

REGISTERED CHARITY NUMBER: 1173041

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021
FOR
THE PAROCHIAL CHURCH COUNCIL OF THE
ECCLESIASTICAL PARISH OF CHRIST CHURCH,
KENSINGTON

TaxAssist Accountants
1 Rosemont Road
London
NW3 6NG

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF CHRIST CHURCH, KENSINGTON

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FOR THE YEAR ENDED 31 DECEMBER 2021

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THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF CHRIST CHURCH, KENSINGTON

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2021

TRUSTEES

A Barrie
A De Souza
A Fenton
A Lebedev
B Jenkins
C.A A McCabe (appointed 30/4/21)
C McCabe
C Dimond
C Fulton (resigned 31/1/21)
E Perkins
I Johnson
J Dalton (resigned 30/4/21)
L Maunder
M Harris
M O'Donoghue (resigned 31/7/21)
N Marsh (resigned 30/4/21)
P Crumpler (resigned 31/10/21)
R Heffner
R Powell
R Winkler
S Tett
T Ravalde

PRINCIPAL ADDRESS

Victoria Rd,
Kensington
London
W8 5RQ

REGISTERED CHARITY NUMBER

1173041

INDEPENDENT EXAMINER

TaxAssist Accountants
1 Rosemont Road
London
NW3 6NG

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF CHRIST CHURCH, KENSINGTON

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2021**

The trustees present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of 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).

Aims and purposes

The primary object of all PCCs is the promotion of the gospel of our Lord Jesus Christ according to the doctrines and practices of the Church of England and is to cooperate with the minister in promoting the whole mission of the Church.

OBJECTIVES AND ACTIVITIES

When planning our activities for the year, the PCC has considered the Charity Commission's guidance on public benefit and the supplementary guidance on charities established for the advancement of religion.

The church's objectives are

- Regular public worship open to all.
- The provision of sacred space for personal prayer and contemplation.
- Pastoral work, including visiting the sick and the bereaved.
- Teaching of Christianity through sermons, courses and small groups.
- Taking of religious assemblies in schools.
- The provision of a youth club with a Christian ethos.
- Promotion of Christianity through the staging of events.

There has been no change in the policies adopted to meet these objectives during the year.

ACHIEVEMENT AND PERFORMANCE

Sunday services

- We were very grateful for how members of Christ Church generously gave their time and expertise to enable Sunday services to continue in a whole variety of ways - in the building, live-streamed, on Zoom and hybrid combinations of all these.
- Sunday School began the year online and transitioned to in person groups in April. It was very encouraging to welcome back existing families and new families from the local area. A new children's group also began at the 6pm service in the autumn term
- Numbers of people attending both 11am and 6pm services grew steadily during the year, with a particularly encouraging revival of numbers at the 6pm service during the autumn.
- The Christmas services were well-attended by church family and guests.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF CHRIST CHURCH, KENSINGTON

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2021**

ACHIEVEMENT AND PERFORMANCE

Midweek ministries

There was an encouraging increase in the breadth of the church family meeting together to study the Bible, pray for and care for one another during 2021. All of these were able to continue online during the periods of lockdown:

- On Monday nights there were Christianity Explored and Discipleship Explored groups.
- On Tuesday mornings a group of mums met to read "God's New Community" (on the life of the church), moving to Friday mornings in the autumn to study John's Gospel.
- The student groups finished the academic year studying Romans together on Zoom and in the autumn started to meet physically in the building again, looking at John's Gospel.
- On Wednesday mornings we began a fortnightly coffee morning for those in the local community. This proved to be a great success and we began to include the occasional guest speaker.
- On Wednesday nights groups of workers studied Exodus and John's Gospel together, as did the Thursday morning women's groups.
- A new Friday morning Bible study began in the autumn reflecting on John's Gospel.
- Many of the small groups enjoyed a day together in October thinking about "12 things God can't do, and why they should help you sleep at night!", which was greatly appreciated.
- On Friday mornings 'Bumps and Babies' continued throughout lockdown to support local parents, opening up to families with toddlers from April.
- On Friday evenings the Youth Group watched a 'Bible overview' video series called God's Big Picture and began bible studies in John in September.
- Family Focus looked at "Making decisions with God in charge" in November.
- CCK News — during the 2020 pandemic restrictions there was a daily email to keep people informed, connected and supported in practical ways and this included a reflection on a psalm. This proved to be a great support to existing church family and it also served to connect to many new people in the wider local community. The email continued weekly during subsequent restrictions in 2021 and later in 2021 it became a more occasional newsletter of ministry at Christ Church.

Outside of these weekly ministries the body of Christ was strengthened in innumerable ways through the loving care of one another in prayer and practical support. In the autumn, we joined with other local churches in providing support for refugees who arrived in London from Afghanistan in August. The support comprised donations of clothing and financial donations to enable the purchase of clothing and other necessities.

In August the church entered into an interregnum, following the resignation of Mark O'Donoghue, and the PCC worked with great focus during the autumn to advertise for and appoint a new Vicar for Christ Church. In December it was announced that Revd Brian Elfick had been selected as the new Vicar and that he would begin his ministry after Easter 2022.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF CHRIST CHURCH, KENSINGTON

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2021**

FINANCIAL REVIEW

Financial position

The financial position of Christ Church ended the year with a positive cash reserves balance (above our reserves policy level). This is despite ending the year with a deficit of £92,834 on our unrestricted funds and a small surplus of £4,989 in the designated and restricted funds.

The income generated by Christ Church continued to be primarily derived from congregational giving and hiring of church premises by non-affiliated organisations. For 2021, our total unrestricted income was £541,636 compared to £641,452 in 2020.

Giving (Donations & Legacies)

Our overall Donations and Legacies Income for unrestricted funds in 2021 was £475,172 compared to £588,128 in 2020.

Other Trading Activities (including income from rentals)

The total trading activities income of the church (which are primarily unrestricted) increased, with the 2021 income being £65,172 rather than £49,496 in 2020. We saw rentals return to normal during 2021, but reduced income from Church events.

Resources expended

Total resources expended in 2021 of unrestricted funds were £634,470 and a further £12,414 of expenditure within restricted & designated funds.

Our unrestricted expenditure of £634,470 can be split into two main categories. The first is expenditure on charitable activities, which covers our Common Fund contribution, staffing, direct mission and ministry costs and supporting our mission partners, which was £581,031 and increased £107,468 on 2020. The PCC had reviewed the way that staff roles were funded and from 2021 asked that donations from external trusts should come through Christ Church, so that the church accounts include the full cost of the staff team. This is reflected in the increased figures for 2021.

The second category of expenditure is other expenditure (for example professional fees, utilities, cleaning and gardening), which is £53,439 and is £4,365 less than 2020.

Balance sheet

The total net assets for Christ Church at 31 December 2021 were £891,625 compared to £979,470 in 2020. Of this amount, £343,000 are fixed assets including building and improvements, particularly related to the east end building works added in 2017. The assets include a total cash balance of £526,457, which includes £256,654 of unrestricted funds cash.

Reserves policy

It is PCC policy to try to maintain a balance on free reserves (free cash) which equates to at least three months' unrestricted payment. This is equivalent to £158,617 (25% of the whole year's running costs). It is held to smooth out fluctuations in cash flow and to meet emergencies. The balance of the free reserves at the year end was £256,654 which is higher than this target. The balance of £269,803 is made up of £24,542 in the restricted fund is retained for specific initiatives of the PCC and a designated fund of £245,261 towards clergy accommodation & PCC initiatives.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF CHRIST CHURCH, KENSINGTON

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure, governance and management

The PCC is a body corporate established by the Church of England. It is controlled by its governing documents, the Parochial Church Councils (Powers) Measure 1956 and the Church Representation rules, both as amended.

The method of appointment of PCC members is set out in the Church Representation Rules. There were 22 members of the PCC in 2021, elected and ex officio, drawn from the morning and evening congregations. At the end of 2021, there were 17 members, 11 of which were elected, with the balance comprising clergy and members who, as churchwardens or members of the Diocesan or Deanery Synods, are ex officio members. All those who are members of our congregations are encouraged to register for the electoral roll, which enables them to participate in the elections to the PCC at the annual parochial church meeting.

In addition to the statutory Standing Committee, the PCC has additional subcommittees that draw on the expertise of the wider church family and on which the vicar is entitled to be an ex officio member. In 2021 these consisted of the Finance subcommittee, Buildings and Fabric subcommittee, HR subcommittee, Mission and Partnerships subcommittee and the Parish Profile subcommittee.

The PCC met once in person and seven times via video conference.

- At 'normal' meetings, recurring items included general ministry matters, staff accommodation, church finances, HR strategy, building and fabric, safeguarding updates and the appointment of a new vicar.

- In September the PCC held a "Section 11" meeting at which decisions were made on the process for appointing a new vicar.

- In September the PCC also held a half-day meeting led by the HR subcommittee to discuss the structure of staff salaries and benefits, the staff handbook, contracts and other documents, and long-term staffing needs of the church.

- The Standing Committee met regularly between Council meetings. Subcommittees met between meetings on an ad-hoc basis.

The electoral roll is completely reviewed and revised every six years. This last took place in 2019. The current electoral roll stands at 224.

Risk Management and Safeguarding

The trustees have assessed the major risks to which the church is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The risks are managed by regular reviews of ministry activities, encouragements to give financially, the independent examination of accounts, good management of lettings, inspections of the buildings, having appropriate insurance cover, and following the annually-approved policies on health and safety, lone working, safeguarding and safer recruitment.

In September 2021 the PCC reviewed and updated its risk register and risk mitigation framework. While this cannot provide absolute assurance, the steps taken should enable the PCC and the church to achieve its objectives. A complete overhaul of the risk register was carried out in early 2022.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF CHRIST CHURCH, KENSINGTON

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 31 DECEMBER 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Safeguarding

Safeguarding continues to be integral to our ongoing work amongst children and vulnerable adults at Christ Church Kensington. The PCC has complied with its duty under section 5 of the Safeguarding and Clergy Discipline Measure 2016 to have "due regard" to the House of Bishops' guidance in relation to safeguarding. We comply with the Diocesan regulations to ensure the highest level of safeguarding in our church for those in leadership and those working with children and vulnerable adults.

During 2021 we have worked to build continually a positive safeguarding culture within the parish and we received positive feedback on safeguarding at CCK from the archdeacon's visitation. 'Safeguarding' is not just procedures that happen when something goes wrong, but is about prevention and protection from harm, and therefore covers risk assessments, insurance, and proportional safer recruitment practices for all who volunteer at Christ Church. Safeguarding is a standing item at PCC meetings, and the PCC is regularly updated on the safeguarding procedures and protocols within the parish. We also complete an annual safeguarding audit to return to the diocese.

During the year the diocese has issued detailed new guidance on safer recruitment for both employees and volunteers, and we have started to implement these changes, including more regular DBS checks, and increased training for those involved in recruitment. The staff team have started to streamline the procedures for the safer recruitment process, which includes role descriptions, safeguarding training and DBS checks, where relevant, and have a plan for going forward in this regard.

The PCC appoints a Parish Safeguarding Officer and a Children's Champion annually to oversee this work.

Administrative Information

Christ Church forms part of the Kensington Deanery in the Episcopal Area of Kensington, within the Diocese of London. The PCC is a body corporate established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure. The PCC is a registered charity subject to the Charities Act 2011 (registered number 1173041).

For details of Trustees, Principal address and Independent Examiner please refer page 1 of report.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Approved by order of the board of trustees on 7th April 2022 and signed on its behalf by:



.....
S Tett - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF CHRIST CHURCH, KENSINGTON**

We report to the charity trustees on our examination of the accounts of The Parochial Church Council of the Ecclesiastical Parish of Christ Church, Kensington (the Trust) for the year ended 31 December 2021.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since the church's gross income exceeded £250,000 your examiner must be a member of a body listed section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of CIMA, which is one of the listed bodies. Your attention is drawn to the fact that the charity has prepared financial statements in accordance with 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) 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 now been withdrawn.

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

We have completed our examination. We can confirm that no matters have come to our attention in connection with the examination giving us cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust 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.

We 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.

TaxAssist Accountants

Chartered Management Accountant
Independent Examiner
TaxAssist Accountants
1 Rosemont Road
London
NW3 6NG

Date: 8/4/2022

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF CHRIST CHURCH, KENSINGTON

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted fund £	Restricted fund £	Endowment fund £	31.12.21 Total funds £	31.12.20 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies		475,172	308	17,001	492,481	593,844
Charitable activities	5					
Sales within charitable activity		1,246	-	-	1,246	3,674
Other trading activities	3	65,172	-	-	65,172	49,496
Investment income	4	<u>46</u>	<u>-</u>	<u>94</u>	<u>140</u>	<u>1,070</u>
Total		541,636	308	17,095	559,039	648,084
EXPENDITURE ON						
Charitable activities						
Other trading activities	6	<u>581,031</u>	<u>288</u>	<u>11,262</u>	<u>592,581</u>	<u>477,529</u>
		581,031	288	11,262	592,581	477,529
Other	7	<u>53,439</u>	<u>391</u>	<u>473</u>	<u>54,303</u>	<u>64,165</u>
Total		634,470	679	11,735	646,884	541,694
NET INCOME/(EXPENDITURE)		(92,834)	(371)	5,360	(87,845)	106,390
Transfers between funds	15	<u>(13,279)</u>	<u>(25,272)</u>	<u>38,551</u>	<u>-</u>	<u>-</u>
Net movement in funds		(106,113)	(25,643)	43,911	(87,845)	106,390
RECONCILIATION OF FUNDS						
Total funds brought forward		<u>488,652</u>	<u>289,468</u>	<u>201,350</u>	<u>979,470</u>	<u>873,080</u>
TOTAL FUNDS CARRIED FORWARD		<u>382,539</u>	<u>263,825</u>	<u>245,261</u>	<u>891,625</u>	<u>979,470</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF CHRIST CHURCH, KENSINGTON

BALANCE SHEET
31 DECEMBER 2021

	Notes	31.12.21 £	31.12.20 £
FIXED ASSETS			
Tangible assets	11	343,000	347,846
CURRENT ASSETS			
Debtors	12	110,377	28,108
Cash at bank		<u>526,457</u>	<u>626,205</u>
		636,834	654,313
CREDITORS			
Amounts falling due within one year	13	(88,209)	(22,689)
NET CURRENT ASSETS		<u>548,625</u>	<u>631,624</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		891,625	979,470
NET ASSETS		<u>891,625</u>	<u>979,470</u>
FUNDS	15		
Unrestricted funds:			
General fund		382,539	488,652
Restricted funds:			
Restricted Fund		263,825	289,468
Endowment funds:			
Endowment		<u>245,261</u>	<u>201,350</u>
TOTAL FUNDS		<u>891,625</u>	<u>979,470</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 7th April 2022 and were signed on its behalf by:


S Tett - Trustee

The notes form part of these financial statements

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF CHRIST CHURCH, KENSINGTON

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 DECEMBER 2021**

1. ACCOUNTING POLICIES

ACCOUNTING CONVENTION

The financial statements have been prepared in accordance with the Charities Act 2011 and "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)" (as amended for accounting periods commencing from 1 January 2016). The church is a Public Benefit Entity as defined by FRS 102.

The church has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the church. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

INCOMING RESOURCES

Income is recognised when the church is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the church has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the church has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

TANGIBLE FIXED ASSETS

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF CHRIST CHURCH, KENSINGTON

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES - continued

TANGIBLE FIXED ASSETS

Freehold property	- not provided
Fixtures and fittings	- 10% on cost
Computer equipment	- 33% on cost

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

TAXATION

The charity is exempt from tax on its charitable activities.

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

See below further explanation of the nature and purpose of each fund.

Unrestricted funds: money that may be expended on the day-to-day mission and ministry of Christ Church.

Restricted funds : money donated on the basis that they may only be expended on specific restricted projects. Usually this is for building projects, but not exclusively. This category included Designated Funds, which the PCC is free to re-designate as circumstances may require.

- **Restricted - AV:** This fund is specifically for the raising funds towards our AV upgrade, and associated expenditure.

- **Ministry Trainees:** This fund is specifically for raising funds to support ministry trainees, and for associated expenditure.

Endowment Fund: Exactly which funds are included in this category are defined by the Charities Statement for Recommended Practice, for Christ Church the money in this fund can only be used in relation to Pipe Organ costs or the purchase of clergy accommodation.

- **Designated Fund:** This fund only gathers interest on the income received on the historic sale of a property.

- **Designated Funds for Fenton & Harris Housing:** These funds are specifically for the additional income & expenditure related to the housing of Revd Andy Fenton, and Revd Mark Harris.

- **Designated Organ Fund:** This fund is specifically for the upkeep of the pipe Organ, and the raising of funds towards a new pipe organ.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF CHRIST CHURCH, KENSINGTON

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES - continued

PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

GOING CONCERN

At the time of approving the financial statements, the trustees have a reasonable expectation that the church has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

IMPAIRMENT OF NON-CURRENT ASSETS

At each reporting end date, the church reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

FINANCIAL INSTRUMENTS

The church has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 other 'Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the church's balance sheet when the church becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

BASIC FINANCIAL ASSETS

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

BASIC FINANCIAL LIABILITIES

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF CHRIST CHURCH, KENSINGTON

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES - continued

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

DERECOGNITION OF FINANCIAL LIABILITIES

Financial liabilities are derecognised when the church's contractual obligations expire or are discharged or cancelled.

EMPLOYEE BENEFITS

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the church is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the church's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3. OTHER TRADING ACTIVITIES

	31.12.21	31.12.20
	£	£
Fundraising events	<u>65,172</u>	<u>49,496</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF CHRIST CHURCH, KENSINGTON

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

4.	INVESTMENT INCOME		31.12.21	31.12.20
			£	£
	Interest receivable - trading		<u>140</u>	<u>1,070</u>
5.	INCOME FROM CHARITABLE ACTIVITIES		31.12.21	31.12.20
			£	£
	Sales	Activity		
		Sales within charitable activity	<u>1,246</u>	<u>3,674</u>
6.	OTHER TRADING ACTIVITIES		31.12.21	31.12.20
			£	£
	Other trading activities		140,876	137,105
	Staff costs		446,859	335,323
	Depreciation		<u>4,846</u>	<u>5,101</u>
			<u>592,581</u>	<u>477,529</u>
7.	OTHER		31.12.21	31.12.20
			£	£
	Other Expenditure		<u>54,303</u>	<u>64,165</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

Five trustees (or any persons connected with them) received remuneration or benefits from the church during the year.

TRUSTEES' EXPENSES

There were no trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF CHRIST CHURCH, KENSINGTON

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

9. STAFF COSTS

	31.12.21	31.12.20
	£	£
Wages and salaries	417,173	327,937
Other pension costs	<u>29,686</u>	<u>7,386</u>
	<u><u>446,859</u></u>	<u><u>335,323</u></u>

The average monthly number of employees during the year was as follows:

	31.12.21	31.12.20
Employees	7	8
Clergy	<u>4</u>	<u>4</u>
	<u><u>11</u></u>	<u><u>12</u></u>

No employees received emoluments in excess of £60,000.

Wages and salaries figure stated above includes wages, salaries, clergy stipend and housing costs.

10. 2020 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Endowment fund £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	588,128	5,716	-	593,844
Charitable activities				
Sales within charitable activity	3,674	-	-	3,674
Other trading activities	49,496	-	-	49,496
Investment income	<u>154</u>	<u>-</u>	<u>916</u>	<u>1,070</u>
Total	641,452	5,716	916	648,084
EXPENDITURE ON				
Charitable activities				
Other trading activities	<u>473,563</u>	<u>3,966</u>	<u>-</u>	<u>477,529</u>
	473,563	3,966	-	477,529
Other	57,804	4,487	1,874	64,165

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF CHRIST CHURCH, KENSINGTON

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

10. 2020 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted fund £	Endowment fund £	Total funds £
Total	531,367	8,453	1,874	541,694
NET INCOME/(EXPENDITURE)	110,085	(2,737)	(958)	106,390
RECONCILIATION OF FUNDS				
Total funds brought forward	378,567	292,205	202,308	873,080
TOTAL FUNDS CARRIED FORWARD	<u>488,652</u>	<u>289,468</u>	<u>201,350</u>	<u>979,470</u>

11. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 January 2021 and 31 December 2021	<u>320,125</u>	<u>48,454</u>	<u>2,623</u>	<u>371,202</u>
DEPRECIATION				
At 1 January 2021	-	20,734	2,622	23,356
Charge for year	<u>-</u>	<u>4,845</u>	<u>1</u>	<u>4,846</u>
At 31 December 2021	<u>-</u>	<u>25,579</u>	<u>2,623</u>	<u>28,202</u>
NET BOOK VALUE				
At 31 December 2021	<u>320,125</u>	<u>22,875</u>	<u>-</u>	<u>343,000</u>
At 31 December 2020	<u>320,125</u>	<u>27,720</u>	<u>1</u>	<u>347,846</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF CHRIST CHURCH, KENSINGTON

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20
	£	£
Trade debtors	4,788	4,401
Other debtors	(200)	-
Amounts owing between funds	83,306	-
Prepayments and accrued income	(950)	3,349
Prepayments	<u>23,433</u>	<u>20,358</u>
	<u>110,377</u>	<u>28,108</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20
	£	£
Trade creditors	5,403	3,377
Other creditors	<u>82,806</u>	<u>19,312</u>
	<u>88,209</u>	<u>22,689</u>

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted fund £	Endowment fund £	31.12.21 Total funds £	31.12.20 Total funds £
Fixed assets	20,375	322,625	-	343,000	347,846
Current assets	367,031	24,542	245,261	636,834	654,313
Current liabilities	<u>(4,867)</u>	<u>(83,342)</u>	<u>-</u>	<u>(88,209)</u>	<u>(22,689)</u>
	<u>382,539</u>	<u>263,825</u>	<u>245,261</u>	<u>891,625</u>	<u>979,470</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF CHRIST CHURCH, KENSINGTON

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

15. MOVEMENT IN FUNDS

	At 1/1/21 £	Net movement in funds £	Transfers between funds £	At 31/12/21 £
Unrestricted funds				
General fund	488,652	(92,834)	(13,279)	382,539
Restricted funds				
Restricted Fund	289,468	(371)	(25,272)	263,825
Endowment funds				
Endowment	201,350	5,360	38,551	245,261
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>979,470</u>	<u>(87,845)</u>	<u>-</u>	<u>891,625</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	541,636	(634,470)	(92,834)
Restricted funds			
Restricted Fund	308	(679)	(371)
Endowment funds			
Endowment	17,095	(11,735)	5,360
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>559,039</u>	<u>(646,884)</u>	<u>(87,845)</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF CHRIST CHURCH, KENSINGTON

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

15. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/1/20 £	Net movement in funds £	At 31/12/20 £
Unrestricted funds			
General fund	378,567	110,085	488,652
Restricted funds			
Restricted Fund	292,205	(2,737)	289,468
Endowment funds			
Endowment	202,308	(958)	201,350
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>873,080</u>	<u>106,390</u>	<u>979,470</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	641,452	(531,367)	110,085
Restricted funds			
Restricted Fund	5,716	(8,453)	(2,737)
Endowment funds			
Endowment	916	(1,874)	(958)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>648,084</u>	<u>(541,694)</u>	<u>106,390</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF CHRIST CHURCH, KENSINGTON

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

15. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/1/20 £	Net movement in funds £	Transfers between funds £	At 31/12/21 £
Unrestricted funds				
General fund	378,567	17,251	(13,279)	382,539
Restricted funds				
Restricted Fund	292,205	(3,108)	(25,272)	263,825
Endowment funds				
Endowment	202,308	4,402	38,551	245,261
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>873,080</u>	<u>18,545</u>	<u>-</u>	<u>891,625</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,183,088	(1,165,837)	17,251
Restricted funds			
Restricted Fund	6,024	(9,132)	(3,108)
Endowment funds			
Endowment	18,011	(13,609)	4,402
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>1,207,123</u>	<u>(1,188,578)</u>	<u>18,545</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF CHRIST CHURCH, KENSINGTON

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

16. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2021.

17. FINANCIAL INSTRUMENTS

	2021	2020
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	3,838	7,751
Carrying amount of financial liabilities		
Measured at amortised cost	4,900	23,989

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF CHRIST CHURCH, KENSINGTON

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

	31.12.21 £	31.12.20 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Non gift aid donation & Grants	268,623	284,254
Donations	116,074	154,715
Collection at Services	59,385	79,122
Donated services and facilities	<u>48,399</u>	<u>75,753</u>
	492,481	593,844
Other trading activities		
Fundraising events	65,172	49,496
Investment income		
Interest receivable - trading	140	1,070
Charitable activities		
Sales	<u>1,246</u>	<u>3,674</u>
Total incoming resources	559,039	648,084
EXPENDITURE		
Other trading activities		
Charitable Expenditure	140,876	137,105
Wages, salaries, clergy stipen	417,173	327,937
Pensions	29,686	7,386
Fixtures and fittings	4,845	4,845
Computer equipment	<u>1</u>	<u>256</u>
	592,581	477,529
Other		
Other Expenditure	<u>54,303</u>	<u>64,165</u>
Total resources expended	<u>646,884</u>	<u>541,694</u>
Net (expenditure)/income	<u>(87,845)</u>	<u>106,390</u>

This page does not form part of the statutory financial statements