

THE PAROCHIAL CHURCH COUNCIL OF ST PETER HARROW

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2021

Clergy:
Vacant

Bank:
CAF Bank Ltd
25 Kings Hill Avenue
West Malling
Kent ME19 4JQ

Independent Examiner:
John D Price, MA
26 Trinity Street
Oxford
OX1 1TY

THE PAROCHIAL CHURCH COUNCIL OF ST PETER HARROW

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2021

INDEX

	<u>Page</u>
Annual Report for 2021	3-4
Report of the Independent Examiner	5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	8-12

THE PAROCHIAL CHURCH COUNCIL OF ST PETER HARROW

ANNUAL REPORT FOR 2021

Vision:

A church large enough to change thousands of lives, create culture and transform society right across Harrow and North London.

Background

St Peter's Church West Harrow is a registered charity under Number: 1133874

Organisation

St Peter's does not currently have a vicar

Membership

Members of the PCC are either ex officio, co-opted or elected at the Annual Church Meeting in accordance with the Church Representation Rules. During the year the following served as members of the PCC:

Clergy:	The Reverend Rod Green (resigned 22 August 2021)	The Reverend Rachel Campbell
Churchwardens:	Yinka Adegboye	John Parry
Lay Representatives on the Deanery Synod:	Jo McCormick Claire Finlay (resigned 19 May 2021) Rosalind Rajkumar (from 19 May 2021)	Nebu Jacob (resigned 19 May 2021) John Parry (from 19 May 2021)
Lay representatives:	Ian Fernandes Andrew Collier (Treasurer) Asher Javed Anu Kuchibotla Miriam Davidson	Jackie Small (Secretary) Beverly Stuart Kate Penman Bonita Bryan Nebu Jacob

The PCC also operates by standing committee.

Buildings

The building is owned by the Diocese of London who lease it to the PCC for a peppercorn rent. The PCC has the responsibility of managing and maintaining the building

Finance

During the year the General Fund which records the churches income and expenditure recorded a deficit of £55,791 (deficit of £21,928 in 2020). At the end of 2021 the balance in the General Fund was £33,854 (£89,644 at the end of 2020).

Reserves Policy

The PCC aims to hold unrestricted general reserves of approximately one month's expenditure which is in the region of £35,000. At the end of 2021 the balance in the General Fund was £33,854 which is in line with the reserve policy. The budget for 2022 indicates that action will need to be taken to maintain the reserves policy at the end of the year. The Church is working to increase giving and secure additional rental income. Contingency plans are in place to reduce expenditure if it is clear income is not increasing to the required level.

THE PAROCHIAL CHURCH COUNCIL OF ST PETER HARROW

ANNUAL REPORT FOR 2021

Introduction

2021 was a challenging year for St. Peter's. Our vicar, Rev Rod Green, was appointed Archdeacon of Llandaff and, while his resignation was effected on August 22nd, his last Sunday ministering at St Peter's was 18th July 2021. Rod and family left for Cardiff on August 20th, after nearly seven years in Harrow. A great deal has changed both inside and outside St. Peter's during this 7 years, not least in the last 2 years. While the COVID pandemic has made many of the plans for 2020 and 2021 difficult to progress, it has stimulated developments, such as the acquisition and application of the means to live-stream services and the use of platforms such as Zoom for meetings and social interactions during the several lockdowns. It has been a particularly difficult period that has challenged many of us in terms of fellowship and relationship, and thanks are due to Rod for his leadership, perseverance and energy in navigating this testing time.

The Church has continued to function during the vacancy thanks to those who serve, making an enormous difference to our lives, often hidden and behind the scenes.

Churchwardens

John Parry and Yinka Adegboye have been your Churchwardens since October 2020. They have carried a significant responsibility of leading St. Peter's during the ongoing vacancy. Due to professional demands Yinka asked to take a step back from full Warden's duties and Jackie Small very kindly agreed to take on the Warden's roles and responsibilities as Deputy Warden. Jackie has been a blessing both to our Wardens and Core Team meetings and responsibilities, and it has been a great joy working with her.

Core Team and PCC

In addition to the Churchwardens, Rachel Campbell as Curate, Jackie Small as Secretary and latterly as Deputy Warden, Andrew Collier as Treasurer and Stuart Davidson as Head of Operations & People have formed the Core Team. The Core Team typically meets monthly, and gives direction on the day to day activity of the Church. The diverse PCC has continued to offer robust governance and challenge over the year especially during the ongoing process of appointing a new vicar. In previous years the PCC has generally met only once a term, but during 2021, we met on nine occasions for formal PCC meetings, the increased frequency being in part due to the added work related to the preparations around recruitment of a new Vicar. Moreover, the restrictions associated with COVID had meant that the PCC that was originally appointed in October 2020 had never met face-to-face until the beginning of September 2021, when it met with Archdeacon Catherine Pickford (Diocese of London) and Canon John Dunnett (CPAS, Patrons) for the Pre-Vacancy meeting to start off the recruitment process. Zoom meetings had not provided a good opportunity to form relationships, particularly with new PCC members. Consequently, we agreed to have a Saturday morning meeting later in September, together with the Staff Team, to build relationships both within the PCC and to get to know the Staff Team better, along with their roles. The half-day meeting was a great success and also provided a foundation for a listening exercise engaging across the members of St. Peter's congregation.

Staff Team

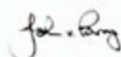
The Staff Team has continued to adapt to the ever-changing circumstances of lockdown. The team has endeavoured to meet everybody's needs and to keep us as safe and comfortable as possible as both the legal rules and guidance have changed, and both personal and societal perspectives on safe practices have evolved and diversified. It has been truly difficult to come to terms with these important changes and, not least, to endeavour to cater for both ends of the wide spectrum of concern about the ongoing pandemic. In my view, our Staff Team have been doing a great job in achieving this, led by Stuart Davidson. The live stream equipment has enabled both in-person and online services simultaneously so that everyone can access our live Sunday gatherings. The Staff Team has been adaptable and committed, always willing to go the extra mile, as the Church has striven to persevere through lockdown, and as we have emerged from the other side, and in-person activities have restarted.

Clergy Team

Rachel Campbell, as Curate has played a significant role in leading the Church during the vacancy, for which we are all truly grateful. Rachel will finish as Curate at the end of June and will then move to a new position. We pray for God's guidance and provision in this time of change.

Special Thanks

It is the dedication and service of many other individuals that enable the Church to operate effectively. It is almost impossible to detail everyone that contributes, many in unseen ways. There are chairs to be put out and packed away; great refreshments to prepare and serve which are enjoyed by many; assistance with Children's and Youth work; the sound and vision team and many musicians that play on a regular basis. If you are not involved in a Team I would encourage you to think about how you can contribute. There are a multitude of roles.



John Parry (Warden)
(Chairman)

Date: 28 April 2022

INDEPENDENT EXAMINER'S REPORT

to THE PAROCHIAL CHURCH COUNCIL OF ST PETER, HARROW

I report on the financial statements of the charity for the year ended 31 December 2021, which are set out on pages 6 to 12.

Respective responsibilities of trustee and examiner

You, the members of the PCC are responsible for the preparation of the financial statements. You consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) but that an independent examination is needed.

It is my responsibility to:

- examine the financial statements under section 145 of the 2011 Act;
- follow the procedures laid down in the general directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention

This report, including my statement, has been prepared for (and only for) the members of the PCC as a body. My work has been undertaken so that I might state to you those matters I am required to state 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 PCC as a body for my examination work, for this report, or for the statements I have made.

Basis of independent examiner's report

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements and the seeking of explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I give no opinion as to whether the financial statements present a 'true and fair view'. My report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention which gives me reasonable cause to believe that in any material respect the requirements to keep accounting records in accordance with section 130 of the 2011 Act, and to prepare financial statements which accord with the accounting records and comply with the accounting requirements of the 2011 Act, have not been met, or to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

However, I think my report would be lacking if it did not contain a sentence which points out clearly that the General Fund deficit during 2021 was £55,791 which left a balance of only £33,854 at 31st December 2021. Clearly a substantial turn-round is needed in the near future, and I am satisfied that the PCC is aware of this and are already taking the necessary actions.

John D Price, MA
26 Trinity Street
Oxford
OX1 1TY.

06 May 22.

THE PAROCHIAL CHURCH COUNCIL OF ST PETER HARROW

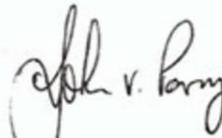
STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 December 2021

INCOMING RESOURCES	Note	Unrestricted		Short Term Mission Fund £	Restricted Funds £	TOTAL FUNDS	
		General Fund £	Missionary Fund £			2021 £	2020 £
Incoming resources from donors	2(a)	195,365	-	-	37,011	232,377	299,150
Other voluntary incoming resources	2(b)	495	-	-	173	668	5,190
Income from charitable and ancillary trading	2(c)	92,200	29,148	-	-	121,348	116,550
Income from investments	2(d)	5	-	-	-	5	40
Revaluation of assets	2(e)	-	-	-	-	-	-
Transfers	2(f)	(13,500)	13,714	(4,214)	4,000	-	-
TOTAL INCOMING RESOURCES		274,565	42,862	(4,214)	41,184	354,397	420,930
RESOURCES USED							
Grants	3(a)	-	43,444	-	-	43,444	43,836
Activities directly relating to the work of the church	3(b)	134,774	-	-	18,895	153,669	135,346
Church management and administration	3(c)	195,582	-	-	-	195,582	195,205
TOTAL RESOURCES USED		330,356	43,444	-	18,895	392,695	374,387
NET INCOMING/(OUTGOING) RESOURCES		(55,791)	(582)	(4,214)	22,289	(38,298)	46,543
BALANCES BROUGHT FORWARD		89,645	6,995	4,214	62,871	163,725	117,182
BALANCES CARRIED FORWARD		33,854	6,413	-	85,159	125,427	163,725
OTHER FUND BALANCES BROUGHT FORWARD							
CAPITAL RESERVE						575,000	575,000
TOTAL FUNDS EMPLOYED						700,427	738,725

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible fixed assets	4	597,485	604,552
		<u>597,485</u>	<u>604,552</u>
CURRENT ASSETS			
Debtors and prepayments	5	17,438	27,170
Cash at bank and in hand		87,139	108,105
		<u>104,577</u>	<u>135,275</u>
LIABILITIES - AMOUNTS FALLING DUE WITHIN ONE YEAR			
Sundry creditors and accruals	6	(1,635)	(1,103)
		<u>102,943</u>	<u>134,173</u>
NET CURRENT ASSETS			
		<u>700,427</u>	<u>738,725</u>
NET ASSETS			
Financed by:			
FUNDS			
Unrestricted General Fund		33,854	89,645
Unrestricted Missionary Fund	8	6,413	6,995
Unrestricted Short Term Mission Fund		-	4,214
Unrestricted Capital Reserve Fund		575,000	575,000
Restricted Funds	7	85,159	62,871
		<u>700,427</u>	<u>738,725</u>
Total Financing			

Approved by THE PAROCHIAL CHURCH Council on and signed on its behalf by:


Mr. Andrew Collier (Treasurer)


Mr. John Parry (Warden)

28 April 2022

28 April 2022

The notes on pages 8 to 12 form part of these accounts.

THE PAROCHIAL CHURCH COUNCIL OF ST PETER HARROW

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

1 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Church Accounting Regulations 1997 together with applicable accounting standards and the Charities SORP.

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at market value.

Going Concern

The Church finances have been significantly impacted by COVID 19. This is reflected by a decline in both giving income and rental income. The ability for the Church to maintain its current level of activity is dependent on an increase in general giving and securing additional rental income. There is significant uncertainty that this increase in income will be obtained. Contingency plans are in place to reduce on-going expenditure to a level that can be supported by the committed level of regular giving and rental income. These plans would enable the Church to continue its operations but at a reduced level of activity. Based on the above considerations the PCC have prepared the financial statements on a going concern basis.

Funds

General funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for application on the general purposes of the PCC. Funds designated for a particular purpose by the PCC are also unrestricted.

Restricted funds have been given for specific purposes and are administered by the PCC for those purposes. They are not available to the PCC to apply to any other purpose. (Note 7)

Incoming Resources

Voluntary income and capital sources

Collections are recognised when received by or on behalf of the PCC.

Planned giving receivable under covenant is recognised only when received.

Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement and the amount due.

Amounts raised from fund raising activities are accounted for gross.

Other ordinary income

Rental income from the letting of church premises is recognised when the rental is due.

Income from investments

Dividends and interest are accounted for when receivable.

Gains and losses on investments

Realised gains or losses are recognised when investments are sold. Unrealised gains or losses are accounted for on revaluation of investments at 31 December.

Resources used

Grants

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC.

Activities directly relating to the work of the Church

The diocesan common fund payment is accounted for when payable. Any common fund unpaid at 31 December is provided for in these accounts as an operational (though not a legal) liability and is shown as a creditor in the Balance Sheet.

Fixed Assets

Consecrated land and buildings and movable church furnishings

Consecrated and beneficed property is excluded from the accounts by s.96(2)(a) of the Charities Act 1993.

No value is placed on movable church furnishings held by the churchwardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be inalienable property. All expenditure incurred during the year on consecrated or beneficed buildings and movable church furnishings, whether maintenance or improvement, is written off as expenditure in the SOFA and separately disclosed.

Other fixtures, fittings and office equipment

Equipment used within the church premises is depreciated on a straight line basis over 4 years.

Grants received in respect of fixed assets are deducted from cost.

Investments

Investments are valued at market value on 31 December.

Current assets

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectible.

THE PAROCHIAL CHURCH COUNCIL OF ST PETER HARROW

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2021

2 INCOMING RESOURCES

	Unrestricted General Fund £	Missionary Fund £	Short Term Mission Fund £	Restricted Funds £	TOTAL FUNDS 2021 £	2020 £
2(a) Incoming resources from donors						
Standing order income	101,090	-	-	19,485	120,575	116,898
Income tax recoverable	24,046	-	-	-	24,046	31,044
Collections at all services	23	-	-	-	23	844
Grants and other donations	70,207	-	-	17,526	87,733	150,364
	<u>195,365</u>	<u>-</u>	<u>-</u>	<u>37,011</u>	<u>232,377</u>	<u>299,150</u>
2(b) Other incoming resources						
Church Activities	-	-	-	-	-	-
Events	-	-	-	-	-	1,629
Fees	495	-	-	173	668	957
Other income	-	-	-	-	-	2,604
	<u>495</u>	<u>-</u>	<u>-</u>	<u>173</u>	<u>668</u>	<u>5,190</u>
2(c) Income from charitable and ancillary trading						
Lettings at St Peter's Church	76,312	29,148	-	-	105,460	103,870
Rental income from 58 Drury Road	15,887	-	-	-	15,887	12,680
	<u>92,200</u>	<u>29,148</u>	<u>-</u>	<u>-</u>	<u>121,348</u>	<u>116,550</u>
2(d) Income from investments						
Interest received	5	-	-	-	5	40
	<u>5</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5</u>	<u>40</u>
2(e) Revaluation of assets						
2(f) Transfers						
Transfers In	-	17,714	-	4,000	21,714	20,300
Transfers Out	(13,500)	(4,000)	(4,214)	-	(21,714)	(20,300)
	<u>(13,500)</u>	<u>13,714</u>	<u>(4,214)</u>	<u>4,000</u>	<u>-</u>	<u>-</u>
TOTAL INCOMING RESOURCES	<u>274,565</u>	<u>42,862</u>	<u>(4,214)</u>	<u>41,184</u>	<u>354,397</u>	<u>420,930</u>

THE PAROCHIAL CHURCH COUNCIL OF ST PETER HARROW

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2021

	Unrestricted		Short Term	Restricted	TOTAL FUNDS	
	General	Missionary	Mission Fund	funds	2021	2020
	£	£	£	£	£	£
3 RESOURCES USED						
3(a) Grants						
Missionary societies & overseas missions	-	12,000	-	-	12,000	-
Home missions and other Church Societies	-	31,444	-	-	31,444	43,836
	-	43,444	-	-	43,444	43,836
Note 7 contains the details of where the Missionary Fund was donated.						
3(b) Activities directly relating to the work of the Church						
Operations of church	40,666	-	-	18,895	59,562	44,501
Children Work	31,446	-	-	-	31,446	30,887
Youth Work	30,752	-	-	-	30,752	29,292
Community Work	23	-	-	-	23	1,000
Worship	31,886	-	-	-	31,886	29,666
	134,774	-	-	18,895	153,669	135,346
3(c) Church management and administration						
Estates	48,000	-	-	-	48,000	48,038
Administration Costs	42,669	-	-	-	42,669	39,655
Common Fund	89,548	-	-	-	89,548	89,548
Depreciation	8,955	-	-	-	8,955	8,053
Miscellaneous	6,409	-	-	-	6,409	9,911
	195,582	-	-	-	195,582	195,205
TOTAL RESOURCES USED	330,355	43,444	-	18,895	392,695	374,387
3(d) Staff costs					2021	2020
Wages and salaries					134,137	132,210
Social security costs					8,438	8,110
Employers contribution to defined contribution pension schemes					6,714	6,519
					149,289	146,839

The average number of employees was 5 (2020- 5). The vicar and curate are not employed by the Church and are not included in employee numbers or staff costs.
No employee received employee benefits (excluding employer pension contributions) that exceeded £80,000.
No trustee received remuneration or other benefits and no expenses were reimbursed. There were no discloseable related party transactions with trustees.

THE PAROCHIAL CHURCH COUNCIL OF ST PETER HARROW

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2021

4 FIXED ASSETS

	Land and buildings at 58 Drury Road		
	Freehold Property	Equipment & Furnishings	Total
Tangible fixed assets			
Gross book value	£	£	£
At 1 January 2021	575,000	73,153	648,153
Additions	-	1,888	1,888
Disposals	-	-	-
Revaluation	-	-	-
At 31 December 2021	<u>575,000</u>	<u>75,041</u>	<u>650,041</u>
Depreciation			
At 1 January 2021	-	43,601	43,601
On disposals	-	-	-
Charge for the year	-	8,955	8,955
At 31 December 2021	<u>-</u>	<u>52,556</u>	<u>52,556</u>
Net book value			
At 1 January 2021	<u>575,000</u>	<u>29,552</u>	<u>604,552</u>
At 31 December 2021	<u>575,000</u>	<u>22,485</u>	<u>597,485</u>

List of Assets retained but fully depreciated

Michael Wood-Altar	710
Michael Wood-Font	350
Office safe	405
Loadlift Scaffolding	1,763
Alarm system	2,666
Sound desk	7,380
Projector	18,203
	<u>31,477</u>

The property at 58 Drury Road is held in trust by the London Diocesan Fund on behalf of the PCC.

The gross book value of the property is based on a professional valuation made in 2019.

5 DEBTORS

	2021	2020
	£	£
Prepaid expenses	5,644	5,941
Sundry debtors	3,296	6,707
GA tax receivable	8,498	14,522
	<u>17,438</u>	<u>27,170</u>

6 LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR

Sundry creditors	<u>1,635</u>	<u>1,103</u>
	<u>1,635</u>	<u>1,103</u>

7 RESTRICTED FUNDS

	b/f 1/1/21	Income	Expenditure	c/f 31/12/21
One Church Harrow	9,408	8,173	1,197	16,382
Hope Church Harrow View	33,724	17,681	3,870	47,535
MOSAIC Church	19,741	15,330	13,829	21,242
	<u>62,871</u>	<u>41,184</u>	<u>18,895</u>	<u>85,159</u>

Restricted fund balances are represented by cash at bank and in hand.

One Church Harrow is the joint mission between St Peter's Harrow, Christchurch and St Paul's South Harrow to reach 10 % of the population of Harrow within 10 years. Funds are restricted for use on this purpose and are administered by St Peter's Harrow.

One of the objectives of One Church Harrow is to plant new congregations. Hope Church Harrow View and Mosaic Church are the first two of these plants. Income received in respect of these plants is restricted for use in the development of these congregations and is administered by St Peter's Harrow.

THE PAROCHIAL CHURCH COUNCIL OF ST PETER HARROW

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2021

8 MISSIONARY FUND	2021 £	2020 £
Balance at 1st January	6,995	1,395
Income		
Direct gifts from donors		2,000
Transfers from General Fund	13,500	14,300
Spear rental	29,148	39,136
Total income	42,648	55,436
Donations made from the Fund in the year	(43,444)	(43,836)
Transfer to restricted fund	(4,000)	(6,000)
Transfer from short term mission fund	4,214	
Balance at 31st December	6,413	6,995

Donations were made during the year as follows:

Unrestricted Missionary Fund

	2021		2020
<i>Missionary societies & overseas missions</i>		<i>Missionary societies & overseas missions</i>	
Tearfund	4,000	Tearfund	
UFM - Mark & Gill Newham	4,000	UFM - Mark & Gill Newham	
WEC - Moulds	4,000	WEC - Matt & Rachel McNulty	
		LDF - Alma Pentecost appeal	
<i>Home missions and other Church Societies</i>			
Re Gen		Re Gen	2,000
Spear Rental	29,144	Spear Rental	39,136
Harrow Citizens UK	2,000	Harrow Citizens UK	2,000
Spear (collections)		Spear (collections)	
UEA Christian Union		UEA Christian Union	300
ACAT		ACAT	100
One Church Harrow		One Church Harrow	
Oxford Church Debt Centre	300	Oxford Church Debt Centre	300
Harrow Deanery		Harrow Deanery	
	<u>43,444</u>		<u>43,836</u>
<i>Transfer to Restricted Fund</i>			
One Church Harrow	4,000		4,000

Short Term Mission Fund	2021 £	2020 £
Balance at 1st January	4,214	4,214
Transfer to mission fund	(4,214)	0
Payments from Fund	0	0
Balance at 31st December	-	4,214