



St Peter with St Thomas Bethnal Green

**Annual Report and Financial Statements
For the Year Ended 31 December 2023**

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ANNUAL REPORT 2023

Part 1

Sections 1-6: The Vicar's Report

1. Reference information

- i. Members of the PCC are elected as Trustees on an annual basis at the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules.

Since 01 January 2023, the following have served as members of the PCC:

- a. Vicar: The Rev'd Heather Atkinson, (resigned 21 February 2024)
- b. Associate Priest: The Rev'd Alison Mulroy (continuous service)
- c. Curate: The Rev'd Luke Smith (appointed 01 July 2023) previously a co-opted member of PCC as an Ordinand
- d. Wardens: 1. Maria Wyard (resigned 14 April 2024) 2. Andrew Rixon (continuous service) 3. Jess Martin (appointed 14 April 2024)
- e. Representative on the Deanery Synod: Anne Bishop (continuous service)
- f. Elected Members: Abby Ewing (resigned 31 January 2023), Alison McIndoe (continuous service), Andrea McIntosh (appointed 23 April 2023), Jess Martin (appointed 19 September 2023), Chris Bollington (resigned 25 January 2024), Pamela Haluwa (appointed 14 April 2024), Tim Lovell (appointed 14 April 2024), Joy Middleton (appointed 14 April 2024), Charlotte Parmiter (appointed 14 April 2024)

- ii. St Peter's Bethnal Green is a registered charity number 1154668.
- iii. St Peter's Bethnal Green uses the banking services of Reliance Bank Ltd at Faith House, 23-24 Lovat Lane, London, EC3R 8EB.
- iv. Stewardship (1 Lamb's Passage, London EC1Y 8AB) were re-appointed as the charity's accountants and an employee nominated by Stewardship serves as the charity's independent examiner.
- v. Postal address of the church: St Peter's Bethnal Green, St Peter's Close, London E2 7AE.
- vi. Administrative address: The Church Office, The Vicarage, St Peter's Square, London, E2 7AE

2. Structure & Governance

i. Responsibilities of the PCC

The PCC of St Peter's Bethnal Green has the responsibility, together with the Vicar, the Rev'd Heather Atkinson, to promote in the parish the whole mission of the Church. This includes the pastoral, evangelistic, social and ecumenical aspects. It is responsible for the maintenance of the buildings of St Peter's Bethnal Green. As a Church of England Parish church, the PCC and Vicar follow requirements of Church of England Canon Law.

With regard to the PCC's obligations to safeguard children and vulnerable adults, the members of the PCC confirm that they have complied with their duties under section 5 of the Safeguarding and Clergy Discipline Measure 2016.

ii. Objectives and activities

The objectives of St Peter's Bethnal Green are to promote in the parish the whole mission of the Church with a focus to worship God, make friends and change the world. Amplification of the vision of St Peter's is on the website and available in other papers. Otherwise do talk to the clergy.

The electoral roll had 83 registered members at the APCM (14 April 2024). Those on the Electoral roll are able to nominate candidates for the PCC. The PCC and Church Wardens are elected annually at the APCM. The PCC organises itself to carry out its aims and objectives by having regular meetings and various sub-committees. The PCC held five formal meetings over the year and one emergency meeting regarding the closure of the nave.

Day-to-day management of the church is delegated to the Vicar and staff team. Since Heather Atkinson's resignation on 21 February 2024 the Vicar's responsibilities have passed to the Church Wardens. A Standing Committee has now been formed (comprising the Clergy, Church Wardens and a representative of the PCC)

iii. Public Benefit

The PCC members confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have regard to the Charity Commission's general guidance on public benefit. St Peter's Bethnal Green works alongside a number of organisations as partners in undertaking mercy, justice and evangelism. We support these practically, financially and in encouraging people to volunteer and we receive support from them in fulfilling our calling as a local church.

These include: Bethnal Green Spear Trust, Resurgo, Bow Foodbank, Columbia Road Traders Association, and other local churches, individual ministries, primary schools and social enterprises.

The church of St Peter's Bethnal Green benefits the community by the activities described in the section entitled 'Change the World', notably through outreach and supporting others through our volunteer programme, prayer and financial input.

3. Throughout the week

Despite the church building closure, regular worship and activities continued throughout the year. Alongside Sunday services, these included: -

- Art and Soul (Wednesday afternoons) continued to be a safe place to explore community, creativity and spirituality. Attendees included Spear trainees and a range of people from the church community and beyond. The group adapted to meeting in both the marquee and room one over the course of the year.
- Morning Prayer (8am Wednesdays on Zoom).
- Community Climbing Club for young people (Monday evenings).
- Climb and Dine (monthly on Sundays for church young people).
- Friday Women's Climbing, Daylight (fortnightly on Tuesday afternoons).
- Friday Morning Coffee (Zander Court).
- Dwell (a monthly 'engine room of prayer' to fuel the mission of St Peter's).

Young Life

Children and young people remained central to the life of the church, with regular Sunday activities in rooms one and two. Having brilliantly led Young Life in a volunteer capacity for two years, Anne Bishop stepped back in the summer, with Luke Smith now taking on this role. The vision to appoint a part-time paid Young Life Pastor remains.

Safeguarding

The safeguarding of both children and vulnerable adults remained a priority throughout the year with John Loveday continuing to serve as Safeguarding Officer. Safer recruitment and safeguarding training were administered by Rachel Finegan as part of her Teams Administrator role.

4. Across the year

January-March

Worship in the marquee

2023 began with services taking place in the recently erected marquee in the church garden (following the nave ceiling collapse and the closure of the church building in November 2022). Despite the cold and damp, worship continued with enthusiasm and good humour. At the same time a spirit of camaraderie drew the congregation closer together, while there were encouraging reports of how much neighbours enjoyed the sound of worship each Sunday. There was only one occasion when umbrellas were needed inside the marquee as warm air condensed on the cold surface of the marquee roof resulting in a constant dripping!

Refreshments, tea and coffee were served between the 10 and 11am services from the small marquee, with the Tea and Coffee Crew quickly adapting to the challenges of working in an outside environment.

Alpha

A handful of newcomers took part in a ten-week Alpha course between January and March, including a Holy Spirit Saturday and culminating in some joining regularly on Sundays.

April-June

Easter

Holy week and Easter were a new experience in the marquee, with the Maundy Thursday supper and Holy Communion a particular highlight, followed by a vigil until midnight in Room one. Good Friday and Easter Day were also celebrated in the marquee with the Easter dawn vigil round the fire pit on Ion Square. Bill White was confirmed at St Paul's Cathedral on Easter Saturday.

Spear

Members of St Peter's supported Spear throughout the year, including at the celebration of the fiftieth Bethnal Green Spear cohort at Hanbury Hall in June. Once again there were inspirational presentations by the Spear trainees reflecting all of the hard work and commitment of the Spear coaches.

July-September

Petertide

July saw several of us at St Paul's Cathedral for Luke Smith's ordination at Petertide, which was also celebrated with a church family picnic on Ion Square.

Elevate

Elevate (which serves as a bridge between Spear and St Peter's) hosted a summer BBQ and a visit from Archbishop Justin Welby who took part in a highly engaging question and answer session, while the marquee provided shelter from the rain. The event was also attended by trainees from Spear Islington.

Summer events

A group of twenty-five people took part in Focus, our church annual weekend away with the HTB (Holy Trinity Brompton) network under canvas in Lincolnshire. This was much enjoyed by young and old alike.

September saw a Back-to-School BBQ with fairground style games for children. A number from St Peter's attended Adam Atkinson's consecration as Bishop of Bradwell in Westminster Abbey and there was also a Saturday coach trip to Southend-on-Sea.

Asbestos removal

Meanwhile contractors safely removed all asbestos contaminated items (including all fabric items and electrical equipment) from the church building. The nave and chancel ceiling (both the original lath and plaster and the asbestos insulation board overlay) were taken down entirely and replaced with a membrane, insulation board covered over with traditional plaster. There were also extensive repairs of the slate roof. The insulation was funded by a grant from Veolia Environmental Trust. A further grant for £45,000 was awarded by Tower Hamlets to improve the heating and insulation of rooms one and two. The PCC hopes to be able to claim this grant in 2024 once funding for the balance of the cost of the project has been secured.

October - December

Kido Nursery

Building work was also ongoing in the church hall (St Peter's Mission Hall) leased to Kido in 2022. The works were completed by the year end, in time for the nursery to open in 2024. Rental income from the hall supports the mission and ministry of St Peter's.

Remembrance

The traditional service of remembrance was held on Ion Square, with the piano rolled out and the recently re-formed church choir performed, led by Jess Martin.

PCC/leadership Day

Members of the PCC (Parochial Church Council), clergy and staff took part in a vision day at St Paul's Shadwell facilitated by Heather Atkinson. This was to begin considering the future for St Peter's following Heather's planned leaving in February 2024.

Advent and Christmas

The usual series of services was planned and advertised both on banners, through the website and delivering flyers round as much of the parish as possible. A large number of visitors took part in Campfire carols, Christingle and Carols by Candlelight (with the choir performing again) all in the marquee.

Columbia Road Carols

Columbia Road Carols on Wednesdays leading up to Christmas was so hugely successful that the final two weeks of four had to be cancelled. This was following crowds of over 7,000 people attending on week two, raising concerns for crowd safety.

Forward into church

The delayed completion of the ceiling works was achieved in the week before Christmas, with the result that the first service back in the building was the Midnight service on Christmas Eve. 'Carols by Candlelight' 2022 was the first service in the marquee and 'Carols by Candlelight' 2023 the last.

Finally, a word from Heather

Heather Atkinson continued as Vicar of St Peter's Bethnal Green throughout 2023. Heather's final report to PCC in January 2024 before leaving included the following: -

'I have deeply loved serving this parish and to leave is a wrench. I have loved and learned and rejoiced to be part of this church. I trust I have also been useful. May God bless you and keep you and grow in you a desire to follow Him with trust and expectation on your future adventures as His beloved church.'

Part 2

Section 7: Treasurer's report

Income to support Church mission

Finances at St Peter's were overseen by the Finance Working Group, a sub-committee of the PCC, made up of the Vicar, a Church Warden and at least one other member, supported by the Operations Director and the former Treasurer. This team met regularly and makes recommendations on finance matters to the PCC.

2023 Review

2023 Income

The ministries and activities of St Peter's Bethnal Green were largely funded by three groups of income: -

Giving Income in 2023 (funding from the congregation members and friends of St Peter's in the form of standing orders, one-off gifts, regular collections and related gift aid) amounted to **£83k**. This was down from 2022 when giving income totalled £94k. No 'giving drives' for particular projects were held in 2023.

Property Income (the letting and renting of church premises) also accounted for a significant proportion of the church's income, at **£112k** (2022: £67k). This comprised £94k for the hall and £18k for the church crypt. The year-on-year increase is due to the church hall having been leased for the full financial year. The hall was fully refurbished during the year by Kido who opened their pre-school nursery in January 2024. Meanwhile Parabolic Theatre continued their pilot phase in the crypt.

Grant Income from external bodies was **£323k** (2022 £19k). Grants totalling £241k were received for ceiling repairs and associated costs from Veolia Environmental Trust and London Diocesan Fund. Other grants were £19k from the Henry Fawcett Fund (HFF) mainly supporting staffing costs (Operations Director, Associate Priest and Teams Administrator), £13k from the Revitalise Trust in support of the Curate's costs and £50k from the government's Listed Places of Worship Scheme (which covered the VAT paid on building repairs).

Other income amounted to **£156k** (2022: £17k), including a £148k insurance payout with the remainder from events (£6k) and room hire (£2k).

Overall, St Peter's income was **£674k** in 2023, up from £197k in 2022.

2023 Expenditure

All expenditure aimed to support the mission of St Peter's Bethnal Green to Worship God, Make Friends and Change the World.

Over the course of the year: -

Clergy and staff costs were **£74k** (2022: £45k) which included accommodation costs for clergy, stipend and pension contributions for the Associate Priest, and pay for the Operations Director and the Teams Administrator.

Ministry expenses (including retreat and event expenses) were **£20k** (£22k). These included youth and children's activities, an Alpha course, a group going to Focus and costs for Columbia Carols (which was covered entirely by related income).

Gift expenditure amounted to **£53k** as a contribution to the Diocesan Common Fund (£30k in 2022).

[Common Fund (CF) is the name given to contribution made by each parish in the Diocese to support the costs of clergy, clergy accommodation, clergy in training as well as other Diocesan functions such as safeguarding.]

The year-on-year significant increase in CF (£30k to £53k) was possible owing to the lease income coming from the church hall property. The CF contribution requested by the Diocese was £87.8k but only £53k was paid. This amounted to 60% of full CF and was felt by the PCC to be a manageable and realistic increase, with a view to further increasing the percentage of CF to be paid in future years.

Property related expenditure totalled **£461k** (2022: £55k) This comprised £431,000 (2022: £22,000) spent on major repairs including £419,000 associated with the church building ceiling and roof repairs as well as £30,000 (2022: £33,000) on routine expenditure.

Administration and running costs expenditure amounted to **£24k** (2022: £22k).

Overall St Peter's spent **£632k** in 2023, up from £174k in 2022.

Surplus for the year and the closing position

This year the PCC has reported a surplus of **£42k** (2022 **£23k surplus**) and the PCC's net assets increased by this amount to £1,085k. This comprises fixed assets (principally the Mission Hall) with a carrying value of £972k plus cash of £149k (of which £3k was restricted) less other net liabilities of £36k.

Policy on reserves

The PCC has determined that the charity should aim to free reserves (which the trustees define as being unrestricted net current assets less creditors falling due after one year) of no less than £58k (which equates to about 3 months' of budgeted operational expenditure) so that the charity could continue to operate should income and/or expenditure vary adversely.

Reserves are continually reviewed by the Finance Working Group and the 2024 budget aims to keep the level of reserves as close to the policy as possible, whilst trying to increase Common Fund contributions and necessarily increasing ministry costs with new staff. At the year end the PCC held free reserves of £109k and the PCC is complying with its reserves policy.

Risk assessment and mitigation

The financial risks which the church faces are considered bi-monthly by the Finance Working Group.

Measures are proposed by the Finance Working Group and implemented by the PCC or staff team to ensure that appropriate financial systems, policies and procedures are in place to manage and mitigate financial risks. As an organisation with a relatively low level of reserves, there is a financial risk which is managed by strong financial systems and controls. As a matter of general policy, independent professional advice is taken where appropriate.

Investment and cash flow policy

As mentioned above, St Peter's has relatively low reserves and hence it rarely has excess funds to invest. The rent deposit of £25k received from the Mission Hall tenant is held in a separate, with notice, deposit account. The rest of the cash held by the charity is held in a bank current account so that it is readily accessible.

Grant making policy

The PCC carefully evaluates grant applications before any grants are awarded.

Health and Safety and Employment Law Policy

In 2023 the church employed one staff member, and the premises are in regular use by several people including children and vulnerable adults. Employment Law and health and safety measures are adhered to, and assistance in these matters is sought from the Diocese of London and independent professional advisors.

Sustainability policy

St Peter's encourages the adoption of sustainable practice in all areas of church life and work, as a means to contributing to the reduction in carbon emissions in dealing with the growing evidence for manmade climate change. Measures taken include: - recycling, energy audits, encouraging the use of public transport, cycling and walking.

2024 Plans

The financial plan for 2024 assumes regular routines of worship and ministry will continue at St Peter's. (At the start of the year the PCC was aware that Heather Atkinson would resigning as Vicar in February 2024 and that the parish would most likely be 'in vacancy' for 6-9 months before the appointment of a new Priest In Charge.)

The 2024 budget requires the expenditure on activities and ministries of St Peter's to be wholly covered by the cash received. The budget will be reviewed regularly by the Finance Working Group.

2024 Income

The PCC set a bold income budget, seeking to increase the number of regular givers by 12. Our budget for regular *giving income* is set at £76k (2023 actual £58k).

Property income is forecast at £118k, based on the lease of the hall to Kido Schools UK Ltd (£8.3k PCM) and the rental income from Parabolic Theatre (or another user) for the crypt (£1.5k PCM).

The budget for *grant income* is set at £157k, including an ambitious £100k of grants to fund capital repairs; £25k from Revitalise Trust for the Curate's cost, £16k from Henry Fawcett Fund plus a further £16k for ministry related projects.

2024 Expenditure

We plan to increase our *away giving* through an increase in our Common Fund (CF) contribution from £4.4k PCM in 2023 (60% of full CF) to £4.9k PCM in 2024 (64% of full CF).

(CF is the name given to contribution made by each parish in the Diocese to support the costs of clergy, clergy accommodation, clergy in training as well as other Diocesan functions such as safeguarding.)

Our CF contribution remains significantly below the level set for each parish by the Diocese (£7.6k PCM). We have increased our contribution year on year and plan to review our contribution upwards in future years.

Staffing will be as follows: - Priest In Charge, Associate Priest, Curate, Operations Director, Teams Assistant and Site Assistant. A part-time paid Young Life Pastor role remains vacant.

Dependent on the success of capital fundraising and insurance claims, urgent capital repairs will be carried out to the tower stonework, the organ and levelling the garden paths. In addition the PCC is exploring projects to reduce the church's carbon footprint.

Note: - An assessment by the Diocesan parish property adviser in January 2020 advised that the church building will require between **£750k and £1m spending on the fabric** in the next 10 years (before any re-development of the internal space). This must be held in mind in future financial planning.

The PCC responsibilities in relation to the financial statements

The PCC is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the PCC to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity as at the balance sheet date and of its incoming resources and application of resources for the financial year. In preparing these financial statements, the PCC are required to:

1. Select suitable accounting policies and apply them consistently;
2. Observe the methods and principles in the Statement of Recommended Practice for Charities;
3. Make judgements and estimates that are reasonable and prudent;
4. State whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
5. Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The PCC is responsible for keeping proper accounting records that 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 and the Charity (Accounts and Reports) Regulations 2008. 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.

Approval

This report was approved by the PCC and signed on their behalf by:

Andrew Rixon

Andrew Rixon, Church Warden

Date 23 July 2024

David Bishop

David Bishop, on behalf of the Finance Working Group

Date 23 July 2024

INDEPENDENT EXAMINER'S REPORT
TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF
ST PETER WITH ST THOMAS BETHNAL GREEN
('the Charity')

I report to the members of the PCC (who are also the charity's trustees) on my examination of the accounts of the Charity for the year ended 31 December 2023 on pages 13 to 23 following, which have been prepared on the basis of the accounting policies set out on pages 16 and 17.

Responsibilities and basis of report

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

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

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 Fellow of the Association of Charity Independent Examiners, which is one of the listed bodies.

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:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 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.

Ajay Rajani

Ajay Rajani FCIE
Fellow of the Association of Charity Independent Examiners
Stewardship
1 Lamb's Passage
London
EC1Y 8AB

24 July 2024

ST PETER WITH ST THOMAS BETHNAL GREEN
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	82,019	323,670	405,689	112,748
Charitable activities	4	8,255	-	8,255	6,276
Other trading activities	5	111,639	-	111,639	66,811
Other income: proceeds of insurance claim		148,525	-	148,525	11,035
Total income and endowments		350,438	323,670	674,107	196,871
EXPENDITURE ON:					
Charitable activities	6	171,952	449,878	621,830	172,114
Raising funds	7	10,357	-	10,357	1,775
Total expenditure		182,310	449,878	632,187	173,889
Net income/(expenditure)		168,128	(126,208)	41,920	22,983
Transfers between funds	15	(127,344)	127,344	-	-
Net movement in funds		40,784	1,136	41,920	22,983
Reconciliation of funds:					
Total funds brought forward		70,351	972,267	1,042,618	1,019,634
Total funds carried forward	15	111,135	973,404	1,084,538	1,042,618

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

All income and expenditure derive from continuing operations.

The notes on pages 16 to 23 form part of these accounts.

ST PETER WITH ST THOMAS BETHNAL GREEN

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
FIXED ASSETS					
Tangible assets	9	1,894	970,000	971,894	973,148
		<u>1,894</u>	<u>970,000</u>	<u>971,894</u>	<u>973,148</u>
CURRENT ASSETS					
Debtors	10	87,493	-	87,493	23,625
Cash at bank and in hand	11	145,128	3,404	148,532	85,000
		<u>232,621</u>	<u>3,404</u>	<u>236,024</u>	<u>108,625</u>
CREDITORS: Amounts falling due within one year	12	(113,380)	-	(113,380)	(39,155)
		<u>119,240</u>	<u>3,404</u>	<u>122,645</u>	<u>69,470</u>
Net current assets / (liabilities)					
		<u>119,240</u>	<u>3,404</u>	<u>122,645</u>	<u>69,470</u>
Total assets less current liabilities		<u>121,135</u>	<u>973,404</u>	<u>1,094,538</u>	<u>1,042,618</u>
CREDITORS: Amounts falling due after more than one year	13	(10,000)	-	(10,000)	-
		<u>111,135</u>	<u>973,404</u>	<u>1,084,538</u>	<u>1,042,618</u>
TOTAL NET ASSETS					
		<u>111,135</u>	<u>973,404</u>	<u>1,084,538</u>	<u>1,042,618</u>
FUND BALANCES					
Unrestricted Funds		111,135	-	111,135	70,351
Restricted Funds	15	-	973,404	973,404	972,267
		<u>111,135</u>	<u>973,404</u>	<u>1,084,538</u>	<u>1,042,618</u>

The financial statements were approved by the members of the PCC and were signed on its behalf by:

Andrew Rixon

Andrew Rixon - trustee

23 July 2024

Date

Charity number: 1154668

The notes on pages 16 to 23 form part of these accounts.

ST PETER WITH ST THOMAS BETHNAL GREEN
FOR THE YEAR ENDED 31 DECEMBER 2023
CASH FLOW STATEMENT

	Note	2023 £	2022 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	a	<u>43,531</u>	<u>42,501</u>
Cash flows from investing activities:			
Purchase of property, plant and equipment		-	(2,830)
Net cash provided by/(used in) investing activities		<u>-</u>	<u>(2,830)</u>
Cash flows from financing activities:			
Cash inflows from new borrowing		20,000	-
Net cash provided by/(used in) financing activities		<u>20,000</u>	<u>-</u>
Change in cash and equivalents in the reporting period		<u>63,532</u>	<u>39,671</u>
Cash and equivalents at the beginning of the year	b	<u>85,000</u>	<u>45,329</u>
Cash and cash equivalents at the end of the year	b	<u>148,532</u>	<u>85,000</u>

Analysis of changes in net debt:

	At start of year £	Cash-flows £	At end of year £
Cash	85,000	63,532	148,532
Loans from Diocese:			
Falling due within one year	-	(10,000)	(10,000)
Falling due after one year	-	(10,000)	(10,000)
Total net funds / (debt)	<u>85,000</u>	<u>43,532</u>	<u>128,532</u>

Note a: Reconciliation of net income/(expenditure) to net cash flow from operating activities:

	2023 £	2022 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	41,920	22,983
Adjustments for:		
Depreciation charges and provisions for impairment	1,254	403
(Increase)/decrease in debtors	(63,868)	(14,761)
Increase/(decrease) in creditors	64,225	33,876
Net cash provided by (used in) operating activities	<u>43,531</u>	<u>42,501</u>

Note b: Analysis of cash and cash equivalents

	2023 £	2022 £
Cash at bank with immediate access	117,937	54,903
Notice deposits (with a term of three months or less)	30,565	30,067
Petty cash	30	30
Total cash and cash equivalents	<u>148,532</u>	<u>85,000</u>

ST PETER WITH ST THOMAS BETHNAL GREEN
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1 Statutory Information

The Parochial Church Council of St Peter with St Thomas, Bethnal Green is a charity registered with the Charity Commission in England & Wales. The charity's registered number and principal address can be found on the Charity Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention. The financial statements include all activities for which the PCC is legally responsible; the activities of informal gatherings of church members and groups that owe their main affiliation to another body and are excluded.

These financial statements have been prepared in accordance with The Church Accounting Regulations 2006, 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)' ("the Charities SORP"), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102") and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The Charities (Accounts and Reports) Regulations 2008 (the '2008 Regulations') requires charities to prepare their accounts in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005' but this accounting standard has since been withdrawn and has been replaced by the Charities SORP mentioned in the preceding paragraph. The charity has prepared these financial statements in accordance with the new Charities SORP; this departure from the 2008 Regulations is believed to be necessary for these financial statements to give a 'true and fair view'.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The PCC have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The PCC have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the PCC have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The PCC have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Income

Income (which includes planned giving, collections and other donations) is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part income is generally recognised when it is received by, or on behalf of, the PCC. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations and legacies includes recoverable gift aid, which is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from weddings and funerals, from church events and courses and for letting facilities to the local community.

Income from other trading activities represents income receivable from activities undertaken to generate funds for the charity and comprises income receivable from letting property.

Other income comprises income receivable from insurance claims and comprises claims approved by insurance companies by the year end. Any unpaid claims that have been approved by the year end are recognised as debtors in the accounts.

The charity has taken the view that it has only one charitable activity, namely the advancement of the Christian faith, and all income from donations, legacies and charitable activities is in respect of this one activity.

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Contributions in respect of the diocesan parish quota are included in the Statement of Financial Activities for all amounts agreed to being payable for the financial year. Any contributions that have not been paid over by the year end are included as a creditor.

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

Expenditure on raising funds comprises expenditure incurred in respect of the charity's property letting income and time spent by staff on generating grant income.

ST PETER WITH ST THOMAS BETHNAL GREEN
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2023

c) Expenditure continued

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

The Charities SORP requires charities with income over £500,000 to allocate costs to the various activities undertaken by the charity. The nature of the work of the church is considered to be so integrated that the core charitable activity costs are considered to be for the one activity.

d) Fund accounting

Unrestricted funds are funds which are available for use at the discretion of the PCC in furtherance of the general objectives of the charity. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

e) Tangible fixed assets

Consecrated and beneficed property is not included in these financial statements by virtue of s.10(2) of the Charities Act 2011. All expenditure on consecrated or beneficed buildings is written off in the year in which it is incurred.

Movable church furnishings held by the incumbent and Churchwardens on special trust for the PCC and which require a faculty for disposal are capitalised in accordance with the policy set out below. These items are regarded as inalienable property and are listed in the church's inventory which can be inspected at any reasonable time. Inalienable property acquired prior to 2010 has not been capitalised as there is insufficient cost information available.

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £500 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

Freehold land	Is not depreciated (because it is not consumed by use)
Freehold buildings	Over 50 years after taking account of the building's residual value
Equipment	Over 3 to 7 years

The trustees used an insurance valuation to help estimate the market value of the charity's freehold property on 1 January 2014 (being the date of transition to FRS102) and, as permitted by FRS102, its estimated market value on that date has been treated as being the property's deemed cost. The members of the PCC consider the residual value of the freehold building to be very high and believe that any provision for depreciation would not be material; consequently no depreciation has been charged in these accounts.

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

f) Leased assets

Leases which do not transfer substantially all the risks and rewards of ownership to the charity are classified as operating leases. Operating lease payments are recognised as an expense on a straight-line basis over the lease term (unless another systematic basis is more representative of use).

g) Pension scheme arrangements

The charity operates defined contribution pension schemes for its employees. Obligations for contributions to these schemes are recognised as an expense when the liability arises. The assets of these schemes are held separately from those of the charity in independently administered funds.

h) Taxation

The charity has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

i) Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Except for loans, basic financial instruments (which includes cash, debtors and creditors) are measured initially at transaction value and subsequently measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises liabilities for loans at amortised cost using the effective interest method (i.e. it excludes any interest that may be charged on the loans in future years).

j) Critical accounting estimates and areas of judgement

The members of the PCC do not consider that there are any material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

ST PETER WITH ST THOMAS BETHNAL GREEN
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2023

3 Donations and legacies

	2023	2022
	£	£
Regular giving	57,750	68,023
Ad hoc giving	9,613	6,675
Church collections	3,213	2,962
Gift aid recoverable	12,043	15,799
	<u>82,619</u>	<u>93,458</u>
Government grants		
Listed Places of Worship Scheme	49,831	2,469
Other grants:		
from Henry Fawcett Fund	19,520	14,180
from Diocese	174,476	2,641
from others	79,243	-
	<u>323,070</u>	<u>19,290</u>
	<u>405,689</u>	<u>112,748</u>

4 Income from charitable activities

	2023	2022
	£	£
Fees for weddings, funerals etc	832	2,052
Retreats and events	5,463	4,224
Letting facilities for community benefit	1,960	-
	<u>8,255</u>	<u>6,276</u>

5 Income from other trading activities

	2023	2022
	£	£
Church hall lettings	93,639	54,014
Crypt lettings	18,000	12,797
	<u>111,639</u>	<u>66,811</u>

6 Charitable expenditure

	2023	2022
	£	£
Ministry expenses		
Diocesan parish quota - common fund	52,665	30,000
Diocesan service fees	(264)	2,976
Clergy accommodation and contribution to clergy stipend	27,649	8,820
Staff costs	38,452	36,201
Ministry expenses	10,310	9,698
Retreats and events	9,093	7,691
	<u>137,905</u>	<u>95,386</u>
Church running costs		
Property expenses including cleaning and minor repairs	30,656	33,535
Insurance	10,255	10,007
Office expenses	7,141	7,064
Governance costs		
Independent examiner's fee for preparing and examining the accounts	2,940	2,400
Depreciation	1,254	403
	<u>52,246</u>	<u>53,408</u>
Major property repairs		
Church building: repairs to nave ceiling and asbestos removal	418,779	-
Crypt: emergency lighting and fire alarm	11,880	-
Church building: electrical re-wiring	-	10,200
Church hall: boundary wall (largely covered by related insurance claim)	-	11,339
	<u>430,659</u>	<u>21,539</u>
Grants payable (note 6b)	1,019	1,780
	<u>621,830</u>	<u>172,114</u>

The fee payable to the independent examiner for preparing and examining the accounts was £2,940 (2022: £2,400).

ST PETER WITH ST THOMAS BETHNAL GREEN
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2023

6b Grants payable

	Institutions £	Individuals £	2023 £
Grants for the relief of poverty	275	744	1,019
	<u>275</u>	<u>744</u>	<u>1,019</u>

	Institutions £	Individuals £	2022 £
Grants for the relief of poverty	-	1,780	1,780
	<u>-</u>	<u>1,780</u>	<u>1,780</u>

7 Cost of raising funds

	2023 £	2022 £
Staff costs	7,867	-
Legal and professional fees	2,490	1,775
	<u>10,357</u>	<u>1,775</u>

8 Analysis of staff costs, the cost of key management personnel and trustee remuneration

	2023 £	2022 £
Gross wages and salaries	37,830	29,555
Pension costs	1,578	1,126
	<u>39,408</u>	<u>30,682</u>

The average monthly number of employees during the year was 1 (2022: 1). Most of the charity's activities are carried out by volunteers. No staff received salaries at a rate of more than £60,000 per annum.

Rev'd Heather Atkinson, Rev'd Alison Mulroy and Rev'd Luke Smith are clergy members of the PCC. They receive a stipend from the Diocese and they are not employed by the PCC. Some of the Parish Quota paid by the PCC is used to help meet the cost of their stipends. In addition the PCC paid:

- £580 (2022: £nil) towards the cost of accommodation provided to Rev'd Heather Atkinson by the Diocese.
- £8,913 (2022: £8,820) for the provision of accommodation to Rev'd Alison Mulroy. In addition the PCC directly contributed £6,826 (2022: £nil) toward the cost of her stipend.
- £11,910 (2022: £nil) for the provision of accommodation to Rev'd Luke Smith.

No member of the PCC received employment benefits in either the current or preceding year.

9 Tangible fixed assets

	Freehold Property £	Worship and Office Equipment £	Total 2023 £
Cost			
At 1 January 2023	970,000	7,212	977,212
Additions	-	-	-
Disposals	-	(1,330)	(1,330)
At 31 December 2023	<u>970,000</u>	<u>5,882</u>	<u>975,882</u>
Accumulated depreciation			
At 1 January 2023	-	4,064	4,064
Charge for the year	-	1,254	1,254
Eliminated on disposal	-	(1,330)	(1,330)
At 31 December 2023	<u>-</u>	<u>3,988</u>	<u>3,988</u>
Net book value			
At 31 December 2023	<u>970,000</u>	<u>1,894</u>	<u>971,894</u>
At 31 December 2022	<u>970,000</u>	<u>3,148</u>	<u>973,148</u>

Freehold property comprises the church hall at Warner Place.

ST PETER WITH ST THOMAS BETHNAL GREEN
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2023

10 Debtors

	2023	2022
	£	£
Gift aid recoverable	4,243	5,543
Lettings and event income receivable	-	6,956
Prepaid expenditure	11,620	11,125
Grants receivable	27,779	-
Insurance claims receivable	43,851	-
	<u>87,493</u>	<u>23,625</u>

11 Cash at Bank and in Hand

	2023	2022
	£	£
Cash at bank with immediate access	117,937	54,903
Notice deposits	30,565	30,067
Petty cash	30	30
	<u>148,532</u>	<u>85,000</u>

12 Creditors: liabilities falling due within one year

	2023	2022
	£	£
Due to contractors in respect of repairs to nave ceiling	72,429	-
Other creditors	1,387	5,533
Accrued expenses	3,998	3,623
Tenant deposit	25,566	29,999
Loan from Diocese	10,000	-
	<u>113,380</u>	<u>39,155</u>

13 Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Loan from Diocese	10,000	-
	<u>10,000</u>	<u>-</u>

During the year the PCC received a loan of £20,000 from the Diocese to help meet the cost of repairs to the nave ceiling. The loan is interest free and is repayable by 24 monthly instalments, which commenced in January 2024.

14 Pension commitments

During the year employer's pension contributions totalling £1,580 (2022: £2,227) were payable to defined contribution personal pension schemes. No contributions were owed at the balance sheet date (2022: £1,062 was owed).

15 Restricted funds

During the year the movements in the charity's funds were as follows:

	Opening balance 2023	Incoming resources 2023	Outgoing resources 2023	Transfers in the year 2023	Closing balance 2023
	£	£	£	£	£
Church Hall fund	970,000	-	-	-	970,000
Organ fund	1,629	-	(1,080)	-	549
Staff fund	-	7,284	(7,284)	-	-
Clergy fund	-	21,667	(21,012)	-	655
Event fund	-	1,764	(1,764)	-	-
Repair fund	-	290,355	(417,699)	127,344	-
Vicar's Discretionary fund	-	2,000	(744)	-	1,256
Youth fund	638	600	(295)	-	944
	<u>972,267</u>	<u>323,670</u>	<u>(449,878)</u>	<u>127,344</u>	<u>973,404</u>

During the year the transferred £127,344 from unrestricted funds to the restricted Repair fund so that the fund created for repairs to the nave ceiling was not in deficit at the year end.

ST PETER WITH ST THOMAS BETHNAL GREEN
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2023

15 Restricted funds continued

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

	Unrestricted funds £	Restricted funds £	2023 £
Tangible fixed assets	1,894	970,000	971,894
Debtors	87,493	-	87,493
Cash at bank and in hand	145,128	3,404	148,532
Creditors falling due within one year	(113,380)	-	(113,380)
Creditors falling due after one year	(10,000)	-	(10,000)
	<u>111,135</u>	<u>973,404</u>	<u>1,084,538</u>

In the previous year the movements in the charity's funds were as follows:

	Opening balance 2022 £	Incoming resources 2022 £	Outgoing resources 2022 £	Transfers in the year 2022 £	Closing balance 2022 £
Church Hall fund	970,000	-	-	-	970,000
Organ fund	1,629	-	-	-	1,629
Staff fund	-	7,177	(7,177)	-	-
Clergy fund	-	5,692	(5,692)	-	-
Event fund	-	1,311	(1,311)	-	-
Art & Soul fund	-	1,000	(1,000)	-	-
Energy support fund	-	2,641	(2,641)	-	-
Repair fund	-	2,469	(2,469)	-	-
Other small funds	1,157	600	(1,118)	-	638
	<u>972,786</u>	<u>20,890</u>	<u>(21,409)</u>	<u>-</u>	<u>972,267</u>

Analysis of net assets by fund

In the previous year, the assets and liabilities of the various funds were as follows:

	Unrestricted funds £	Restricted funds £	2022 £
Tangible fixed assets	3,148	970,000	973,148
Debtors	23,625	-	23,625
Cash at bank and in hand	82,733	2,267	85,000
Creditors falling due within one year	(39,155)	-	(39,155)
	<u>70,351</u>	<u>972,267</u>	<u>1,042,618</u>

Information about the charity's restricted funds:

The **Church Hall** fund is in respect of the church hall at Warner Place. The custodian trustee is the London Diocesan Fund and the PCC cannot sell the property without the consent of the London Diocesan Fund.

The **Organ** fund was created from grants and donations received for the church organ.

The **Staff** fund was created from grants received to help meet the cost of employing staff.

The **Clergy** fund was created from grants received to help meet the cost of providing accommodation to clergy and the cost of making contributions to the Diocese in respect of the stipend they receive from the Diocese.

The **Event** fund was created from grants received to help fund the provision of ministry events.

The **Art & Soul** fund was created from donations received to help the charity run a community arts group.

The **Energy support** fund was created by a grant received from the Diocese to help the charity with energy costs.

The **Repair** fund was created from grants received to help meet the cost of repairs to the church building.

The **Vicar's Discretionary** fund was created from grants received for discretionary use by the Vicar.

The **Youth** fund was created by donations received to help meet the cost of the PCC's work with children and young people.

ST PETER WITH ST THOMAS BETHNAL GREEN
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2023

16 Operating lease income

The charity has granted a lease to a nursery provider that gives them exclusive use of the church hall at Warner Place. The minimum amounts receivable (until the next break clause and ignoring the potential effect of future rent reviews and any unforeseen events that could result in early termination) in respect of this lease is as follows:

	2023 £	2022 £
Income falling due:		
Within one year	100,000	91,666
Between one and five years	400,000	400,000
After five years	<u>141,667</u>	<u>241,667</u>
	<u><u>641,667</u></u>	<u><u>733,333</u></u>

17 The charity has an operating lease for rented accommodation provided to clergy. The minimum amount payable in respect of this lease is as follows:

	2023 £	2022 £
Payments falling due:		
Within one year	23,820	-
Between one and five years	<u>35,730</u>	<u>-</u>
	<u><u>59,550</u></u>	<u><u>-</u></u>

During the year the charity was charged £11,910 (2022: £nil) for its operating lease.

18 Other relevant financial information

The PCC is pursuing insurance claims for the replacement of contents that were contaminated by asbestos and had to be destroyed and for the decontamination from asbestos of the church organ. In the new financial year the PCC's insurers have made an on account payment of £22,500; the actual claims are for a far greater amount. The proceeds from the insurance claims will be used to replace contents and decontaminate the organ.

During the year the PCC was awarded a grant of £45,000 by Tower Hamlets Council for projects that would reduce the charity's carbon footprint. The charity is currently attempting to secure further funding to undertake these project and it hoped that the PCC will be in a position to be able to claim the grant before the end of 2024.

19 Transactions with related parties

During the year the PCC received grants totalling £19,520 (2022: £14,180) from the Henry Fawcett Fund, a registered charity established for the relief of poverty in the parish. The vicar and the PCC's two church wardens serve as trustees of the Henry Fawcett Fund and the Henry Fawcett Fund is regarded as being a related party.

During the year the charity :

- a) received donations totalling £15,417 (2022: £17,624) from related parties (which includes members of the PCC, any other members of key management and anyone closely connected to them).
- b) paid employment benefits totalling £39,408 (2022: £30,721) to a person closely related to Anne Bishop, who is a trustee.

Except for the reimbursement of expenses incurred when acting as agent for the charity, or incurred when undertaking duties associated with serving as clergy, no expenses were paid to (or for) members of the PCC.

ST PETER WITH ST THOMAS BETHNAL GREEN
DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total 2023 £	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £
INCOME AND ENDOWMENTS FROM:							
Donations and legacies	3	82,019	323,670	405,689	91,858	20,890	112,748
Charitable activities	4	8,255	-	8,255	6,276	-	6,276
Other trading activities	5	111,639	-	111,639	66,811	-	66,811
Other income		148,525	-	148,525	11,035	-	11,035
Total income and endowments		350,438	323,670	674,107	175,981	20,890	196,871
EXPENDITURE ON:							
Charitable activities:	6	171,952	449,878	621,830	150,705	21,409	172,114
Raising funds	7	10,357	-	10,357	1,775	-	1,775
Total Expenditure		182,310	449,878	632,187	152,480	21,409	173,889
Net income/(expenditure)		168,128	(126,208)	41,920	23,501	(518)	22,983
Transfers between funds	15	(127,344)	127,344	-	-	-	-
Net movement in funds		40,784	1,136	41,920	23,501	(518)	22,983
Reconciliation of funds:							
Total funds brought forward		70,351	972,267	1,042,618	46,849	972,786	1,019,634
Total funds carried forward	15	111,135	973,404	1,084,538	70,351	972,267	1,042,618