

THE PAROCHIAL CHURCH COUNCIL  
OF THE ECCLESIASTICAL PARISH OF  
ST JOHN THE BAPTIST HAMPTON  
WICK

## Report and Accounts

for the year ending 31 December 2021

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST HAMPTON WICK**

**CHARITY INFORMATION**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

<b>Members of the Parochial Church Council</b>	The Revd. Jerry Field (incumbent) Mr Bisi. Alonge (appointed 23 September 2021) Mr. Daniel Bates Mr. Robin Bell Mrs. Ruth Blizzard Mr. Steven Bryan Mrs. Susan Catcheside The Revd. Anna Evans Ms. Nisha George (resigned 20 May 2021) Mrs. Rebecca Isaac (appointed 20 May 2021) The Revd. Jonathan Kissell (resigned 4 April 2021) Mr. James Klair (resigned 8 July 2021) Mr. Henrik Lannero (appointed 27 January 2022) Mr. James Norman (appointed 20 May 2021) Mrs. Caroline Oldham (resigned 20 March 2022) Mrs. Rachel Pim (appointed 20 May 2021) Mr. Graham Simpson (resigned 8 July 2021) Mrs. Andrea Sisodia Mr. Shakti Sisodia Mr. Garth Watkins
<b>Other members of key management</b>	The Revd. Jerry Field The Revd. Anna Evans
<b>Charity Registration Number</b>	1180021
<b>Principal Address</b>	St John's Church, Church Grove Hampton Wick, KT1 4AL
<b>Independent Examiner</b>	Ajay Rajani FCIE Stewardship 1 Lamb's Passage London EC1Y 8AB
<b>Bankers</b>	HSBC Bank plc Kingston Branch 54 Clarence Street Kingston Upon Thames Surrey KT1 1NP

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# **THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST HAMPTON WICK**

## **REPORT OF THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL**

### **FOR THE PERIOD ENDED 31<sup>ST</sup> DECEMBER 2021**

The members of the Parochial Church Council (PCC) have pleasure in submitting the Report and Accounts for the period.

#### **Introduction**

The charity was registered with the Charity Commission on 21 September 2018 and operates under the Charities Act 2011. The governing documents for the charity are the Parochial Church Councils (Powers) Measure 1956 (as amended) and the Church Representation Rules.

#### **Objects of the charity**

The charity is responsible for co-operating with the incumbent, in promoting in the ecclesiastical parish, the whole mission of the Church be it pastoral, evangelistic, social or ecumenical. The PCC is also responsible for maintaining certain church property situated within the parish, namely the church building at Church Grove, Hampton Wick.

#### **Review of Activities**

Our vision is to Love Jesus, Build Community and Transform Lives.

There are currently 246 adults on our electoral roll. 334 adults, 58 children and 30 youth are involved in regular Sunday worship. The Covid pandemic has not only decreased numbers as expected, but also given us a much clearer idea of Sunday attendance through our online booking system. It is not possible to know how many are joining per household online, so that has been estimated conservatively.

A variety of family life, employment and Christian basics courses are regularly run throughout the year with attendance from both church members and also the wider community. There are thriving Children, Youth and Student Ministries.

Due to the ongoing pandemic during 2021 and occasions when the church was not able to meet in person or had limited capacity due to social distancing, St John's has continued most of its activities using online media, including recorded and live-streamed services, courses, ministries and events. As a result, St John's has continued to welcome new members and visitors during this time. Furthermore, a hardship fund that was established during the pandemic continued to grow and be used to help both congregation and community who experienced need, due to loss of jobs or falling on hard times. Following the success of providing Christmas Day lunch in 2020, for the elderly and vulnerable members of our local community, St John's went on to provide lunch on Palm Sunday which also was thankfully received.

Over the course of the year, St John's has maintained its connection with other local organisations, including Hampton Deanery, Kingston Churches Together, Churches Together in Teddington, Kingston University, Twickenham Sea Cadets, The Hampton Wick Association, HM Prison Service, St John the Baptist Junior School and Hampton Wick Infant and Nursery School.

Many of the PCC's activities are undertaken by volunteers and the PCC could not operate effectively without their efforts. In particular volunteers help to support Children, Youth, Men's and Women's ministries, run courses (including the Alpha Course, Marriage Course, Pre-Marriage Course), lead Worship and help with Church administration.

In planning the activities, the members of the PCC have had regard to the guidance on public benefit issued by the Charity Commission.

## **Financial Review**

In 2021 St John's reported a surplus of £58,537 (2020: £40,895). This was the result of strong and continuing levels of giving and careful cost management. The members of the PCC also agreed to accumulate reserves during 2021 with the aim of using these to develop and upgrade the existing church buildings to accommodate the requirement for additional space to support our ministry.

Overall, income increased by £65,042, to £707,772. Income from donations increased by £49,859 to £667,692, which was largely due to increases in both regular monthly giving and irregular one off donations. Income from letting church property increased by £14,138, to £32,519.

Expenditure increased by £47,400 to £649,235. Ministry expenses and event costs increased by £31,577 because the easing of pandemic restrictions made it possible to organise more activities, grant making increased by £10,523 as the PCC sought to increase its support for UK based churches, and legal and professional costs increased by £8,662 as the PCC continued to explore a building project (see below). During the year Revd. Kissell left the parish and this reduced the payments made to the London Diocese but this was offset by an increase in clergy expenses when the PCC took on a new Curate (who needed to be provided with accommodation).

Net assets increased by this year's surplus, which was £58,537, to £348,709. This is largely represented by cash of £296,661 (of which £58,223 is restricted) and fixed assets of £32,614.

## **Future Plans**

Our future plans continue to:

- In the short and long-term to promote our vision which is to Love Jesus, Build Community and Transform Lives;
- We plan to do this through continuing to run Christian basics courses; encouraging, equipping and resourcing church leadership and the congregation to help run Christian basics and other courses in the local area; development of church facilities to provide a space for running courses, training and for the benefit of the local community. Regarding worship within the community, it will continue with three services on a Sunday, a monthly prayer meeting, regular meetings of men's and women's groups, and an annual week away; and
- We plan to upgrade the church buildings and facilities to provide additional space for ministry, including for youth, pastoral meetings, office staff and small groups. The restricted funds we had previously built up to potentially acquire a property adjacent to St John's will (with the permission of donors) now be used to help fund this building project.

## Reserves Policy

To ensure that the PCC always has sufficient working capital to meet its obligations to employees and creditors, the members of the PCC established a policy whereby the unrestricted cash held by the PCC should cover three months of planned expenditure after taking into account regular giving. For 2021, to comply with this policy, the members of the PCC determined that the charity should hold unrestricted cash of no less than £30,000. The PCC ended 2021 with unrestricted cash of £238,439 and the PCC plans to use much of the excess to help fund the upgrade of St John's church building.

## Risk Statement

The members of the PCC have reviewed the risks to which The Parochial Church Council of the Ecclesiastical Parish of St John the Baptist Hampton Wick is exposed. Appropriate procedures are in place to identify, monitor and review these risks on a regular basis. The schedule of major risks and mitigation identified by the members of the PCC are as follows.

No	Potential Risk	Mitigation
1	Reputational damage due to the behaviour of senior leadership or staff members.	The Parochial Church Council of the Ecclesiastical Parish of St John the Baptist Hampton Wick has clearly defined values and behaviors which are regularly communicated and oversight structures are in place for staff and senior leadership.
2	Harm comes to those in our care due to lack of appropriate and compliant child and adults at risk safeguarding procedures.	The Church Council has adopted and co-operates with the Diocese in its Safeguarding Policy and safer recruitment process. DBS checks are made before any member of staff or volunteer is engaged to work with children or adults at risk.
3	A shortfall in income and/or inadequate cashflow results in an inability to meet salary and creditor payments.	Strong budgetary and financial controls are in place with regular financial reports and forecasts discussed at Parochial Church Council meetings. Reserves are also maintained at a level based on the net of three months budgeted expenditure and income.
4	Harm comes to visitors or staff due to lack of appropriate and compliant Health and Safety procedures.	The Parochial Church Council of the Ecclesiastical Parish of St John the Baptist Hampton Wick has robust Health and Safety processes, training and monitoring to ensure visitors and staff are kept safe.

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

## **Structure, governance and management.**

The appointment of PCC members is governed by, and set out in, the Church Representation Rules. The PCC comprises all the clergy licensed to St Johns Hampton Wick, the two Churchwardens (elected annually at the annual Meeting of Parishioners) and up to twelve lay members elected at the Parochial Church Meeting (APCM). This also includes up to six lay members of the local Deanery Synod.

Responsibility for setting policy and for determining the parameters within which the PCC should operate rests with the members of the PCC, who meet regularly to review and plan activities. The members of the PCC have delegated responsibility for the day to day operation of the PCC to a leadership team led by the incumbent. The members of the PCC receive training and advice from the local Diocese.

The PCC meets approximately six times a year and holds a retreat or vision meeting once a year. Additionally the Vicar and the two Churchwardens form the Executive Committee which meets twice a month. This Committee is empowered by the PCC to make decisions as may be required between PCC meetings and any key decisions made at this Committee and requiring approval by the full PCC are communicated to the PCC members for their approval via email.

Clergy and lay employed staff are responsible for the various ministries and for the finance and administration of the church; and make regular reports to the PCC.

PCC members are kept informed on matters affecting the parish, including health and safety, relevant legislation and safeguarding. One of the PCC's employees is appointed as Church Safeguarding Officer and advises the members of the PCC on all matters relating to safeguarding. A Health and Safety Policy is in place and is kept under review. The PCC has adopted and co-operates with the Diocese of London in its Safeguarding Policy and safer recruitment process, including DBS checks made before any member of staff or volunteer is engaged to work with children or adults at risk.

The PCC co-operates with the Diocese of London at all levels in the pursuit of its charitable objectives.

## **Remuneration Policy and Principles**

Our aim is to reward staff, irrespective of seniority, competitively with our peer organisations, informed by the following principles:

- Fair: We will not discriminate rewards for reasons of race, colour, faith, gender, sexual orientation, age, disability or any other legally protected characteristic
- Competitive: Levels and types of reward will be determined by the size and scope of the role, and informed by comparisons with peer organisations in the church and charitable sectors
- Differentiated: We will differentiate reward decisions on the basis of performance; a combination of what is achieved and the way in which it is done
- Compliant: Our pay processes will account for the correct treatment of tax and national insurance, and reflect national guidance on minimum levels of earnings
- Affordable: All reward decisions will be influenced by the extent to which we can afford them; this will include criteria such as income, expenditure and cash flow
- Total Reward: Our rewards will balance pay, employee benefits, training, development, operating environment and staff wellbeing

All of our directly employed permanent staff are paid at least £11.05 per hour which is the current London Living Wage.

## **Statement of Responsibilities of the Members of the Parochial Church Council**

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 Charities SORP
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 accounts
5. prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business

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 members of the PCC and signed on their behalf by:

The Reverend Jerry Field

Date: 19 May 2022

**INDEPENDENT EXAMINER'S REPORT**  
**TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF**  
**THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST HAMPTON WICK**  
**('the Charity')**

I report to the charity trustees on my examination of the accounts of the Charity for the period ended 31 December 2021 on pages 8 to 19 following, which have been prepared on the basis of the accounting policies set out on pages 11 to 13.

**Responsibilities and basis of report**

As the charity's trustees 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 FCIE  
Fellow of the Association of Charity Independent Examiners  
Stewardship  
1 Lamb's Passage  
London  
EC1Y 8AB

Date: 20 May 2022



**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST HAMPTON WICK**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
<b>INCOME FROM:</b>					
Donations	3	639,800	27,892	667,692	617,833
Charitable activities	4	6,908	-	6,908	5,585
Other trading activities	5	32,519	-	32,519	18,381
Investments		653	-	653	931
<b>Total income and endowments</b>		<b>679,880</b>	<b>27,892</b>	<b>707,772</b>	<b>642,730</b>
<b>EXPENDITURE ON:</b>					
Charitable activities	6	626,847	22,388	649,235	601,835
<b>Total expenditure</b>		<b>626,847</b>	<b>22,388</b>	<b>649,235</b>	<b>601,835</b>
<b>Net income/(expenditure)</b>		<b>53,034</b>	<b>5,504</b>	<b>58,537</b>	<b>40,895</b>
<b>Transfers between funds</b>	13	-	-	-	-
<b>Net movement in funds</b>		<b>53,034</b>	<b>5,504</b>	<b>58,537</b>	<b>40,895</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		237,453	52,719	290,172	249,277
<b>Total funds carried forward</b>	13	<b>290,487</b>	<b>58,223</b>	<b>348,709</b>	<b>290,172</b>

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

All income and expenditure derive from continuing operations.

The notes on page 11-19 form part of these accounts.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST HAMPTON WICK**

**BALANCE SHEET**

**AS AT 31 DECEMBER 2021**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
<b>FIXED ASSETS</b>					
Tangible assets	8	32,614	-	32,614	50,309
		<u>32,614</u>	<u>-</u>	<u>32,614</u>	<u>50,309</u>
<b>CURRENT ASSETS</b>					
Debtors	9	31,916	-	31,916	24,089
Cash at bank and in hand	10	238,439	58,223	296,661	226,120
		<u>270,355</u>	<u>58,223</u>	<u>328,577</u>	<u>250,209</u>
<b>CREDITORS: Amounts falling due within one year</b>	11	(12,482)	-	(12,482)	(10,346)
		<u>(12,482)</u>	<u>-</u>	<u>(12,482)</u>	<u>(10,346)</u>
<b>Net current assets / (liabilities)</b>		<u>257,873</u>	<u>58,223</u>	<u>316,095</u>	<u>239,863</u>
<b>TOTAL NET ASSETS</b>		<u>290,487</u>	<u>58,223</u>	<u>348,709</u>	<u>290,172</u>
<b>FUND BALANCES</b>					
Unrestricted general funds	13	290,487	-	290,487	237,453
Restricted funds		<u>-</u>	<u>58,223</u>	<u>58,223</u>	<u>52,719</u>
		<u>290,487</u>	<u>58,223</u>	<u>348,709</u>	<u>290,172</u>

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

The Revd. Jerry Field

Date: 19 May 2022

Charity number: 1180021

The notes on page 11-19 form part of these accounts.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST HAMPTON WICK**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**CASH FLOW STATEMENT**

	Note	2021 £	2020 £
<b>Cash flows from operating activities:</b>			
<b><i>Net cash provided by (used in) operating activities</i></b>	a	<u>77,602</u>	<u>49,468</u>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		653	931
Proceeds from the sale of property, plant and equipment		1,219	-
Purchase of property, plant and equipment		(8,934)	(39,048)
<b><i>Net cash provided by/(used in) investing activities</i></b>		<u>(7,061)</u>	<u>(38,117)</u>
<b><i>Change in cash and equivalents in the reporting period</i></b>		<u>70,541</u>	<u>11,351</u>
<b>Cash and equivalents at the beginning of the year</b>	b	<u>226,120</u>	<u>214,769</u>
<b><i>Cash and cash equivalents at the end of the year</i></b>	b	<u>296,661</u>	<u>226,120</u>

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

	2021 £	2020 £
<b><i>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</i></b>	58,537	40,895
<b>Adjustments for:</b>		
Depreciation charges and provisions for impairment	26,254	20,333
Gain on disposal of fixed assets	(845)	-
Interest from investments	(653)	(931)
(Increase)/decrease in debtors	(7,827)	(6,883)
Increase/(decrease) in creditors	2,137	(3,946)
<b><i>Net cash provided by (used in) operating activities</i></b>	<u>77,602</u>	<u>49,468</u>

**Note b: Analysis of cash and cash equivalents**

	2021 £	2020 £
Cash at bank with immediate access	123,682	64,969
Notice deposits (with a term of three months or less)	172,693	160,039
Petty cash	286	1,112
<b>Total cash and cash equivalents</b>	<u>296,661</u>	<u>226,120</u>

An analysis of changes in net debt has not been presented because the PCC does not have any borrowings.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST HAMPTON WICK

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

**1 Statutory Information**

The Parochial Church Council of The Ecclesiastical Parish of St John the Baptist Hampton Wick (the PCC) was registered as a charity with the Charity Commission in England & Wales on 21 September 2018. 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 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) Use of merger accounting

The PCC was registered as a charity on 21 September 2018 and its first financial statements were in respect of the period commencing on that date and ending on 31 December 2019. The PCC was dormant during the period from 21 September 2018 to 31 December 2018 and had no assets or liabilities on 31 December 2018. On 1 January 2019 The Mission Community of St John's Kingston Bridge (charity number 1148264) ("SJKB") transferred its assets, liabilities and activities to the PCC. As permitted by the Charities SORP, this transfer has been accounted for as a merger because it qualifies as a charity reconstruction (whereby the charity has simply changed its legal form). In accordance with the requirements of merger accounting, the assets and liabilities of SJKB were transferred at book value, not fair value, to the PCC.

b) 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.

c) 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.

The charity has relied significantly upon volunteers in carrying out its activities during the year. In particular volunteers help to support Children, Youth, Men's and Women's ministries, run courses (including Alpha Course, Parenting Course, Marriage Course, Marriage Preparation Course), lead Worship and help with the Church administration. 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 church conferences, events and courses.

Income from other trading activities represents income receivable from activities undertaken to generate funds for the charity. It includes income from the letting of property held primarily for use in charitable activities.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST HAMPTON WICK

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

c) Income continued

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.

d) 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 share 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.

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.

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.

e) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the PCC in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the PCC for particular purposes. 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.

f) 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 2000 has not been capitalised as there is insufficient cost information available.

The PCC has been granted exclusive use of Bank House Storage (known as 'The Warehouse') for church and mission purposes, by the leaseholder, the London Diocesan Fund (LDF). The LDF took this 21-year lease from the landlord (HSBC Bank) with this sole purpose in mind. It is anticipated that the PCC will eventually take over this lease however, at 31 December 2021, this lease remained with the LDF. Though the PCC expects to have continued use of the Warehouse, it does not have any legal interest in the property and therefore the amounts spent on refurbishing the property have not been capitalised in these financial statements.

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 £1,000 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:

Equipment	3 years
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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.

g) 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).

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST HAMPTON WICK**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**h) Pension scheme arrangements**

The PCC contributes to the Church Workers Pension Fund, which is a multi-employer defined benefits pension scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers. Consequently the Scheme is accounted for as a defined contribution scheme and contributions to the Scheme are charged to the Statement of Financial Activities as they become payable. Further information about the Scheme is given in note 12 'Pension Commitments'.

**i) 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.

**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.

**3 Donations and legacies**

	2021	2020
	£	£
Donations of cash and similar	645,800	582,446
Job Retention Scheme grants from government	2,876	37,136
Other grants receivable	19,016	250
Other grants returned	-	(2,000)
	<u>667,692</u>	<u>617,833</u>

**4 Income from charitable activities**

	2021	2020
	£	£
Church conferences, events and courses	6,908	5,585
	<u>6,908</u>	<u>5,585</u>

**5 Other trading income**

	2021	2020
	£	£
Letting of church warehouse	32,519	18,381
	<u>32,519</u>	<u>18,381</u>

**6 Charitable expenditure**

	2021	2020
	£	£
<b>a Costs incurred directly on activities</b>		
Staff costs	225,381	236,374
Common fund and stipend costs	168,610	185,805
Accommodation for clergy and other clergy expenses	51,451	31,951
Ministry expenses	42,878	20,235
Annual conferences and events (such as Focus)	12,970	4,036
Courses (such as Alpha)	2,978	4,847
Church running expenses	27,812	27,416
Warehouse rental and running costs	29,084	28,130
	<u>561,163</u>	<u>538,794</u>
Grants payable (note 6c)	43,773	33,250
	<u>604,936</u>	<u>572,044</u>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST HAMPTON WICK**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**6b Costs incurred on support & administration**

Governance costs		
Independent examiner's fee	2,520	2,760
Other	600	10
	<u>3,120</u>	<u>2,770</u>
Church administration	2,599	3,024
Legal & professional Fees	12,326	3,664
Depreciation	26,254	20,333
	<u>44,299</u>	<u>29,791</u>
<b>Total expenditure</b>	<u>649,235</u>	<u>601,835</u>

The fee payable to the independent examiner for examining the accounts was £2,520 (2020: £2,760); in addition the charity paid £1,263 (2020: £1,024) to Stewardship for payroll bureau services.

**c Grants payable**

	Institutions £	Individuals £	2021 £
Grants for UK and overseas mission	14,140	-	14,140
Grants for the relief of poverty and hardship	12,700	3,373	16,073
Grants for UK based churches	13,560	-	13,560
Grant giving in year (see below)	<u>40,400</u>	<u>3,373</u>	<u>43,773</u>

The comparatives for the previous year are as follows:

	Institutions £	Individuals £	2020 £
Grants for UK and overseas mission	13,185	-	13,185
Grants for the relief of poverty and hardship	11,420	8,645	20,065
Grant giving in period (see below)	<u>24,605</u>	<u>8,645</u>	<u>33,250</u>

The charity's principal grants to institutions comprised:

	2021 £	2020 £
<b>UK and Overseas Mission</b>		
International Justice Mission	1,375	1,710
Room for Work	3,600	3,600
Justice and Care	1,500	1,750
Fusion	1,200	1,280
Justice Defenders	1,500	-
Barnabus Trust	1,375	-
RBK Schools Christian Worker Trust	1,000	-
The East to West Trust	1,000	-
African Prisons Project	-	1,460
Schools Insight Work	-	1,000
Urban Action Trust	-	600
Other Institutions	1,590	1,785
<b>Relief of poverty and hardship</b>	-	-
Hope Health Action	7,700	7,700
Tearfund	5,000	3,720
<b>Support for UK based Churches</b>	-	-
All Saints, Hampton	8,560	-
Activate Church, Teddington	3,000	-
St Richards, Ham	2,000	-
	<u>40,400</u>	<u>24,605</u>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST HAMPTON WICK**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**7 Analysis of staff costs, the cost of key management personnel and trustee remuneration and expenses**

	2021	2020
	£	£
Gross wages and salaries	200,608	210,783
Social security	12,268	13,370
Pension costs	8,415	8,244
Other employment costs	4,090	3,978
	<u>225,381</u>	<u>236,374</u>

Most of the charity's activities are carried out by volunteers. The average monthly number of employees and the related full time equivalent is given below:

	2021	2020
Average monthly number of employees	12.9	14
Full time equivalent	8.2	6.7

No staff received salaries at a rate of more than £60,000 per annum.

Rev. Jerry Field and Rev. Anna Evans (who are clergy members of the PCC) receive a stipend from the Diocese and so they are not employees; some of the Parish Share paid to the Diocese is used to help meet the cost of these stipends. Rev. Anna Evans was provided with accommodation (which is customary for clergy) so that she could better perform her duties and the cost of this accommodation to the PCC was £30,416 (2020: £31,215).

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

**8 Tangible fixed assets**

	Fixtures, fittings and equipment £	Total 2021 £
<b>Cost</b>		
At 1 January 2021	176,138	176,138
Additions	8,934	8,934
Disposals	(1,803)	(1,803)
At 31 December 2021	<u>183,268</u>	<u>183,268</u>
<b>Accumulated depreciation</b>		
At 1 January 2021	125,829	125,829
Charge for the year	26,254	26,254
Eliminated on disposal	(1,429)	(1,429)
At 31 December 2021	<u>150,654</u>	<u>150,654</u>
<b>Net book value</b>		
At 31 December 2021	<u>32,614</u>	<u>32,614</u>
At 31 December 2020	<u>50,309</u>	<u>50,309</u>

**9 Debtors**

	2021	2020
	£	£
Trade debtors	4,403	2,543
Prepayments and accrued income	27,513	21,546
	<u>31,916</u>	<u>24,089</u>

**10 Cash at Bank and in Hand**

	2021	2020
	£	£
Bank operating accounts	123,682	64,969
Bank deposits	172,693	160,039
Petty cash	286	1,112
	<u>296,661</u>	<u>226,120</u>



THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST HAMPTON WICK

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

**11 Creditors: liabilities falling due within one year**

	2021	2020
	£	£
Trade Creditors	1,815	1,034
Accruals	2,520	3,380
Deferred Income	2,871	2,871
Other creditors	5,277	3,062
	<u>12,482</u>	<u>10,346</u>

Deferred income represents income received in advance for events and conferences that, it was hoped, would be able to take place in 2021. Unfortunately, due to the pandemic, they have had to be postponed and it is hoped that they will now take place in 2022.

**12 Pension commitments**

***The Church Workers Pension Fund (CWPF)***

The PCC participates in the Pension Builder Scheme section of CWPF for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers.

CWPF has two sections:

- 1 the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections;
  - a. a deferred annuity section known as Pension Builder Classic, and,
  - b. a cash balance section known as Pension Builder 2014.

***Pension Builder Scheme***

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

Pension Builder Classic provides a pension, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable (2021: £8,415, 2020: £8,244).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019. The next valuation is due as at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review, the Board chose to grant a discretionary bonus of 3% following improvements in the funding position over 2021. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the Scheme is such that if another employer fails, the PCC could become responsible for paying a share of that employer's pension liabilities.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST HAMPTON WICK**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**13 Funds**

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

	Opening balance 2021 £	Incoming resources 2021 £	Outgoing resources 2021 £	Transfers in the year 2021 £	Closing balance 2021 £
<i>Unrestricted general funds</i>	237,453	679,880	(626,847)	-	290,487
<i>Restricted Funds</i>					
Building Fund	52,719	-	-		52,719
Hardship fund	-	8,876	(3,373)	-	5,504
Curate fund	-	19,016	(19,016)	-	-
	52,719	27,892	(22,388)	-	58,223
Aggregate of funds	290,172	707,772	(649,235)	-	348,709

**Analysis of net assets by fund**

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

	Unrestricted general funds £	Restricted funds £	2021 £
Tangible fixed assets	32,614	-	32,614
Debtors	31,916	-	31,916
Cash at bank and in hand	238,439	58,223	296,661
Creditors falling due within one year	(12,482)	-	(12,482)
	290,487	58,223	348,709

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

	Opening balance 2020 £	Incoming resources 2020 £	Outgoing resources 2020 £	Transfers in the year 2020 £	Closing balance 2020 £
<i>Designated Funds</i>					
Richmond in Bloom grant fund	-	250	(250)	-	-
<i>Unrestricted general funds</i>	194,558	634,369	(591,474)	-	237,453
	194,558	634,619	(591,724)	-	237,453
<i>Restricted Funds</i>					
Building Fund	-	-	-	52,719	52,719
Fairlight House	52,719	-	-	(52,719)	-
School Mentoring	2,000	2,000	-	-	-
Hardship fund	-	10,111	(10,111)	-	-
	54,719	8,111	(10,111)	-	52,719
Aggregate of funds	249,277	642,730	(601,835)	-	290,172

In the previous year Fairlight House was sold to someone else and plans to purchase part of that property had to be abandoned. Donors to the Fairlight House fund were contacted and, with their agreement, the balance on the fund was transferred to a new Building fund (see below).

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST HAMPTON WICK

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

13 Funds continued

Analysis of net assets by fund

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

	Unrestricted general funds £	Restricted funds £	2020 £
Tangible fixed assets	50,309	-	50,309
Debtors	24,089	-	24,089
Cash at bank and in hand	173,401	52,719	226,120
Creditors falling due within one year	(10,346)	-	(10,346)
	<u>237,453</u>	<u>52,719</u>	<u>290,172</u>

Restricted funds

The **Building** fund was created from donations received to help meet the cost of renovations to church property.

The **Fairlight House** fund was created from donations received to help purchase part of Fairlight House, a nearby property.

The **School Mentoring** fund was created from donations received to help fund a program for mentoring young people at local schools within the parish. This money was never used and so was returned.

The **Hardship** fund was created as a response to COVID-19 from donations received to help those facing financial hardship and those suffering physically or psychologically.

The **Curate** fund was created from grants received from the Church Revitalisation Trust to help meet the cost of taking on a new curate and has largely been used to help cover the cost accommodation provided to the Curate.

14 Operating lease commitments

The charity has an operating lease for residential property used by clergy. The minimum amount payable (until the next break clause and ignoring the potential effect of future rent reviews) in respect of this lease is as follows:

	2021 £	2020 £
Payments falling due:		
Within one year	48,500	27,600
Between one and five years	<u>51,300</u>	<u>16,100</u>
	<u>99,800</u>	<u>43,700</u>

During the year the charity was charged £41,100 (2020: £27,600) for its operating lease.

15 Transactions with related parties

During the year the PCC:

- received donations totalling £97,414 (2020: £90,778) from related parties (which includes members of the PCC, any other members of key management and anyone closely connected to them).
- paid grants totalling £3,600 (2020: £3,600) to a charity called Room for Work; two members of the PCC (Robin Bell and Garth Watkins) are closely involved in the running of that charity. In the previous year the PCC also gave Room for Work rent free use of church premises for a total of 72 hours (2021: no use was made of church premises).
- paid employment benefits totalling £794 (2020: £1,377) to a close relative of Susan Catcheside, who is a member of the PCC.
- Daniel Bates, who is a member of the PCC, has an interest in a business that rented rooms in one of the PCC's properties. This business was charged £2,400 (2020: £1,135) for the use of these rooms and the PCC was owed £1,200 (2020: £1,135) by this business at the year-end. The business was charged rent on the same terms as other hirers.

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

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST HAMPTON WICK**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	<u>Unrestricted funds</u>				<u>Unrestricted funds</u>			
		General funds	Designated funds	Restricted funds	Total	General funds	Designated funds	Restricted funds	Total
		2021	2021	2021	2021	2020	2020	2020	2020
		£	£	£	£	£	£	£	£
<b>INCOME FROM:</b>									
Donations	3	639,800	-	27,892	667,692	609,472	250	8,111	617,833
Charitable activities	4	6,908	-	-	6,908	5,585	-	-	5,585
Other trading activities	5	32,519	-	-	32,519	18,381	-	-	18,381
Investments		653	-	-	653	931	-	-	931
<b>Total income</b>		<b>679,880</b>	<b>-</b>	<b>27,892</b>	<b>707,772</b>	<b>634,369</b>	<b>250</b>	<b>8,111</b>	<b>642,730</b>
<b>EXPENDITURE ON:</b>									
Charitable activities:	6	626,847	-	22,388	649,235	591,474	250	10,111	601,835
<b>Total Expenditure</b>		<b>626,847</b>	<b>-</b>	<b>22,388</b>	<b>649,235</b>	<b>591,474</b>	<b>250</b>	<b>10,111</b>	<b>601,835</b>
<b>Net income/(expenditure)</b>		<b>53,034</b>	<b>-</b>	<b>5,504</b>	<b>58,537</b>	<b>42,895</b>	<b>-</b>	<b>(2,000)</b>	<b>40,895</b>
<b>Transfers between funds</b>	13	-	-	-	-	-	-	-	-
<b>Net movement in funds</b>		<b>53,034</b>	<b>-</b>	<b>5,504</b>	<b>58,537</b>	<b>42,895</b>	<b>-</b>	<b>(2,000)</b>	<b>40,895</b>
<b>Reconciliation of funds:</b>									
Total funds brought forward		237,453	-	52,719	290,172	194,558	-	54,719	249,277
<b>Total funds carried forward</b>	13	<b>290,487</b>	<b>-</b>	<b>58,223</b>	<b>348,709</b>	<b>237,453</b>	<b>-</b>	<b>52,719</b>	<b>290,172</b>