	327
Bank Charges		34			34		34	64
Audit Fee	3,480				3,480		3,480	3,120
<b>Total</b>	<b>4,083</b>	<b>34</b>		<b>0</b>	<b>4,117</b>		<b>4,117</b>	<b>3,511</b>
<b>Expenditure Grand totals</b>	<b>415,278</b>	<b>49,280</b>	<b>19,005</b>	<b>3,355</b>	<b>486,918</b>	<b>52,380</b>	<b>434,538</b>	<b>430,074</b>

In the prior year, expenditure relating to restricted funds amounted to £2,531 for charitable activities.

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

	<b>This year</b>	<b>Last year</b>
Number of trustees who were paid expenses	1	1
Nature of the expenses	Travel and subsistence	Travel and subsistence
Total amount paid	£427	£1,163

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	£3,480	£3,120
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**Note 6****Paid employees****6.1 Staff costs**

	<u>2022</u>	<u>2021</u>
	£	£
Gross wages and salaries	108,587	111,396
Employer's national insurance costs	11,954	11,996
NICs employment allowance	-5,000	-4,000
Pension Costs	<u>5,007</u>	<u>5,170</u>
	<u>120,548</u>	<u>124,562</u>

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

Working on charitable activities	3.8	4.4
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The average number of employees during the year was 4.6 (2021: 4.6)

**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 2022, therefore, £41,488 was given and in 2023 £42,804 should be given.



## 7.2. Breakdown of Missionary grant making

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

	<u>2022</u>	<u>2021</u>
	£	£
Tear Fund	5,001	5,001
Tanzania (Mara) (unrestricted)	179	3,032
Youth for Christ (To support Neil & Joy)	6,000	6,000
CMS (To support Ben & Katy)	7,880	7,800
Street Pastors	3,000	2,328
Sports Chaplaincy	6,600	5,150
Greenwich Youth for Christ	6,000	6,000
London City Mission	4,020	3,480
Other	<u>3,600</u>	<u>4,600</u>
	£42,280	£43,391
Other grants	<u>7,000</u>	<u>5,255</u>
	£49,280	£48,646
(b) Tanzania Fund	<u>3,355</u>	<u>2,531</u>
Total Missionary activities	<u>£52,635</u>	<u>£51,117</u>

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

	<u>2022</u>	<u>2021</u>
	£	£
Allocated to named organisations	1,433	811
Not allocated	<u>10,426</u>	<u>16,078</u>
	11,859	16,889
(d) Tanzania Fund	<u>0</u>	<u>3,355</u>
Total Missionary balances	<u>£11,859</u>	<u>£20,244</u>

**Note 8****Tangible Fixed Assets****8.1 Cost or valuation**

	Furniture & Fittings	Office Equipment	Clavinova	Total
	£	£	£	£
At 1st January 2022	0	0	1,000	1,000
Additions	-	-	-	0
Disposals	0	-	-	0
At 31st December 2022	0	0	1,000	1,000

**8.2 Accumulated depreciation**

At 1st January 2022	0	0	1,000	1,000
Charge for Period	-	-	-	0
Eliminated on Disposal	0	-	-	0
At 31st December 2022	0	0	1,000	1,000

**8.3 Net Book Value**

At 31st December 2021	0	0	0	£0
At 31st December 2022	0	0	0	£0

**Note 9****Debtors and prepayments**

	<u>2022</u>	<u>2021</u>
Insurance	5,361	4,962
Parish Weekend	0	3,255
Tax recoverable	67,159	38,485
Other	343,280	14,000
<b>Total</b>	<b>£415,800</b>	<b>£60,702</b>

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

**Note 10****Creditors and accruals**

	<u>2022</u>	<u>2021</u>
Audit	3,240	3,000
Mission	800	0
Various creditors	7,936	750
Inland Revenue	4,168	2,587
Pension provider	691	615
<b>Total</b>	<b>£16,835</b>	<b>£6,952</b>

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

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

During 2022 £357,783 (2021: £22,000) was transferred from the General Fund to the Maintenance Fund and £41,448 (2021: £42,108) 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 £345,783 income from legacies during 2022 (2021: £10,000).

**Note 12****Related party transactions**

A close family member of a trustee was paid a salary by St John's Church of £nil (2021:£10,395) and a pension of £nil (2021:£473).

No other related party transactions were undertaken during the year.

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

In the prior year, £3,355 of cash in bank and in hand related to restricted funds.

**Note 14****Reserves Policy**

The liquidity reserve is equal to the target amount that the PCC has considered to be appropriate pursuant to the Reserves Policy set out in the Trustees Report. The short-term income deficiency reserves are below target. No budget deficit reserve is required in 2022 since the 2023 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**

	<b>Funds at 01/01/2022</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>Funds at 31/12/2022</b>
<b>Unrestricted funds</b>					
General fund	179,051	795,625	-415,278	-399,231	160,167
Missionary fund	16,889	2,802	-49,280	41,448	11,859
Maintenance fund	69,784	7,450	-19,005	357,783	416,012
<b>Restricted funds</b>					
Tanzania fund	3,355	0	-3,355	0	0
<b>Total funds</b>	<b>£269,079</b>	<b>£805,877</b>	<b>-£486,918</b>	<b>£0</b>	<b>£588,038</b>

	<b>Funds at 01/01/2021</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>Funds at 31/12/2021</b>
<b>Unrestricted funds</b>					
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
<b>Restricted funds</b>					
Tanzania fund	5,886	0	-2,531	0	3,355
<b>Total funds</b>	<b>£256,445</b>	<b>£442,708</b>	<b>-£430,074</b>	<b>£0</b>	<b>£269,079</b>

# **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 2022 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 2022 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.

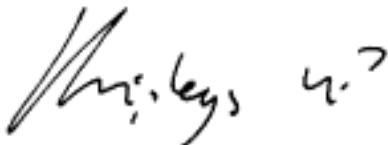
**INDEPENDENT AUDITORS' REPORT TO THE PCC OF  
ST. JOHN THE EVANGELIST CHURCH, BLACKHEATH (continued)**

- 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

1 June 2023