
ST PETER'S EATON SQUARE PCC

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

ST PETER'S EATON SQUARE PCC

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ST PETER'S EATON SQUARE PCC

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Trustees

Rev Jonathan Kester, Incumbent (appointed 17 July 2022)
Lee Marshall (appointed 26 May 2022)
Alexandra Tangney (appointed 26 May 2022)
Dr Julia Jordan (appointed 26 May 2022)
Jane Franses (appointed 26 May 2022)
Mary Drummond (appointed 26 May 2022)
John Hilary
Samantha Singlehurst, Churchwarden
Nancy Wood
Samantha Atkins
Mark Dowsett
Deborah Docwra-Chapman
Sarah Armstrong
David Payne
Ekanem Peers
Annabel Jackson
Michael Johnson
Kay Simon
Rev Julie Khovacs, Priest Missioner
Richard Carter, Churchwarden
James Glen
Valerie Smith
Dr Judith Richardson
David Brown (resigned 26 May 2022)
Robin Duttson (resigned 26 May 2022)
Alex Mannion-Thomas (resigned 26 May 2022)
Richard Wildash (resigned 26 May 2022)

ST PETER'S EATON SQUARE PCC

**Charity registered
number**

1133033

Principal office

St Peter's Church
119 Eaton Square
London
SW1W 9AL

Accountants

Griffin Stone Moscrop & Co
Chartered Accountants
21-27 Lamb's Conduit Street
London
WC1N 3GS

Bankers

The Co-Operative Bank
1 Balloon Street
Manchester
M60 4EP

Investment Custodian

The Share Centre Limited
Oxford House
Oxford Road
Aylesbury
Buckinghamshire
HP21 8SZ

ST PETER'S EATON SQUARE PCC

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

The Trustees present their annual report together with the financial statements of the Charity for the year 1 January 2022 to 31 December 2022.

Objectives and activities

a. Policies and objectives

The PCC maintains and operates the church complex, providing a venue not only for its primary purpose of worship but also community events, youth activities, public hire and charitable fundraising. When planning our activities for the year the PCC has considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. The council has complied with the duty under section 5 of the Safeguarding and Clergy Discipline Measure 2016 (duty to have due regard to House of Bishops' guidance on safeguarding children and vulnerable adults).

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

ST PETER'S EATON SQUARE PCC

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Achievements and performance**a. Review of activities**

The PCC has the responsibility of co-operating with the incumbent, in promoting in the ecclesiastical parish the whole mission of the Church; pastoral, evangelistic, social and ecumenical. It also has the maintenance responsibilities for the church complex at St. Peter's.

Activity in 2022

This year saw a return to a normal pattern of services and activity, and (most significantly) the arrival of a new incumbent. The church has yet to achieve attendances matching those before the pandemic.

The second round of the appointment process opened with an advertisement in the Church Times in January. Shortlisting was carried out at the end of February by the same panel as had convened for the first round, and three candidates were then interviewed by the panel on Friday 18 March. The panel unanimously agreed to advise the Bishop of London to appoint the Rev'd Jonathan Kester to the vacancy, which she did. Fr Jonathan's Collation and Induction was conducted by the Bishop of London and the Archdeacon of Charing Cross on Sunday 17 July.

The PCC met seven times, including one awayday. The Standing Committee met twice. Other committees and groups met as required. The APCM was held on Thursday 26 May.

Service attendances through the year were below those experienced before the pandemic. As at the end of December 2022 there were 310 people on the Electoral Roll. The average Sunday attendance during 2022 was 105. For a considerable part of the year there were additional online attendances. It is difficult to give an average but the number was over 100. There were 21 baptisms, 1 marriage and three funeral services. Attendance at Easter services was 205 and at Christmas was 248.

The parish arranged a residential retreat in November at the St Columba Centre in Woking.

St Peter's School

The new headteacher, Mrs Carrington, continues to lead improvements at the school after a difficult period following the previous headteacher's retirement during the Covid-19 pandemic. The school was inspected by Ofsted in November 2022. The inspection team acknowledged the hard work put in so far, awarding 'good' grades for the school standards of 'leadership and management', the 'early years provision', 'behaviour and attitudes', and 'personal development'.

The inspection framework and national curriculum have changed beyond recognition since the last Ofsted inspection in 2006. Given the recent challenges and changes that the school has experienced, the inspectors found that some of the new schemes of work adopted for all subjects were not fully embedded. Whilst the curriculum matches the breadth and ambition of the national curriculum, the 'quality of education' judgement was found to be 'requires improvement' which means that despite the many positive findings in all other areas, the overall judgement must also be 'requires improvement'. This judgement is disappointing as the report acknowledges that the school is on the right track and the leadership team know what to do and they are doing it effectively. As noted by the inspectors, "leaders have high expectations for what pupils can achieve".

No school can be defined by a single judgement, the full Ofsted report captures many of our school's strengths, including a love of music and singing, the positive attitudes of pupils and our happy, safe and inclusive ethos. The school's values of kindness and respect shone through in the report. The school will of course continue to strive for excellence and will work closely with the Local Authority and the London Diocesan Board for Schools, both of which fully support the school's leadership and their ambitious high standards.

ST PETER'S EATON SQUARE PCC

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance (continued)

b. Review of activities (continued)

Buildings and maintenance

Significant outlays were made on building maintenance in the course of 2022. In addition to some works in relation to making the vicarage ready for the new incumbent, two other flats had decorative refurbishment, and in addition, an entirely new bathroom refurbishment was carried out in one of the flats. Replacement domestic appliances were supplied to three flats. In the church, a number of smaller plumbing and electrical jobs were undertaken, and in addition to these, clergy offices had to be redecorated, following a flood from the dishwasher in the Parish Hall. Completely new floor coverings were laid in the main staircase leading from the ground floor up to the Parish Hall and residential accommodation. All of the main church lights were switched to LED bulbs, and the main control panel was rewired. The lift had to have a number of maintenance visits. Three of the four clock faces are now working following a visit from Smiths of Derby during the year.

The portico work has yet to begin, though significant steps towards detailing the cost and nature of the repairs were taken in the latter half of 2022. A number investigations of a technical nature were undertaken, and as the year ended, it was expected that a costed repair strategy would be available early in 2023.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

At 31 December 2022, net unrestricted funds stood at £192,147 (down from £239,881 at year end 2021). These reserves are needed to cover the essential costs of management and administration without which the church could not function, and the pandemic proved just how important they are. Our reserves policy dictates that we should maintain unrestricted funds equivalent to a minimum of three months and a maximum of six months of expenditure, with a preference for a position at the higher end of that range. Restricted funds held at year end were £26,365 (£67,458 in 2021).

c. Material investments policy

The portfolio of quoted securities was principally held by The Share Centre Ltd in Blackrock Charitrak Common Inv Fund A (Inc) units, which aim to track the FTSE All Share index. The LDF M&G Charifund investment is held by the Diocese of London and we cannot access the capital, only the interest. This holding represents the proceeds from a historic lease on the Christchurch Westminster burial ground.

d. Principal risks and uncertainties

The members have identified and regularly review the major risks which impact the work of the Church in the parish and they have established systems and insurances to mitigate any significant risks arising. The Church already has a child protection policy in place. There are controls over all its financial procedures, including the handling of cash and the approval of expenses.

ST PETER'S EATON SQUARE PCC

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

e. Financial Review

The ongoing effects of the Covid pandemic continued to be felt in the finances of St Peter's during 2022. One particular effect was that we received some rescheduled payments of outstanding rent from our two longstanding crypt tenants, agreed as part of our negotiations towards long-term stability in our relations with them. As a result of the artificial inflation of our income arising from this deferred revenue, our total income for 2022 was £524,876 (compared with £502,322 in 2021). Fees paid to our subsidiary trading company from car parking in the church grounds, notably through the JustPark app, experienced a 45% growth over the performance of the previous year, while room rentals registered a 25% increase on 2021 levels. Together with our crypt tenancies and our congregational giving, these income streams ensure that St Peter's continues to enjoy a robust financial base on which to plan for the future.

While our total income was at a record high, our expenditure also registered significant increases across several budget lines during 2022. Some of these increases resulted from broader economic pressures felt across society, such as rising energy prices and other sources of inflation, and we have tried to insulate ourselves from further such increases to the best of our ability. Others were specific to St Peter's, including one-off costs incurred in the appointment and installation of our new incumbent, exploratory work towards the stabilisation of the portico and the essential building maintenance reported above. As a result, our overall expenditure for the year was £568,504 (up from £457,926 in 2021).

With the above financial activities, St Peter's registered a net deficit of £48,364 in 2022 (compared to a net surplus of £65,256 in 2021). Net current assets at the end of the year (taking into account debts, cash at bank and in hand, and creditors) amounted to £45,104 (£86,686 in 2021).

As noted in our previous annual report, we were notified by Coutts at the end of 2021 that they were no longer willing to offer us the banking services that they had provided to St Peter's PCC on a complimentary basis for the past forty years. We duly undertook a comparison exercise across the various bank accounts offered to charities in Britain, as a result of which we have now switched all our accounts to the Co-operative Bank. It is also good practice for charities to undertake regular reviews of the service provided to them by their accountants, and following approval by the 2022 Annual Parochial Church Meeting we put the contract out to tender during the latter part of the year. As a result of that exercise, the current report and accounts have been examined by Griffin Stone Moscrop & Co., who provide a similar service for several other parish churches in London and elsewhere.

Structure, governance and management

a. Constitution

St Peter's Eaton Square PCC is a registered charity, number 1133033.

The PCC is governed by two pieces of Church of England legislation: the Parochial Church Councils (Powers) Measure 1956 as amended, and the Church Representation Rules (contained in Schedule 3 to the Synodical Government Measure 1969 as amended).

b. Methods of appointment or election of Trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted. Members of the PCC are either ex-officio, elected by the Annual Parochial Church Meeting or co-opted by the PCC in accordance with the Church Representation Rules. There were no co-options in 2022.

ST PETER'S EATON SQUARE PCC

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Structure, governance and management (continued)**c. Organisational structure and decision-making policies**

The PCC operates through a number of committees and working groups which meet between full meetings of the PCC, all report back to the full PCC. These were as follows:

PCC Standing Committee: (To which the PCC delegates decision making in-between meetings of the PCC):
Chair: The Vicar (during interregnum, the Lay Vice-Chair)

Formation Committee: Chair: The Vicar (during interregnum, the Priest Missioner)

Worship Committee: Chair: The Vicar (during interregnum, the Priest Missioner)

Resources Committee: Chair: Richard Carter

Transformation/Outreach Committee: Chair: The Priest Missioner

Communications Group (from February) – Convenor: Valerie Smith

Plans for future periods

The church's finances will face a significant challenge during 2023 as we meet the costs associated with immediate repairs to stabilise the portico and bell tower. Following meetings with Diocesan representatives and within the PCC, St Peter's intends to embark on a broader programme of development to embody our vision for the church as it moves towards the bicentenary of its original consecration in 1827, which will include not only the structural repairs needed to the portico but also more ambitious repurposing of the building to reflect the role which we envisage for the church in the local community and beyond. This larger programme will require its own fundraising campaign, which we intend to launch once we have completed the relevant community audits to establish the full extent of alterations required to realise our vision. In the meantime, however, we will need to pay for essential works out of church maintenance funds, which are already under strain as the result of repairs needed to the fabric of the building as it was reconstructed following the fire of 1987. With these extra stresses, the budgeting process will be more important than ever as an active management tool to plan and prioritise expenditure according to projected income, revised as necessary throughout the year.

ST PETER'S EATON SQUARE PCC

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Statement of Trustees' 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).

The law applicable to charities in England & 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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 2008 and the provisions of the Parochial Church Councils (Powers) Measure 1956 as amended. 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.

Approved by order of the members of the board of Trustees on 18 May 2023 and signed on their behalf by:



.....
Richard Carter
Churchwarden



.....
Samantha Singlehurst
Churchwarden

ST PETER'S EATON SQUARE PCC

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

Independent examiner's report to the Trustees of St Peter's Eaton Square PCC ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 December 2022.

Responsibilities and basis of report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

ST PETER'S EATON SQUARE PCC

**INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

Your attention is drawn to the fact that the Charity has prepared the accounts in accordance 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

ST PETER'S EATON SQUARE PCC

**INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:

Dated: 22 May 2023

Robert Smith

ACA

Griffin Stone Moscrop & Co
Chartered Accountants
21-27 Lamb's Conduit Street
London
WC1N 3GS

ST PETER'S EATON SQUARE PCC

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Endowment funds 2022 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income and endowments from:						
Donations and legacies	3	-	23,631	272,520	296,151	284,194
Other trading activities	4	-	-	223,813	223,813	211,067
Investments	5	-	82	4,770	4,852	7,001
Other income	6	-	-	60	60	60
Total income and endowments		-	23,713	501,163	524,876	502,322
Expenditure on:						
Charitable activities	8	-	38,903	529,601	568,504	457,926
Total expenditure		-	38,903	529,601	568,504	457,926
Net (expenditure)/income		-	(15,190)	(28,438)	(43,628)	44,396
Transfers between funds	17	40,463	(25,903)	(14,560)	-	-
Net movement in funds before other recognised gains/(losses)		40,463	(41,093)	(42,998)	(43,628)	44,396
(Losses)/gains on revaluation of fixed assets		-	-	(4,736)	(4,736)	20,860
Net movement in funds		40,463	(41,093)	(47,734)	(48,364)	65,256
Reconciliation of funds:						
Total funds brought forward		-	67,458	239,881	307,339	242,083
Net movement in funds		40,463	(41,093)	(47,734)	(48,364)	65,256
Total funds carried forward		40,463	26,365	192,147	258,975	307,339

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 15 to 34 form part of these financial statements.

ST PETER'S EATON SQUARE PCC

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Investments	13	213,871	220,653
		<u>213,871</u>	<u>220,653</u>
Current assets			
Debtors	14	89,390	122,435
Cash at bank and in hand		118,793	153,670
		<u>208,183</u>	<u>276,105</u>
Creditors: amounts falling due within one year	15	(163,079)	(189,419)
Net current assets		<u>45,104</u>	<u>86,686</u>
Total assets less current liabilities		<u>258,975</u>	<u>307,339</u>
Net assets excluding pension asset		<u>258,975</u>	<u>307,339</u>
Total net assets		<u><u>258,975</u></u>	<u><u>307,339</u></u>
Charity funds			
Endowment funds	17	40,463	-
Restricted funds	17	26,365	67,458
Unrestricted funds	17	192,147	239,881
Total funds		<u><u>258,975</u></u>	<u><u>307,339</u></u>

The financial statements were approved and authorised for issue by the Trustees on 18 May 2023 and signed on their behalf by:



.....
John Hilary
Treasurer

The notes on pages 15 to 34 form part of these financial statements.

ST PETER'S EATON SQUARE PCC

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	(41,775)	(55,279)
Cash flows from investing activities		
Dividends, interests and rents from investments	4,852	7,001
Net cash provided by investing activities	4,852	7,001
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	(36,923)	(48,278)
Cash and cash equivalents at the beginning of the year	153,670	201,948
Cash and cash equivalents at the end of the year	116,747	153,670

The notes on pages 15 to 34 form part of these financial statements

ST PETER'S EATON SQUARE PCC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

The church is a registered charity in England and Wales. Its principal correspondence address is St Peter's Church, 119 Eaton Square, London, SW1W 9AL. The nature of the charity's operations and principal activities are set out in the members' report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The 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 the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

St Peter's Eaton Square 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.

2.2 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

ST PETER'S EATON SQUARE PCC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)**2.3 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.4 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.5 Debtors

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

2.6 Cash at bank and in hand

Cash at bank and 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.

ST PETER'S EATON SQUARE PCC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)**2.7 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.8 Financial instruments

The Charity 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.9 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

ST PETER'S EATON SQUARE PCC

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

3. Income from donations and legacies

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Donations			
Gift Aid donations & planned giving	-	46,578	46,578
Gift Aid recoverable	-	9,370	9,370
Distributions from the trading subsidiary	-	161,056	161,056
St. Andrews Church Hall Trust	-	26,003	26,003
Other collections and donations	1,904	26,227	28,131
Legacies	-	200	200
Grants	19,993	4,820	24,813
Total 2022	23,631	272,520	296,151

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Donations			
Gift Aid donations & planned giving	-	58,980	58,980
Gift Aid recoverable	-	18,102	18,102
Distributions from the trading subsidiary	-	110,549	110,549
St. Andrews Church Hall Trust	-	25,155	25,155
Other collections and donations	15,607	16,581	32,188
Grants	39,220	-	39,220
Total 2021	55,494	228,700	284,194

ST PETER'S EATON SQUARE PCC

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

4. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2022 £	Total funds 2022 £
Rental income and service charges	210,211	210,211
Insurance recharge	13,602	13,602
Total 2022	223,813	223,813
	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Rental income and service charges	197,832	197,832
Insurance recharge	13,235	13,235
<i>Total 2021</i>	<i>211,067</i>	<i>211,067</i>

5. Investment income

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
General fund	-	4,770	4,770
Repairs fund	82	-	82
	82	4,770	4,852

ST PETER'S EATON SQUARE PCC

NOTES TO THE FINANCIAL STATEMENTS
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5. Investment income (continued)

	<i>Restricted funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
General fund	-	6,993	6,993
Repairs fund	8	-	8
	<u>8</u>	<u>6,993</u>	<u>7,001</u>

6. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £
Magazines	<u>60</u>	<u>60</u>

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Magazines	<u>60</u>	<u>60</u>

7. Analysis of grants

	Grants to Institutions 2022 £	Total funds 2022 £
Payments to other charities	7,629	7,629
Total 2022	<u>7,629</u>	<u>7,629</u>

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NOTES TO THE FINANCIAL STATEMENTS
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7. Analysis of grants (continued)

	<i>Grants to Institutions 2021 £</i>	<i>Total funds 2021 £</i>
Payments to other charities	9,210	9,210
<i>Total 2021</i>	<u>9,210</u>	<u>9,210</u>

The Charity has made the following material grants to institutions during the year:

	2022 £	2021 £
Name of institution		
Charities fund	1,904	1,262
Welcome box	239	1,782
Congregational Tithings	3,738	5,231
Church Donations	1,748	935
	<u>7,629</u>	<u>9,210</u>
	<u>7,629</u>	<u>9,210</u>

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total 2022 £
Charitable activities	38,903	529,601	568,504
Total 2022	<u>38,903</u>	<u>529,601</u>	<u>568,504</u>

ST PETER'S EATON SQUARE PCC

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

8. Analysis of expenditure on charitable activities (continued)

Summary by fund type (continued)

	<i>Restricted funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total 2021 £</i>
Charitable activities	2,197	455,729	457,926
<i>Total 2021</i>	<u>2,197</u>	<u>455,729</u>	<u>457,926</u>

9. Analysis of expenditure by activities

	<i>Activities undertaken directly 2022 £</i>	<i>Grant funding of activities 2022 £</i>	<i>Support costs 2022 £</i>	<i>Total funds 2022 £</i>
Charitable activities	346,332	7,629	214,543	568,504
Total 2022	<u>346,332</u>	<u>7,629</u>	<u>214,543</u>	<u>568,504</u>

	<i>Activities undertaken directly 2021 £</i>	<i>Grant funding of activities 2021 £</i>	<i>Support costs 2021 £</i>	<i>Total funds 2021 £</i>
Charitable activities	268,976	9,210	179,740	457,926
<i>Total 2021</i>	<u>268,976</u>	<u>9,210</u>	<u>179,740</u>	<u>457,926</u>

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NOTES TO THE FINANCIAL STATEMENTS
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9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2022 £	Total funds 2022 £
Ministry: London Diocesan Fund	125,225	125,225
Ministry expenses	1,002	1,002
Church maintenance	121,046	121,046
Organ & instrument maintenance	1,432	1,432
Choir, music & related expenses	84,636	84,636
Sanctuary	9,185	9,185
Youth club	111	111
St Peters Poppets	3,695	3,695
Total 2022	346,332	346,332
	Activities 2021 £	Total funds 2021 £
Ministry: London Diocesan Fund	112,080	112,080
Ministry expenses	10,900	10,900
Church maintenance	81,583	81,583
Organ & instrument maintenance	2,782	2,782
Choir, music & related expenses	57,798	57,798
Sanctuary	3,628	3,628
Youth club	205	205
Total 2021	268,976	268,976

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NOTES TO THE FINANCIAL STATEMENTS
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9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2022 £	Total funds 2022 £
Staff costs	76,429	76,429
Utilities & rates	44,548	44,548
Telephone	1,783	1,783
Printing, postage, stationery & supplies	10,584	10,584
Hospitality & advertising	11,067	11,067
Cleaning	34,534	34,534
Insurance	34,618	34,618
Miscellaneous support costs	(20,646)	(20,646)
New Streaming Equipment	19,686	19,686
Governance costs	1,940	1,940
Total 2022	214,543	214,543
	Activities 2021 £	Total funds 2021 £
Staff costs	53,399	53,399
Utilities & rates	39,760	39,760
Telephone	1,598	1,598
Printing, postage, stationery & supplies	6,702	6,702
Hospitality & advertising	4,353	4,353
Cleaning	32,974	32,974
Insurance	32,003	32,003
Miscellaneous support costs	2,965	2,965
Governance costs	5,986	5,986
Total 2021	179,740	179,740

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**NOTES TO THE FINANCIAL STATEMENTS
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10. Independent examiner's remuneration

	2022 £	<i>2021</i> £
Fees payable to the Charity's independent examiner for the independent examination of the Charity's annual accounts	2,000	<i>5,986</i>

11. Staff costs

	2022 £	<i>2021</i> £
Wages and salaries	76,429	<i>53,399</i>
	76,429	<i>53,399</i>

The average number of persons employed by the Charity during the year was as follows:

	2022 No.	<i>2021</i> No.
Employees	5	<i>5</i>

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel, consisting of the Board of Trustees, received no remuneration in the year (2021 - the same).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (*2021 - £NIL*).

During the year ended 31 December 2022, operational expenses totalling £5,297 were reimbursed or paid directly to 5 Trustees (*2021 - £NIL*).

ST PETER'S EATON SQUARE PCC

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

13. Fixed asset investments

	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 January 2022	5	213,866	213,871
At 31 December 2022	5	213,866	213,871
Net book value			
At 31 December 2022	5	213,866	213,871
At 31 December 2021	5	213,866	213,871

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Class of shares	Holding
St Peter's Eaton Square Trading Limited	07196311	119 Eaton Square, London, SW1W 9AL	Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
St Peter's Eaton Square Trading Limited	154,444	(13,041)	141,403	5,694

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

14. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	81,928	173,074
Other debtors	(23,778)	(83,840)
Prepayments and accrued income	31,240	33,201
	<u>89,390</u>	<u>122,435</u>

The provision against bad and doubtful debts is in respect of rental income, owed by one of the PCC's tenants at year end. The Trustees have reasonable cause to believe the tenant may be unable to repay this rent.

15. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	76,784	46,535
Other creditors	34,356	66,919
Accruals and deferred income	51,939	75,965
	<u>163,079</u>	<u>189,419</u>

	2022 £	2021 £
Deferred income at 1 January 2022	54,439	50,373
Resources deferred during the year	48,481	54,439
Amounts released from previous periods	(54,439)	(50,373)
	<u>48,481</u>	<u>54,439</u>

Deferred income relates to rental income received in advance of the rental period and is deferred at the year end.

ST PETER'S EATON SQUARE PCC

NOTES TO THE FINANCIAL STATEMENTS
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16. Financial instruments

	2022 £	2021 £
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>118,793</u>	<u>153,670</u>

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand..

ST PETER'S EATON SQUARE PCC

NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
Unrestricted funds						
General Fund	239,881	501,163	(529,601)	(14,560)	(4,736)	192,147
Endowment funds						
Burial Ground Trust Fund	-	-	-	40,463	-	40,463
Restricted funds						
Access Ramp Appeal	45,188	-	-	(40,463)	-	4,725
Lent Boxes	272	-	-	-	-	272
National Heritage Fund	-	2,480	-	-	-	2,480
Church gifts and donations	14,175	1,816	(1,748)	-	-	14,243
Christmas Charities Fund	4,645	1,904	(1,904)	-	-	4,645
Streaming Equipment Project	3,178	1,948	(19,686)	14,560	-	-
Carpet Fund	-	15,565	(15,565)	-	-	-
	67,458	23,713	(38,903)	(25,903)	-	26,365
Total of funds	307,339	524,876	(568,504)	-	(4,736)	258,975

ST PETER'S EATON SQUARE PCC

**NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds (continued)

The restricted funds comprise of the following:

The Christ Church, Westminster Fund arose from the sale of the burial ground of Christ Church, Westminster and the income can be applied for the upkeep of St Peter's Church.

The Christmas Charities Fund arises from collections held in the Church at the end of the year which are to be donated to certain nominated charities.

The Congregational Tithings Fund arises from collections held in the Church throughout the year which are to be donated to certain nominated charities.

The Access Ramp Appeal Fund can be applied for the construction of an access ramp to the church.

Pimlico St Peter Trust granted a total of £17,513, of which £15,565 was specifically for the new carpets and the balance was put towards new IT equipment.

Where restricted fund balances are expected to be negative at year end transfers are raised during the year to fund these deficits as the balance of expenditure comes from the general funds of the church. Funds are only carried forward in deficit at year end when there is restricted income expected in the next financial period.

As a result of a review by the Diocese of London, the capital element of the Burial Ground Trust is considered to be permanent endowment capital (cannot be spent) and has therefore be shown as such via a transfer from the Restricted Fund in which the funds resided in 2021.

ST PETER'S EATON SQUARE PCC

NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2021 £
Unrestricted funds					
General Fund	175,918	447,487	(399,609)	16,085	239,881
Restricted funds					
Access Ramp Appeal	45,188	-	-	-	45,188
Lent Boxes	272	-	-	-	272
National Heritage Fund	-	39,220	(39,220)	-	-
Congregational Tithing	-	-	(5,231)	5,231	-
Church gifts and donations	16,405	8	(1,782)	(456)	14,175
Christmas Charities Fund	4,300	1,607	(1,262)	-	4,645
Streaming Equipment Project	-	14,000	(10,822)	-	3,178
	66,165	54,835	(58,317)	4,775	67,458
Total of funds	242,083	502,322	(457,926)	20,860	307,339

18. Summary of funds

Summary of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
General funds	239,881	501,163	(529,601)	(14,560)	(4,736)	192,147
Endowment funds	-	-	-	40,463	-	40,463
Restricted funds	67,458	23,713	(38,903)	(25,903)	-	26,365
	307,339	524,876	(568,504)	-	(4,736)	258,975

ST PETER'S EATON SQUARE PCC

NOTES TO THE FINANCIAL STATEMENTS
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18. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 January 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2021 £</i>
General funds	175,918	447,487	(399,609)	16,085	239,881
Restricted funds	66,165	54,835	(58,317)	4,775	67,458
	<u>242,083</u>	<u>502,322</u>	<u>(457,926)</u>	<u>20,860</u>	<u>307,339</u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Endowment funds 2022 £	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Fixed asset investments	40,463	-	173,408	213,871
Current assets	-	31,185	176,998	208,183
Creditors due within one year	-	-	(163,079)	(163,079)
Difference	-	(4,820)	4,820	-
Total	<u>40,463</u>	<u>26,365</u>	<u>192,147</u>	<u>258,975</u>

Analysis of net assets between funds - prior year

	<i>Restricted funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Fixed asset investments	40,463	180,190	220,653
Current assets	26,995	249,110	276,105
Creditors due within one year	-	(189,419)	(189,419)
Total	<u>67,458</u>	<u>239,881</u>	<u>307,339</u>

ST PETER'S EATON SQUARE PCC

NOTES TO THE FINANCIAL STATEMENTS
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20. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(43,628)	44,396
Adjustments for:		
Dividends, interests and rents from investments	(4,852)	(7,001)
Decrease/(increase) in debtors	33,045	(71,895)
Decrease in creditors	(26,340)	(20,779)
Net cash used in operating activities	(41,775)	(55,279)

21. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	118,793	153,670
Overdraft facility repayable on demand	(2,046)	-
Total cash and cash equivalents	116,747	153,670

22. Analysis of changes in net debt

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	153,670	(34,877)	118,793
	153,670	(34,877)	118,793

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**NOTES TO THE FINANCIAL STATEMENTS
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23. Operating lease commitments

At 31 December 2022 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022	2021
	£	£
Not later than 1 year	2,832	3,312
Later than 1 year and not later than 5 years	10,620	1,974
	<u>13,452</u>	<u>5,286</u>

24. Related party transactions

James Gourlay, a Member of the charity, was also a Trustee of the St Andrews Church Hall Trust, which made grants to the charity in the year of £26,003 (2021 - £25,155).

During the year the charity's trading subsidiary (St Peter's Eaton Square Trading Limited) made distributions to the charity totalling £161,056 (2021 - £110,549). At the year end, the trading company owed £Nil (2021 - £NIL) to the PCC.

Total donations received in the year from Trustees amounted to £12,323.