

CATHOLIC APOSTOLIC CHURCH (PADDINGTON) GENERAL PURPOSES FUND  
(Registered with the Charity Commissioners)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2023

Registered Charity Number: 245205

PADDINGTON CHURCH TRUST

Year ended 31 December 2023

**Legal and Administration Information**

**Charity name:** Catholic Apostolic Church (Paddington) General Purposes Fund more shortly known as Paddington Church Trust

**Charity Registration  
Number:**

245205

**Trustees:** Gordon Michael Charles Carter  
Andrew David Kilmaine de Ferrars  
James Kilmaine Graham de Ferrars  
Benjamin James Viney

**Address:** 16/20 Maida Avenue, London W2 1 SR.

**Auditors:** Saffery LLP of 71 Queen Victoria Street, London, EC4V 4BE.

**Bankers:** National Westminster Bank Plc of PO Box 221, Connaught House,  
65 Aldwych, London WC2B 4EJ.

**Investment  
Managers:** Brewin Dolphin Ltd, Unit 14 Indian Queens Industrial Estate, Warren Road,  
Indian Queens, St. Columb, Cornwall TR9 6TL.

# PADDINGTON CHURCH TRUST

## Report of the Trustees for the year ended 31 December 2023

The Trustees submit their report together with the financial statements of the Charity for the year ended 31 December 2023. The financial statements have been prepared on the accounting policies set out in the notes to the financial statements and comply with the trusts relating to the Charity, with Accounting and Reporting by Charities – Statement of Recommended Practice (FRS 102 SORP), Accounting Standards, and with the Charities Act 2011. The Accounts have not been prepared on a going concern basis as the majority of the Trustees no longer regard this as appropriate; a provision of £100,000 has been made at 31 December 2023 to cover the costs of winding up the Charity.

### 1. Objects and activities

Paddington Church Trust is a religious purposes charity. It is constituted of three related trusts which taken together form the Catholic Apostolic Church (Paddington) Trust. These comprise a 1986 Declaration of Trust relating to the property, the Tithe Fund, and the separate funds referred to under paragraph 3 below. The Trustees are private individuals and the Trustees have as a body the power to appoint further trustees under the Trustee Act 1925.

The objects and activities are best summarised by quoting from a Declaration of Trust dated 16 February 1854 (the “Principal Trust Deed”) made in relation to the Churches in England and Wales: The Trustees hold the Paddington Church building to be used for promoting and maintaining the service and worship of Almighty God according to the doctrines contained in the three creeds called “the Apostles Creed” the “Nicene Creed” and “the Creed of Saint Athanasius” and particularly the Doctrines of the permanence of the Gifts of the Apostles, Prophets, Evangelists, and Pastors in the Church - the Doctrine that the Powers and Gifts of the Holy Ghost given on the day of Pentecost are the abiding Endowment of the Church - the Doctrine that the supreme rule of the Church ought to be exercised by twelve Apostles not elected or ordained by Men but called and sent forth immediately by God - and the Doctrine of the necessity of the presence of the said fourfold Ministry of Apostles, Prophets, Evangelists, and Pastors and of the said Powers and Gifts of the Holy Ghost in the Church for the purpose of preparing and perfecting the Church for the second Advent of the Lord Jesus Christ and according to the forms now observed or to be from time to time observed by the allowance or under the direction of the said College of Apostles.

The Trustees hold the building under the terms of the 1986 Declaration of Trust referred to in 5.1.3 below. Under this Declaration of Trust, the Trustees have primary responsibility for the upkeep and maintenance of the Church building, which is a Grade I Listed building. Because of the problems referred to in 3 below, the Trustees no longer have the necessary financial resources to meet this responsibility, and the Principal Trustees have requested that the freehold of the building is transferred to them, together with the Trust’s assets, so that they may formally assume full responsibility to enable them to carry out all the necessary works, and the routine upkeep of the building. All the Trustees have indicated their acceptance of the request for the transfer of the freehold, but one trustee has objected to the transfer of the Tithe Fund. The majority of the Trustees consider that the purpose of the Trust as a charity will cease with the transfer of all responsibility for the building being passed to the Principal Trustees, which will necessitate the closure of the Trust.

The Trustees consider that the objects of the Charity as outlined above fall within the public benefit requirement for a charity concerned with advancement of religion. In the exercise of their responsibilities the Trustees have paid due regard to the Charity Commission’s guidance on public benefit and the principles contained in the Charities Act 2011.

The aim of the Trust is to promote the service and worship of Almighty God. In practice these aims have been carried out by the Trustees in the provision and maintenance of the Church building for regular services – but see further below - and the provision of funding for the printing and distribution of Ministries.

## PADDINGTON CHURCH TRUST

### **Report of the Trustees for the year ended 31 December 2023 (continued)**

The congregation is composed of those who believe in the One Holy Catholic and Apostolic Church. People in poverty are not excluded.

#### **2. Achievements and performance**

The Church building has been maintained for the service of Almighty God and used by the congregation each Sunday, for weekday services and on feast days, until 22<sup>nd</sup> September 2023, the Trustees being then advised by their Structural Engineers that the building should be closed with immediate effect because of the dangers posed by the structural movement at the west end of the Church, and it has remained closed.

The Trustees have collected and accounted for the Tithes and Offerings made by the congregation up to the date of the closure. They have made grants from the Offerings to such persons as were deemed appropriate. The Trustees have provided the resources for the regular printing of ministries and their distribution, together with almanacs, to members of the congregation and others on the distribution list.

The upkeep of the building requires the constant attention of the Trustees, who are mindful of their responsibilities for the Church building, which is Grade I listed, and seek professional advice on all aspects of the work.

In the Autumn of 2019, the Church building started to suffer again from structural movement at the west end of the building, which worsened considerably towards the end of the summer in 2023, so that the Trustees were advised that the Church had to be closed for use. Full details of this are given in 3. below.

#### **3. The structural movement and its consequences**

##### **3.1 Summary of present position of the repair program**

In the Autumn of 2019, the Church building started to suffer again from structural movement at the west end of the building, which worsened suddenly and considerably towards the end of the summer in 2023, following a period of very dry weather. The structural engineers advised that the Church was no longer safe for use and should be closed immediately for worship, and it has remained so since.

A major programme of stabilisation and remedial works needs to be carried out before the building can become usable again. As the Trustees no longer have the necessary funds to enable this work to proceed, full responsibility for it has been assumed by the Principal Trustees, who have been involved in developments throughout.

In March 2023 application for Listed Building Consent was submitted to enable stabilisation works to commence; conditional approval was received in October 2023, and the conditions largely determined by early 2024. These works, comprising temporary ties to contain horizontal movement and the digging of trial pits to determine the state of the foundations to develop the underpinning programme, have been completed.

Application for Listed Building Consent has recently been made for the next phase of the works – the underpinning and associated activities to contain vertical movement – with a provisional date for approval of the end of September. Application for Building Control approval will be made as soon as all the necessary measurement data is available.

By the end of 2023, the Trustees had defrayed expenditure of some £100,000 and the Principal Trustees some £164,000, largely in professional fees. To date in 2024 the Principal Trustees have paid out in excess of £500,000.

In December 2023, a provisional cost estimate was produced by the quantity surveyors for the whole project which totalled some £2.1m, including VAT, some part of which may be recoverable. The estimate included some £160,000 for contingencies, to cover not only variations arising as work proceeds, but also various

## PADDINGTON CHURCH TRUST

### Report of the Trustees for the year ended 31 December 2023 (continued)

remedial measures needed to weatherproof the building once the stabilisation works are completed. Present indications are that the costs of what are the 'basic' stabilisation & immediate remedial works, are likely to exceed £2.5m. No estimates have been made yet of the other consequential works which, of necessity, will follow.

#### **3.2 The legal position**

**3.2.1** The Paddington Church Trust and the Principal Trust are charitable trusts representing separate components of the Church, which as one body has a common purpose and interest. Paddington Church Trust has occupied Paddington Church building under the terms of a Nominee Trust, made in conjunction with the Principal Trustees in 1986. The form of the trust follows very closely the form previously used for the leasehold interest put in place when Paddington Church was originally constituted in its present location. Under that deed the Principal Trustees have beneficial ownership and ultimate responsibility for the church building. The Paddington Church Trustees maintain the church for public worship and covenant to keep it in repair. This arrangement has operated in practice so that, for so long as the church remained open, the local congregation financed its own church building.

**3.2.2** In September 2023 the Paddington Trustees were forced to close the building for safety reasons. In January 2024, after it became apparent that the Paddington Church Trustees lacked the financial resources, and therefore the ability to enter the required building contracts, the Trustees resolved that the only course open to them was to agree with the Principal Trustees the termination of the 1986 trust, and to relinquish their responsibility for the church building so that the Principal Trustees could manage the repair program themselves. The termination of the 1986 Trust brings to an end both the Paddington Church Trustees' obligation to repair, and the basis upon which the Trustees have hitherto occupied Paddington Church building for religious worship.

**3.2.3** Having received legal advice concerning the terms of their own trusts in the context of adopting the direct responsibility for the repair and maintenance of Paddington Church building, the Principal Trustees, in March 2024, requested from the Trustees the Paddington Church Tithe fund, which they required to help finance the future maintenance of Paddington Church. This approach was regarded by the majority of the Paddington Church Trustees as a proper and reasonable request in the circumstances.

**3.2.4** The Paddington Church Trustees thereupon sought legal advice from Robert Pearce KC in April 2024 on their ability to modify the Tithe Fund Trust as would be required if they were to transfer it to the Principal Trustees. That advice has mapped a way ahead for the Paddington Church Trustees by means of recent legislation, which will enable the Trustees to modify the terms of the Tithe Fund trust by means of trustee resolution passed by a 75% majority vote, and subsequent approval of the Charity Commission. Thus, the Paddington Church Trustees have the power, once the legal procedures have been followed, to modify the terms of the Tithe Fund Trust, and also the Paddington Church Trust, as they deem most appropriate to the circumstances. This power includes the closure of the charity and the winding up of its affairs.

**3.2.5** The legal process to modify the terms of the trusts involves a consultation with all the interested parties. The Paddington Church Trustees await further legal advice on the documentation that they have drafted, and on technical legal issues which arise out of the character of the Tithe Fund Trust. The Trustees anticipate that they will be in a position to apply for the Charity Commission approval for what is decided by the end of November 2024.

**3.2.6** In summary, it is the opinion of the majority of the Paddington Church Trustees that, in view of what is described above, Paddington Church Trust is no longer viable as a going concern. At present the future of the Tithe Fund and the other funds held by the Trustees is subject to consultation, and final formal trustee resolution and Charity Commission approval.

## Report of the Trustees for the year ended 31 December 2023 (continued)

### 4. Financial review

#### 4.1 Financial position

The Restricted Fund for the Poor made a grant of £10, and received Offerings of £100. The Fund has an undistributed balance of £11,100 which is available for future grants.

The Restricted Fund for the Upkeep of the Church received investment income of £1,800, and an unrealised investment gain of £2,400. Expenditure on the upkeep of the building amounted to £93,600. Available reserves now amount to £19,500.

The Tithes received by the Expendable Endowed Fund amounted to £61,800; net expenditure of £1,000 was incurred printing and distributing Ministries and Almanacs. This Fund incurred a net gain of £131,000 from the realisation and revaluation of its investments, giving rise to a net gain for the year of £191,800. The Fund's available reserves now amount to £3,481,200, which are available for the support of the Ministry as required.

The Unrestricted Designated Fund received Offerings of £2,000 and made grants of £3,000. The Fund has an undistributed balance of £1,000 which is available for future grants.

The Unrestricted Fund – the General Offerings Fund - received Offerings of £36,300, and Investment income totalling £113,000; expenditure of £52,700 was incurred before a net gain of £200 from the revaluation of investments. A provision of £100,000 has been raised at 31 December 2023 for the estimated costs of winding up the charity. The Fund's available reserves now amount to £264,400.

#### 4.2 Reserves Policy

The Trustees no longer regard themselves as having the necessary Reserves to enable them to maintain the building. As referred to in 1 above, the majority of the Trustees consider that the time has arrived when they must accept the transfer of all its assets to the Principal Trustees who are taking over responsibility for its maintenance, and close the Trust. A minority is not able to agree with this.

### 5. Structure, governance and management

In the service and worship of Almighty God, the Trustees have five separate funds, as follows:

Tithe Fund (An Expendable Endowed Fund) used for the maintenance of the Ministry.

General Offerings Fund (An Unrestricted Fund) used at the discretion of the Trustees in support of the Trust's objects and policies, including the upkeep and maintenance of the Church, and the costs of governance of the charity.

Poor Fund (A Restricted Fund).

The Church Upkeep Fund (A Restricted Fund)

Thank Offering Fund (An Unrestricted Designated Fund) to be used at the discretion of the Trustees in support of the Trust's objects and policies.

In operating these Funds the Trustees follow, so far as they are able, the principles and procedures instituted in the Churches established under Apostles.

#### 5.1 Tithes and Offerings

The income of the Trust's Funds includes Tithes and Offerings made by the congregation during church services. The following is a summary of them:

##### 5.1.1 Tithe

- Tithe as a proportion of income is paid to God by members of the Congregation "in obedience to His commandment, in honour of His name, and with a free will and joyful heart." It is used for the support of the Ministry. At present Tithe is used for the printing and distribution of ministries and almanacs to the congregation and others on the mailing list. The Trustees invest Tithe not used for the printing and distribution of ministries and almanacs as an endowment to be expended at such time that the Ministries of the Church are set in order again. The income from its investment is paid into the General Offerings Fund, which bears the investment management fee.

## PADDINGTON CHURCH TRUST

### Report of the Trustees for the year ended 31 December 2023 (continued)

#### 5.1.2 Offerings

- General Offerings represent monies presented by the congregation for the general purposes of Church worship.
- Poor Offerings are offerings made by the congregation specifically for the poor. Grants made are not of material amounts.
- The Upkeep Fund represents a bequest made for the upkeep of the building.
- Thank Offerings are made by those who have a particular cause to be thankful to the Lord.

#### 5.1.3 Property

The Catholic Apostolic Church at 16/20 Maida Avenue Paddington London W2 1SR was formerly leasehold, but the freehold was acquired in 1986 and has been held upon trust by the Paddington Church Trustees (the "Trustees") under a Declaration of Trust dated 19 March 1986 (the "1986 Declaration of Trust") made by Herbert Gordon Carter and others (the then Trustees). By this Declaration of Trust, the Trustees hold the Church building on behalf of the trustees for the time being (the "Principal Trustees") of the Principal Trust Deed and upon the trusts and with and subject to the powers and provisions contained in the Principal Trust Deed and in the Amending Schemes. The Principal Trustees, in turn, hold the Church building upon the trusts contained in the Principal Trust Deed. To the extent of the obligations contained in the 1986 Declaration of Trust, the Paddington Church Trustees have primary responsibility for the upkeep and maintenance of the Church, the costs of which were borne in 2023, partially by the Church Upkeep Fund, and partially by the Principal Trustees. As referred to in 1 above, the Principal Trustees have requested that the freehold of the Church is formally transferred to them, and both sets of Trustees have instructed lawyers to effect this.

#### 5.1.4 Investments

The Trustees' powers of investment are governed by the general law. The Trustees retain the services of Brewin Dolphin Ltd, Investment Managers, for the management of the trust monies. The Trust is reliant on its income from investments. The Trustees follow a cautious investment strategy using long term funds seeking capital growth and sustainable income with protection from inflation. In 2023, the market value of the investment portfolio, including cash held for investment, increased by 4.23% over the year as a percentage of the average funds held, compared to a decrease of 13.3% in 2022. Total income was 3.12% of the average funds of the portfolio, compared to 2.6% in 2022.

#### 5.2 Management of the Trust

The trust was managed during 2023 by the Trustees who are all members of the congregation. Two of the Trustees met weekly, until 22 September 2023, after Church services for the purpose of day to day managing of the trust and consulted the other Trustees as appropriate; subsequent to that day communications have been by email and/or telephone; full Trustees' meetings are held during the year to make policy decisions. Decisions are made by the Trustees as a body. The Power to appoint new Trustees is vested in the Trustees.

The Trustees, as part of their risk management commitment, have a Manual setting down the functions of the Charity; it is updated at regular intervals. The Trustees use professional advisors and contractors to help them manage the risks both to and from the Church buildings. Financial risks are managed by external investment advisors.

Trustees are selected from members of the congregation. New Trustees are inducted by an initial interview with the existing Trustees, together with an information pack containing the relevant data of the background to the Trust.



# PADDINGTON CHURCH TRUST

## Report of the Trustees for the year ended 31 December 2023 (continued)

### 6. Reference and administrative details

These are set out on page 1 of this Report and Financial Statements.

### 7. Related Charities

The Church in Paddington comprises a local congregation of the Catholic Apostolic Church. In England the Catholic Apostolic Church Trust Properties is a related charity; other congregations exist abroad.

### 8. Statement of Trustees' responsibilities

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

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

These financial statements have been prepared on the basis that the majority of the Trustees no longer regard Paddington Church Trust as a going concern, as referred to in 1 above with a provision of £100,000 raised for the costs of closure.

The Trustees are 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, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees on 1<sup>st</sup> October 2024

G M C

MICHAEL CARTER

Signed



# **Catholic Apostolic Church (Paddington) General Purposes Fund**

## **Independent auditors' report to the trustees**

### **Opinion**

We have audited the financial statements of Catholic Apostolic Church (Paddington) General Purpose Fund for the year ended 31 December 2023 which comprise the report and financial statements and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources for the year then ended;  
have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;  
and  
have been prepared in accordance with the requirements of the Charities Act 2011.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of Matter – financial statements prepared on a basis other than going concern**

We draw attention to Note 1.1 to the financial statements which explains that the trustees intend to wind down and ultimately close the charity and therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly the financial statements have been prepared on a basis other than going concern as described in Note 1.1.

Our opinion is not modified in respect of this matter.

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement set out on page 5, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

### **Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

#### **Identifying and assessing risks related to irregularities:**

We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

#### Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

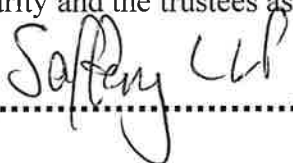
During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in blue ink that reads "Saffery LLP". The signature is written over a horizontal dotted line.

Saffery LLP

71 Queen Victoria  
Street  
London  
EC4V 4BE

Statutory Auditors

Date: 16/10/24

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

PADDINGTON CHURCH TRUST

Statement of Financial Activities for the year ended 31 December 2023

	Notes	Unrestricted Funds 2023 £'000s	Restricted Funds 2023 £'000s	Endowed Fund 2023 £'000s	Total 2023 £'000s	Total 2022 £'000s
<b>Income and endowments from:</b>						
Donations and legacies		38.3	0.1	61.8	100.2	154.7
Investments		<u>113.0</u>	<u>1.8</u>		<u>114.8</u>	<u>92.8</u>
<b>Total</b>	<b>1.4</b>	<u>151.3</u>	<u>1.9</u>	<u>61.8</u>	<u>215.0</u>	<u>247.5</u>
<b>Expenditure on:</b>						
Raising funds		(21.8)			(21.8)	(21.6)
Charitable activities		<u>(33.9)</u>	<u>(93.6)</u>	<u>(1.0)</u>	<u>(128.5)</u>	<u>(90.8)</u>
<b>Total</b>	<b>2</b>	<u>(55.7)</u>	<u>(93.6)</u>	<u>(1.0)</u>	<u>(150.3)</u>	<u>(112.4)</u>
<b>Net gains on investments</b>	<b>1.3 &amp; 6</b>	<u>0.2</u>	<u>2.4</u>	<u>131.0</u>	<u>133.6</u>	<u>(469.4)</u>
<b>Net income/(expenditure)</b>		<u>95.8</u>	<u>(89.3)</u>	<u>191.8</u>	<u>198.3</u>	<u>(334.3)</u>
<b>Provision for costs of closure</b>	<b>1.1</b>	(100.0)			(100.0)	-
<b>Net movement in funds for the year</b>		<u>(4.2)</u>	<u>(89.3)</u>	<u>191.8</u>	<u>98.3</u>	<u>(334.3)</u>
<b>Total funds brought forward</b>		<u>269.6</u>	<u>119.9</u>	<u>3,289.4</u>	<u>3,678.9</u>	<u>4,013.2</u>
<b>Total funds carried forward</b>	<b>9, 10 &amp; 11</b>	<u>265.4</u>	<u>30.6</u>	<u>3,481.2</u>	<u>3,777.2</u>	<u>3,678.9</u>

The Statement of Financial Activities contains all gains and losses for the year.  
The notes on pages 14 to 17 form part of these accounts.

# PADDINGTON CHURCH TRUST

## Balance Sheet

As at 31 December 2023

	Notes	Unrestricted Funds £'000s	Restricted Funds £'000s	Endowed Fund £'000s	2023 Total £'000s	2022 Total £'000s
<b>Fixed Assets</b>						
Investments (at Market Value)	6	-	-	-	-	3,528.9
<b>Current assets</b>						
Investments (at Market Value)	6	342.4	-	3,458.9	3,801.3	-
Debtors	7	13.6	35.2	0.1	48.9	115.4
Amounts due between Funds		19.9	(19.9)	-	-	-
Cash at bank and in hand		18.7	19.7	23.2	61.6	78.6
Total current assets		394.6	35.0	3,482.2	3,911.8	194.0
<b>Creditors: Amounts falling due within one year</b>	8	(29.2)	(4.4)	(1.0)	(34.6)	(44.0)
Net current assets		365.4	30.6	3,481.2	3,877.2	150.0
Provision for costs of closure	1.1	(100.0)			(100.0)	-
Total assets		265.4	30.6	3,481.2	3,777.2	3,678.9
<b>Represented by:</b>						
Unrestricted Funds - General						
- General Offerings Fund	11	264.4	-	-	264.4	267.6
Unrestricted Fund - Designated						
- Thank Offerings	11	1.0	-	-	1.0	2.0
Restricted Funds						
- Poor Account	9	-	11.1	-	11.1	11.0
- Church Upkeep Fund	9	-	19.5		19.5	108.9
Endowed Fund						
- Tithe Account	10	-	-	3,481.2	3,481.2	3,289.4
Total funds		265.4	30.6	3,481.2	3,777.2	3,678.9

Approved by the Trustees on

1st October 2024

*Michael Carter*

MICHAEL CARTER

Signed

*Andrew De Ferrars*

ANDREW DE FERRARS

The notes on pages 14 to 17 form part of these accounts.

# PADDINGTON CHURCH TRUST

## Statement of Cash Flows

Year ended 31 December 2023

	2023 Total Funds £'000s	2022 Total Funds £'000s
<b>Cash flows from operating activities:</b>		
<b>Net cash provided by (used in) operating activities</b>	<u>28.8</u>	<u>202.6</u>
<b>Cash flows from investing activities:</b>		
Dividends from investments	57.6	51.4
Interest from investments	57.2	41.4
Proceeds from sale of investments	227.8	137.2
Purchase of investments	(460.2)	(347.5)
Investment management fee	<u>(21.8)</u>	<u>(21.6)</u>
<b>Net cash provided by (used in) investing activities</b>	(139.4)	(139.1)
<b>Cash flows from financing activities:</b>		
<b>Net cash provided (used in) financing activities</b>	<u>-</u>	<u>-</u>
<b>Change in cash and cash equivalents in the reporting period</b>	(110.6)	63.5
Cash and cash equivalents at the beginning of the reporting period	<u>214.5</u>	<u>151.0</u>
Cash and cash equivalents at the end of the reporting period	<u>103.9</u>	<u>214.5</u>
Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net income for the reporting period (as per the statement of financial activities)	98.3	(334.3)
<b>Adjustments for:</b>		
(Gains)/losses on investments	(133.6)	469.4
Dividends and interest from investments	(114.8)	(92.8)
Investment management fee	21.8	21.6
(Increase)/Decrease in debtors	66.5	118.7
(Decrease)/Increase in creditors	(9.4)	20.0
Increase in provisions	<u>100.0</u>	<u>-</u>
<b>Net cash provided by (used in) operating activities</b>	<u>28.8</u>	<u>202.6</u>
<b>Analysis of cash and cash equivalents</b>		
Cash in hand	61.6	78.6
Cash on deposit	<u>42.3</u>	<u>135.9</u>
Total cash and equivalents	<u>103.9</u>	<u>214.5</u>



# PADDINGTON CHURCH TRUST

## Notes to the Accounts

For the year ended 31 December 2023

### 1. Accounting policies

#### 1.1 Basis of accounting

The accounts for the year to 31 December 2023 have been prepared under the historical cost convention (except that investments are shown at market value) in accordance with Accounting and Reporting by Charities - Statement of Recommended Practice (FRS 102 SORP), and with Accounting Standards and with the Charities Act 2011. There have been no changes in how the funds are determined with the previous financial reporting framework.

The accounts have been prepared on the basis as that the majority of the Trustees no longer regard the Paddington Church Trust as a going concern. The Catholic Apostolic Church Trust Property, for whom the freehold of the Church building has been held on a nominee trust, has agreed the transfer of the freehold to them, thus ending the arrangement by which Paddington Church Trust has occupied the building and been responsible for its repair. The Catholic Apostolic Church Trust Property have also requested the assignment to them of the Paddington Church Trust Trust's funds, to enable it to meet its responsibility for the major programme of stabilisation and repairs required to the building, and the ongoing routine maintenance and upkeep. The majority of the Paddington Trustees would agree to this but consider that this would mean that the charitable purpose of the Trust has failed and would necessitate the closure of the trust and winding up of its affairs under the oversight of the Charity Commission; the minority are unable to agree with this understanding. The Trustees are taking legal advice on the matter. A provision of £100,000 has been created at 31 December 2023 for the estimated costs of winding up the charity. The Trust is a registered charitable trust, and is a public benefit entity.

#### 1.2 Funds' Accounting Policy

In the service and worship of Almighty God, the Trustees have five separate funds, as follows:

Tithe Fund (An Expendable Endowed Fund) for the support of the Ministry.

General Offerings Fund (An Unrestricted Fund) used at the discretion of the Trustees in support of the Trust's objects and policies, including the upkeep and maintenance of the Church, and the costs of governance of the charity.

Poor Fund (A Restricted Fund).

Church Upkeep Fund (A Restricted Fund) used for the upkeep and maintenance of the Church.

Thank Offering Fund (An Unrestricted Designated Fund) to be used at the discretion of the Trustees in support of the Trust's objects and policies.

#### 1.3 Investments

Fixed asset investments are stated at market value. The change in market value is included as an unrealised gain or loss in the Statement of Financial Activities.

#### 1.4 Income and endowments

Donations and legacies (Tithes and offerings) which are offered anonymously by members of the Congregation, are included as they are received, with the exception of a residual legacy from the estate of a deceased member of the Congregation who passed away in April 2020. This was received in March 2022. Investment income is included on a receivable basis.

# PADDINGTON CHURCH TRUST

## Notes to the Accounts (cont.)

### For the year ended 31 December 2023

#### 1.5 Expenditure

Expenditure on Raising funds comprises investment management fees and is included on an accruals basis.

Expenditure on Charitable activities, including Governance costs, which comprise primarily audit & legal fees, is included on an accruals basis.

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Endowed Fund</b>	<b>2023 Total</b>	<b>2022 Total</b>
	<b>£'000s</b>	<b>£'000s</b>	<b>£'000s</b>	<b>£'000s</b>	<b>£'000s</b>
<b>2. Expenditure on Charitable Activities</b>					
Raising funds – investment management fee	21.8	-	-	21.8	21.6
Grants	3.0	-	-	3.0	1.5
Distribution of Ministries	-	-	1.0	1.0	1.0
Property – Repairs and Decoration		43.4	-	43.4	17.0
Property – General Expenses	15.5	50.2	-	65.7	45.9
Organ Maintenance		-	-		0.4
Governance costs	15.4	-	-	15.4	25.0
	<u>55.7</u>	<u>93.6</u>	<u>1.0</u>	<u>150.3</u>	<u>112.4</u>

Grants made are not regarded as material in the context of the charity's overall charitable activities.

In March 2023, the Catholic Apostolic Church Trust Property, the ultimate owners of the freehold of the Church, reimbursed £84,000 of sums spent with respect to the structural movement since 2019. £71,900 was credited in 2022 to the General Offerings Fund (an unrestricted fund) and £12,100 to the Upkeep Fund (a restricted fund).

#### 3. Net income/(expenditure)

Net income/expenditure is stated after crediting/(charging)

	<b>2023</b>	<b>2022</b>
	<b>£'000s</b>	<b>£'000s</b>
Interest included in investment income	57.2	41.4
Gains/(Losses) on disposal of investments	(4.0)	47.3
Unrealised gains/(losses) on investments	137.6	(516.7)
Auditors' remuneration	(21.6)	(11.8)

#### 4. Employees

The charity has no employees. It is administered by its Trustees who receive no remuneration.

#### 5. Trustees remuneration

The Trustees neither received nor waived any emoluments in the year, nor received any benefits from the Trust or any related party (2022: nil).

No grants were made to Related Parties of the Trustees.

Out of pocket expenses were reimbursed to Trustees as follows:-

	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>No. of Trustees</b>		<b>£'000s</b>	<b>£'000s</b>
Travel, subsistence and incidental	1	3	0.9	1.0
Other – printing and incidental	1	2	<u>1.0</u>	<u>1.2</u>
			<u>1.9</u>	<u>2.2</u>

# PADDINGTON CHURCH TRUST

## Notes to the Accounts (cont.)

### For the year ended 31 December 2023

The Trustees and certain related parties will have made anonymous donations and endowments (Tithes and Offerings) without conditions during both 2022 and 2023, as part of divine worship (“when thou doest alms, let not thy left hand know what thy right hand doeth: that thine alms may be in secret”).

#### 6. Investments

	Market Value at year end	Income from Investments for the year
	£'000s	£'000s
Investments listed on a recognised stock exchange, or held in common investment funds, unit trusts, or other collective investment schemes	3,759.0	112.0
Cash held as part of the investment portfolio	<u>42.3</u> <u>3,801.3</u>	<u>2.8</u> <u>114.8</u>
	<b>2023</b> <b>£'000s</b>	<b>2022</b> <b>£'000s</b>
Market value as at 1 January	3,393.0	3,652.1
Additions	460.2	347.5
Disposals	(227.8)	(137.2)
Realised and Unrealised gains/(losses)	<u>133.6</u>	<u>(469.4)</u>
Market value as at 31 December	<u>3,759.0</u>	<u>3,393.0</u>
Original cost	<u>3,379.8</u>	<u>3,191.7</u>

No investments are considered material in the context of market value of the investment portfolio at 31 December 2023.

	2023 £'000s	2022 £'000s
<b>7. Debtors</b>		
Amount due from Investment Advisers	12.0	8.5
Maintenance expenditure – reimbursement	-	84.0
Income from investments	1.6	0.8
Prepayments	28.1	22.0
Sundry	<u>7.2</u>	<u>0.1</u>
	<u>48.9</u>	<u>115.4</u>
<b>8. Creditors</b>		
Amounts falling due within one year		
Creditors	19.0	1.4
Accruals	<u>15.6</u>	<u>42.6</u>
	<u>34.6</u>	<u>44.0</u>

# PADDINGTON CHURCH TRUST

## Notes to the Accounts (cont.)

For the year ended 31 December 2023

	Balances brought forward forward £'000s	Income £'000s	Expenditure & Provisions £'000s	Gains £'000s	Balances carried and losses £'000s
<b>9. Restricted Funds</b>					
Poor Account	11.0	0.1	-	-	11.1
Church Upkeep Fund	108.9	1.8	(93.6)	2.4	19.5
	119.9	1.9	(93.6)	2.4	30.6
<b>10. Endowed Fund</b>					
Tithe Account	3,289.4	61.8	(1.0)	131.0	3,481.2
Included in the above are net unrealised gains of					377.7
<b>11. Unrestricted Funds</b>					
<b>General</b>					
General Offerings Fund	267.6	149.3	(152.7)	0.2	264.4
<b>Designated</b>					
Thank Offerings	2.0	2.0	(3.0)	-	1.0
	269.6	151.3	(155.7)	0.2	265.4
Included in the above are net unrealised gains of					1.5