

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST BARNABAS KENSINGTON

Diocese of London

Charity Registration Number: 1133985

Report & Accounts

31 December 2019

ST BARNABAS, KENSINGTON

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ST BARNABAS, KENSINGTON

Legal and Administrative Information For the year ended 31 December 2019

Charity Name

The Parochial Church Council of the Ecclesiastical Parish of St Barnabas Kensington. The Parish was established in 1858 and is a charity which was formally registered with the Charity Commission on 2 February 2010. The registration number is 1133985.

Principal Address

St Barnabas Church, 23 Addison Road, London W14 8LH

Members of the PCC

The PCC who served during the year and who were serving at the date of this report were:

Vicar	Reverend Andy Buckler	From June 2017
Associate Vicar	Reverend H Miller	From July 2017
Curate	Reverend Jean-Luc Sargent	From September 2017
Church Wardens	Don Christian Leah Haynes	(elected APCM 2019) (elected APCM 2019)
Elected Lay Representatives	Ikwa Amiaka Stuart Beck Annabel Lea Samy Mansour Esther de la Roque Daphne Towry-Coker Claire Wilkinson Naheed Amiaka, Treasurer	(elected APCM 2017) (elected APCM 2019) (elected APCM 2019) (elected APCM 2018) (elected APCM 2019) (elected APCM 2018) (elected APCM 2017) (elected APCM 2018)
Lay Representatives to the Deanery Synod	Gill Dandy Nicola Shannon	(re-elected APCM 2017) (elected APCM 2017)
PCC Representative on the School Board of Governors	Rachel Edmondson	(elected APCM 2018)

Salaried Personnel in Attendance

Director of Operations	Chloe Slinger	
PA to the Vicar	Ruth Beck	PCC Secretary

Key Management Personnel

Director of Prayer and Pastoral Care	Pippa Fernee
Director of Worship	Gilbert Chellembrum
Director of Operations	Chloe Slinger

Professional Advisers and Agents

Bankers	NatWest Bank plc	Kensington, Royal Garden Branch, 55 Kensington High Street, London W8 5ZG
Independent Examiner	Jacob Cavenagh & Skeet	5 Robin Hood Lane, Sutton, Surrey SM1 2SW
Quinquennial Inspector	Robert Shaw Architects	32 Foster Road, Chiswick, London W4 4NY

ST BARNABAS, KENSINGTON

Report of the Parochial Church Council For the year ended 31 December 2019

The Parochial Church Council of the Ecclesiastical Parish of St Barnabas Kensington ("PCC") submits its report and the financial statements of the PCC for the year ended 31 December 2019. The financial statements have been prepared in the format prescribed by the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP2015 (FRS102)) and the Financial Reporting Standard 102. The legal and administrative information set out earlier in this document forms part of this report.

The PCC co-operates with the incumbent in promoting the whole mission of the Church within its Parish and beyond. It also has responsibility for the non-stipendiary staff and the maintenance of St Barnabas Church, the Vicarage and the clergy houses at 17 Devonport Road and 87 Blythe Road. In essence the PCC is a consultative body that represents the views of the congregation as well as its own. It should communicate, where appropriate, any decisions of the PCC or its committees to the church; oversee and advise in the financial affairs of the church; pray and champion the vision for the church.

1. Structure, Governance & Management

1.1 The Governing Document

Parochial Church Council Powers Measure (1956) as amended and Church Representation Rules.

1.2 Trustees

The PCC is a body corporate with perpetual succession. The PCC meets approximately 6 times per annum to discuss a full range of matters relating to finance, fabric, general administration and responsibility for keeping of the Electoral Roll. Members of the PCC are either *ex officio* or elected by the Annual Parochial Church Meeting (APCM) or in attendance in accordance with the Church Representation Rules.

The induction process for any individual newly-appointed to the PCC comprises an initial meeting with the Vicar and receipt of copies of:

- the most recent financial statements
- the Charity Commission's guidance 'The Essential Trustee'
- the booklet 'Trusteeship: An Introduction for PCC Members', produced jointly by the Charity Commission and the Archbishops' Council
- attending the Kensington Episcopal Area induction for new church officers

1.3 Standing Committee

This is the only committee required by law. It has power to transact the business of the PCC between its meetings, subject to any directions given by the PCC.

Rev. Andy Buckler (Vicar); Rev. H Miller (Associate Vicar); Naheed Amiaka (Treasurer); Chloe Slinger (Director of Operations); Don Christian (Church Warden); Leah Haynes (Church Warden).

1.4 Church Attendance

The electoral roll is completely reviewed and revised once every six years. In 2019 the electoral roll stood at 250.

1.5 Risk Management

The PCC's primary concern and objective is the discipling of individuals for the glory of God. Whilst it is the PCC's policy to trust wholly in the Lord that He will work out His purpose to this end, the church also acknowledges that it has a responsibility, both as individual Members and as a body of Members, for the identification and proper management of risks faced by the PCC in achieving its primary aim. The PCC has therefore assessed the major risks to which the PCC is exposed, in particular those relating to the specific operational areas of the charity, its investments and its finances. The PCC believes that, by monitoring reserve levels, by ensuring that controls exist over key financial systems, and by examining the operational risks faced by the church, it has established effective systems and procedures to mitigate those risks.

1.6 Safeguarding

The Safeguarding Statement as proposed by the London Diocesan Fund was agreed and adopted by the PCC on 20th May 2019. Nicola Shannon was renewed as Church Safeguarding Officer (CSO) and Leah Haynes was renewed as Children's Champion.

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Report of the Parochial Church Council For the year ended 31 December 2019

2. Objectives, Activities & Strategies

2.1 Objective

Promoting in the ecclesiastical parish the whole mission of the Church.

2.2 Activities

The PCC has given due regard to the Charity Commissions' guidance on public benefit. To this end the PCC organises the following activities in order to enable ordinary people to live out their faith as part of our parish community:

- worship and prayer
- learning about the Gospel, and its engagement with the insights and values of contemporary society, and its dialogue with those of other faiths, or none; and informing the resolve to live according to 'the mind of Christ' (1 Corinthians 2)
- provision of pastoral care for people living in the parish
- support for outreach and works of compassion

3. Review of the Year

Services

The heart of church life continues to be weekly Sunday services which are marked by their liturgical and cultural diversity:

9am This traditional service of Holy Communion offers a reflective and liturgical worshipping space with songs and hymns played on the organ. Numbers are stable and average between 40-50 people attending.

10.30am This is a lively, family-focused service. Worship is led by the band and children are welcome at Children's Church (WildLife). This service is growing in numbers despite the constant number of people moving away from the area. We continue to have a significant international element to the membership.

5pm French Connect This service continues to reach out to French speakers in the area, with a special emphasis on connecting with those who have no previous church experience. Since its launch in April 2018, this service has been slowly growing, and now attracts 30-40 people. It is also the catalyst for offering diverse French Connect outreach events.

7pm This relaxed evening service offers an emphasis on worship, teaching, ministry and healing prayer. This service is growing slowly, with an average of 35 by the end of 2019.

Children's and Youth Ministry

The thriving Sunday morning Wildlife club (for children aged 0-13) saw a handover of leadership from Kate and Charlie Hill to Rachel Edmondson/Uta Buckler in September 2019. Wildlife meets in 4 different groups: Fireflies (0-2 years), Little Lions (3-5 years), Octopus (school 6-10 years), Iguana (11-13 years). The Youth group (14-18 years) is led by Simon Lilley and meets on Sunday mornings and/or afternoons.

Pastoral Care & Hubs

Pastoral care has been reinforced in 2019 through regular visits, and training in prayer ministry. The network of Hubs relaunched in 2018 continues to grow, with 12 regular Hubs at the end of 2019, together with other occasional groups. Hubs provide the opportunity for church members to meet together informally for fellowship, discipleship and mission. The Hubs network is coordinated by Leah Haynes.

Prayer

Regular prayer meetings and events have been organised throughout 2019, including a weekly prayer meeting (Weds mornings) and termly half nights of prayer. Evenings for training in prayer ministry and prophetic prayer were also organised. The director of prayer and pastoral care is Pippa Fernee.

Weekend Away

In March the weekend away in Windsor brought together nearly 200 adults and children, along with our visiting speaker Greg Downes. It was a wonderful opportunity to celebrate God's faithfulness in the past and to look ahead in faith to the next stage of the church's life.

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Baptisms, Weddings, Funerals. In 2019 we celebrated nine adult and seven child baptisms. There were two funerals and three weddings.

Staff

In May 2019, Lina Lavruvianec left the team and was replaced in September by Shabnam Maraghechi in a redefined role of office administrator. Also in September Uta Buckler took on the role of book-keeper. Jade Standley (St Mellitus ordinand), Vera Ezumah and Lina Badoux also joined the team in a volunteer capacity.

Outreach

Alpha. In the autumn of 2019, we ran two Alpha Courses: on Tuesday evenings in English, French and Farsi and on Tuesday mornings in English, both using the Alpha film series.

French Connect. 2019 saw the organisation of various outreach cultural events by the French Connect team under the leadership of Jean-Luc Sergent. Raclette evenings, Crêpes events, Galette des Rois events drew in hundreds of French speakers from outside St Barnabas church. A highlight was a Football themed gala event in May 2019 hosted with Olivier Giroud which raised over £10,000 for charity.

Sticky Fingers. The Thursday morning mums and toddlers group continues to thrive. "Family fun days" and other social events have been organised. The leadership team has been renewed under the leadership of Ruth Beck and the number of attendees is on the increase.

Soft Play. Launched in January 2019, this weekly morning drop-in for carers and toddlers has been steadily growing and was drawing in an average of 65 children by the end of 2019. Plans are underway to expand to another day in 2020.

Barnabas Music Academy. In April 2019, BMA was launched under the leadership of Gilbert Chellembon as a new initiative to serve and reach out to the local community through music and the arts. The number of individual music lessons (piano, guitar, violin, drums, voice, bass...) offered has slowly increased through the year. Group lessons and activities (including a gospel choir and after school club) are planned for 2020. In addition, Barnabas Music has held monthly gig nights in the Crown and Sceptre pub and since September 2019 monthly lunchtime concerts have been organised in the church, coordinated by Tania Park.

St Barnabas and St Philip's School. In July 2019, the school said goodbye to Chris Doyle after many years as head teacher. This was the opportunity to restructure the senior leadership, and in September Rebecca Harris was appointed executive head teacher, with Vera Vagic taking on the role of head of school. The school continues to enjoy an excellent relationship with St Barnabas church, with the vicar, curate and worship pastor regularly participating in assemblies. During 2019, we also hosted 4 school services in St Barnabas, including the leavers' service in July and the Christmas service in December.

Local Community. 2019 saw a number of opportunities to partner with local groups: Oakwood Court for a street party on car-free day, and carols outside the Oakwood Court main entrance in the run-up to Christmas. A 70s+ lunch was held in the church in collaboration with RBKC. We also welcomed RBKC councillors to various church events (Barnabas Sunday, Carols by Candlelight, French Connect events...). The RBKC support enabled us to benefit from a *City Living, Local Life* grant in 2019 towards our outreach events.

Glass Door. In early 2019, St Barnabas again hosted the night shelter project for 3 months as part of the second circuit of local churches organised by Glass Door. In view of the heavy demand, we then expanded this to offer night shelter for 6 months in the year from November 2019.

Earls Court Community Project. We continue to retain links with ECCP and although the project no longer holds its Coffee Bar on the church premises, the ECCP Counselling Team regularly use our facilities for counselling appointments.

North Kensington. In 2019 we began supporting St Helen's North Kensington financially as a way of enabling them to welcome a curate with a brief to develop outreach ministry into local estates.

Overseas

In 2019, we were able to welcome a number of groups from overseas, in particular from France (25 young people in June from 4 local French churches; two catholic delegations from French dioceses), putting into practice our vision to be a resourcing church for European mission. We also welcomed a film crew from the *Chemin Neuf* community in France for a documentary on church

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planting. Support has also continued for a variety of overseas missions, including IJM and Sughandh. Money was also raised for Open Doors through a football charity event in May organised by French Connect to support persecuted Christians.

Property & Plant

In 2019 the main church building did not need any significant expenditure, other than the costs associated with plumbing works for the toilets in the crypt and fire alarm repairs.

The PCC is also responsible for two clergy properties, Devonport Road which houses Revd. Jean-Luc Sergent and Blythe Road, which accommodates Revd. H Miller and his family. Ongoing maintenance was undertaken at both houses in 2019.

Website & Planning Centre

The website is updated/maintained on a weekly basis by church staff. The Planning Centre provides a database of church membership and is used for the increasing number of registrations for events. It is also used for check-ins on a Sunday for children's ministry.

4. Financial Review

4.1 Financial Activity and Financial Position

The PCC's main sources of funding are the free will offerings of church members, rental income from residential properties and lettings income from the hiring out the church buildings.

The Statement of Financial Activities and Balance Sheet can be found on pages 10 and 11 respectively. The Church's reserves decreased by £24,944 during the year (2018: increased by £77,920). The balance sheet shows total net assets of £767,826 (2018: £792,770). Cash balances decreased by £16,994 (2018: increased by £39,941).

Included in total funds are amounts totalling £42,814 (2018: £66,489) which are restricted. These balances have either been raised for, and their use restricted to, specific purposes, or they comprise donations subject to donor-imposed conditions. Full details of these restricted funds can be found in note 11 to the accounts together with an analysis of movements in the year.

Income for the year amounted to £562,198 (2018: £627,134). Expenditure in 2019 was £587,142 (2018: £549,214). The largest element of expenditure was direct staff costs, which amounted to £169,833 (2018: £164,864). We have continued to give to our mission partners and other Christian charities and individuals. In 2019 we gave £33,476 (2018 £19,036) and contributed £109,500 (2018: £107,043) to the Diocesan Common Fund.

4.2 Reserves Policy

The PCC has examined the requirements for free reserves, i.e. those unrestricted funds not invested in tangible fixed assets. The PCC considers that, given the nature of the church's work, free reserves should be equivalent to approximately 6 months' routine general fund expenditure, plus committed future expenditure on other projects, where funds permit. The PCC is of the opinion that this provides sufficient flexibility to cover temporary shortfalls in income will allow the church to cope and respond to unforeseen emergencies whilst specific action plans are implemented. At 31 December 2019 the church had net free reserves of £30,961 (2018: £32,253) as follows:

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Report of the Parochial Church Council For the year ended 31 December 2019

	2019 £	2018 £
Total reserves	767,826	792,770
Less: restricted funds	(42,814)	(66,489)
Less: fixed assets	(1,507,622)	(1,507,599)
Add: long term loans on residential & church properties	160,000	160,000
Add: provision for liabilities	653,571	653,571
Free reserves	30,961	32,253
Free reserves requirement:		
6 month's budgeted routine expenditure	250,000	250,000

The PCC is aware that free reserves are considerably below the free reserves requirement. This is a position which has persisted for several years. The PCC is seeking to build up reserves in such a way that minimises the impact of the current operations of the church. To this end the PCC has made a standing commitment to budget for successive annual minimum surpluses of approximately £20,000 (based on conservative income projections at the start of each calendar year). This process is expected to carry on for the next five to ten years.

4.3 Investment Policy

Funds in excess of immediate working capital requirement are placed in a bank deposit account.

5. Plans for Future

Future plans of action focus on realising the mission of St Barnabas as articulated in our vision statement:

St Barnabas is called to be a kingdom community

- **welcoming** in Jesus' name,
- **growing together** in discipleship,
- **stepping out** in God's mission to all nations.

As we look ahead, we will be continuing to invest in key priority areas: 1) developing an operational process for welcoming and integrating new people into church life; 2) reinforcing work amongst children and families; 3) developing the small group network of Hubs with a threefold purpose: pastoral, discipling, mission; 4) identifying and training leaders within the church and for wider service and mission; 5) reaching out to French speakers in London through French Connect.

In addition to this, we recognise that **"all nations"** are on our doorstep and so we want to give a high priority to developing projects launched in 2019 that reach out and connect with the **local community**: 1) Soft Play; 2) Barnabas Music Academy; 3) French Connect events.

Through these and other activities we are aiming to enable members of the church to be **ambassadors** of God's kingdom, particularly through developing a culture of invitation and welcome.

We are also looking to develop a role as a **resource church** for the renewing and reviving of historic denominations in Europe.

6. Responsibilities of Trustees for the Financial Statements

The PCC is responsible for preparing the report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. Charity law in England and Wales requires the PCC to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the PCC and of the income and application of income of the charity for that period.

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Report of the Parochial Church Council For the year ended 31 December 2019

In preparing those financial statements, the PCC is required to:

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

The PCC is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enables 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 governing document. The PCC is 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. The PCC is responsible for the maintenance and integrity of the charity and financial information included in the charity's website.

7. Approval

The report of the PCC was approved by the PCC on 11 May 2020 and signed on its behalf by:



Revd. Andy Buckler
Chairman

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Report of the Independent Examiner to the Parochial Church Council of St Barnabas, Kensington

Independent examiner's report to the trustees of St Barnabas' Parochial Church Council

I report to the charity trustees on my examination of the accounts of the St Barnabas' Parochial Church Council (the Church) for the year ended 31 December 2019 set out on pages 10 to 20.

Responsibilities and basis of report

As the charity's trustees 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 Trust's accounts as 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 Church'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 member of the Institute of Chartered Accountants in England and Wales, 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 that in any material respect:

1. accounting records were not kept in respect of the Church 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 Report) 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; or
4. the accounts have not been prepared in accordance with the methods and principles of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102)

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.



M R Hickson FCA CTA
Chartered Accountant

5 Robin Hood Lane
Sutton
Surrey SM1 2SW

Date: 03/06/2020

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Statement of Financial Activities (including income and expenditure account) For the year ended 31 December 2019

	Note	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total 2019 £	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total 2018 £
Income from:							
Donations and legacies	2	438,102	51,948	490,050	430,336	105,740	536,076
Charitable activities		18,104		18,104	2,175	-	2,175
Other trading activities		53,900		53,900	88,828	-	88,828
Investments		144	-	144	55	-	55
Total Income		510,250	51,948	562,198	521,394	105,740	627,134
Expenditure on:							
Raising funds	3	42,291	5,000	47,291	30,770	13,028	43,798
Charitable activities	4	469,228	70,623	539,851	471,370	34,046	505,416
Total Expenditure		511,519	75,623	587,142	502,140	47,074	549,214
Net(Expenditure)/Income	5	(1,269)	(23,675)	(24,944)	19,254	58,666	77,920
Transfers between funds		-	-	-	-	-	-
Net movement in funds		(1,269)	(23,675)	(24,944)	19,254	58,666	77,920
Total funds brought forward		726,281	66,489	792,770	707,027	7,823	714,850
Total funds carried forward		725,012	42,814	767,826	726,281	66,489	792,770

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Balance Sheet As at 31 December 2019

	Note	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total 2019 £	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total 2018 £
Fixed Assets							
Tangible Assets	6	1,507,622		1,507,622	1,507,599	-	1,507,599
Current Assets							
Stock		583		583	653	-	653
Debtors	7	33,861		33,861	55,397	-	55,397
Cash At Bank And In Hand		21,072	42,814	63,886	14,391	66,489	80,880
		55,516	42,814	98,330	70,441	66,489	136,930
Creditors - Amounts Falling Due Within One Year	8	24,555		24,555	38,188		38,188
Net Current Assets		30,961	42,814	73,775	32,253	66,489	98,742
Creditors - Amounts Falling Due After More Than One Year	9	160,000	-	160,000	160,000	-	160,000
Provisions for liabilities	10	653,571	-	653,571	653,571	-	653,571
Net Assets		725,012	42,814	767,826	726,281	66,489	792,770
Represented By:							
Restricted Funds	11		42,814	42,814	-	66,489	66,489
Unrestricted Income Funds		725,012		725,012	726,281	-	726,281
Total Funds		725,012	42,814	767,826	726,281	66,489	792,770

The financial statements were approved by the PCC on 11 May 2020 and signed on its behalf by:



Naheed Amiaka
Treasurer

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Notes to the Financial Statements For the year ended 31 December 2019

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of accounting

The financial statements have been prepared under the Charities Act 2011 and in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102). The financial statements are drawn up on the historical cost basis of accounting except for the revaluation of freehold land and buildings which are shown at market value. The charity prepares its financial statements in pounds Sterling, rounding to the nearest £.

The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe an affiliation to another body or those that are informal gatherings of church members.

The PCC meets the definition of a public benefit entity under FRS 102.

Going Concern

There are no material uncertainties about the charity's ability to continue and accordingly the accounts have been drawn up on a going concern basis.

Income recognition

Voluntary income and donations (including legacies) are accounted for once the PCC has entitlement to the income, it is probable the income will be received and the amount of income receivable can be reliably measured. Income from the recovery of tax on gift aided donations is accounted for in the period to which the relevant donation is received. Grant income is recognised on a receivable basis.

The income from trading activities includes rental income from the letting of church premises and freehold land and buildings which is accounted for when earned. It is shown gross, with the associated costs included in fundraising costs.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure recognition

Expenditure is accrued as soon as a liability is considered probable, and the amount of obligation can be measured reliably. Longer term liabilities are discounted to present value. The PCC is not registered for VAT and accordingly expenditure includes VAT where appropriate.

Expenditure included in Raising Funds includes amounts incurred in obtaining grants and other donations and property maintenance costs.

Charitable expenditure includes those costs in fulfilling the PCC's principal objects, as outlined in the Report of the PCC. These include grants payable, governance costs and an apportionment of support costs.

- Grants payable are payments made to third parties in furtherance of the PCC's objects. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the PCC.
- Governance costs comprise all costs involving the public accountability of the PCC and its compliance with regulation and good practice. These costs include costs related to the independent examination and legal fees.

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Notes to the Financial Statements For the year ended 31 December 2019

I. Accounting Policies (continued)

The PCC contributes to certain employees' personal pension plans. These are defined contribution schemes, the assets of which are held separately from those of the charity. The cost in the accounts is the amount of contributions paid and payable during the year.

Rentals under operating leases are charged as incurred over the term of the lease.

Tangible Fixed Assets

Consecrated Property and Moveable Church Furnishings

Consecrated land and benefice property such as the church building and vicarage is excluded the accounts in accordance with s10 of the Charities Act 2011. Moveable church contents are held by the vicar and churchwardens on special trust for the PCC and require a faculty for disposal are accounted as inalienable property unless consecrated. All expenditure incurred on consecrated or benefice buildings and moveable church furnishings, whether maintenance or improvement, is expensed within the Statement of Financial Activities.

Freehold Land & Buildings

Freehold land and buildings are stated at market value. Freehold land and buildings are not depreciated as depreciation would be immaterial.

Other Fixtures, Fittings & Office Equipment

The cost of other furniture, fittings and equipment, less any expected residual value, is depreciated on a straight line basis over the effective useful life of the asset, which has been estimated as follows:

Computer and Softplay equipment: 3 years

Other equipment: 5 years

Stock

Stock of books is included at the lower of purchase cost and net realisable value with reference to current prices.

Debtors

Debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of opening of the deposit.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

Borrowings

The PCC has three categories of borrowings:

- Concessionary loans, which are recognised at the amount received and adjusted as necessary for any impairment
- Basic financial instruments, which are initially recognised at the amount received (for example, the amount borrowed less any arrangement fee) and subsequently measured at amortised cost using the effective interest rate method
- Other financial instruments, which are recognised at fair value

Fund accounting

The funds held by the charity are either:

- Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes

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Notes to the Financial Statements For the year ended 31 December 2019

2. Income

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total 2019 £	Total 2018 £
Donations & legacies				
Offerings and donations	361,061	19,769	380,830	433,493
French Connect	-	27,559	27,559	-
Income Tax reclaimed	77,041	-	77,041	81,104
Legacies	-	-	-	-
Grants	-	4,620	4,620	21,479
	438,102	51,948	490,050	536,076
Charitable activities				
Sticky Fingers	9,154	-	9,154	2,175
Barnabas Music Academy	8,950	-	8,950	-
	18,104	-	18,104	2,175
Other trading activities				
Lettings income – residential	12,280	-	12,280	12,580
Lettings income – Howard Hall & church	17,898	-	17,898	62,382
Outings and other parish events	23,357	-	23,357	13,302
Other	365	-	365	564
	53,900	-	53,900	88,828
Investments				
Bank Interest	144	-	144	55
Total	510,250	51,948	562,198	627,134

3. Expenditure on Raising Funds

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total 2019 £	Total 2018 £
Residential church property costs - upkeep	17,312	-	17,312	14,227
Residential church property costs - interest	20,893	5,000	25,893	24,996
Bank & collecting agent fees	1,880	-	1,880	2,213
Sticky Fingers	2,206	-	2,206	2,362
	42,291	5,000	47,291	43,798

ST BARNABAS, KENSINGTON

Notes to the Financial Statements For the year ended 31 December 2019

4. Expenditure on Charitable Activities

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total 2019 £	Total 2018 £
Provision of clergy				
Common Fund	109,500	-	109,500	107,043
Other	19,550	19,550	39,100	38,300
	129,050	19,550	148,600	145,343
Church Life & Outreach				
Gross salaries	66,583	-	66,583	41,623
Employer's National Insurance	4,085	-	4,085	1,942
Upkeep of services	3,122	-	3,122	3,356
French Connect	0	2,597	2,597	6,914
Worship/Organist	5,900	-	5,900	3,885
Children/youth	3,091	-	3,091	7,082
Church Weekend	23,459	8,000	31,459	32,769
Music School	4,682	10,823	15,505	-
Other ministries	1,135	-	1,135	6,294
Catering & hospitality	5,577	-	5,577	6,641
Gifts and grants (see note 4b below)	18,094	15,382	33,476	19,036
	135,728	36,802	172,530	129,542
Provision of Office & Support				
Gross salaries	35,929	-	35,929	67,336
Employer's National Insurance (net of NI Emp All)	1,683	-	1,683	4,262
Pension contributions	7,482	-	7,482	7,812
Staff expenses other	10,814	-	10,814	11,216
Printing, postage & stationery	1,426	-	1,426	1,960
Photocopying	3,640	-	3,640	4,515
Accountancy, payroll & recruitment	1,428	-	1,428	2,510
Technology – IT (communications, phones, software)	8,821	-	8,821	9,226
Technology – IT Support	3,900	-	3,900	5,040
Technology – sound & video	2,696	-	2,696	5,677
Publicity and website design	4,753	-	4,753	4,560
Depreciation	3,291	1,533	4,824	5,186
Other	2,303	-	2,303	1,799
	88,166	1,533	89,699	131,099
Provision of Buildings and Facilities				
Gross salaries	51,490	-	51,490	40,064
Employer's National Insurance	2,581	-	2,581	1,825
Heat, light & water	15,578	-	15,578	13,387
Insurance	10,522	-	10,522	9,710
Repairs & maintenance & H&S & Diocesan interest	26,266	12,738	39,004	23,297
Cleaning & waste	6,787	-	6,787	6,685
	113,224	12,738	125,962	94,968
Governance costs				
Independent Examination fee	3,060	-	3,060	4,464
	3,060	-	3,060	4,464
Total expenditure – charitable activities	469,228	70,623	539,851	505,416

ST BARNABAS, KENSINGTON

Notes to the Financial Statements For the year ended 31 December 2019

4a. Expenditure - Employee Emoluments

In addition to the many volunteers who give their time to the church, there were 8 (2018: 8) employees whose costs are included within each of the main cost categories of "Expenditure – Charitable Activities" (note 4 above). Their aggregate emoluments were as follows:

	2019 £	2018 £
Gross salaries	154,002	149,023
Employer's National Insurance (net of SMP and Employer's Allowance)	8,349	8,030
Pension costs	7,482	7,811
	169,833	164,864

These figures exclude the amounts paid to the Diocese for the incumbent and the curates, who are funded through the Common Fund. No employee (2018: nil) received emoluments in excess of £60,000 during the year. The number of staff for whom pension contributions were made during the year was 10 (2018: 10).

4b. Expenditure – Missionary & Charitable Giving

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total 2019 £	Total 2018 £
Giving to organisations				
Sugandh – annual grant	3,000	-	3,000	3,000
Glass Door	1,020	-	1,020	750
Rahab	500	-	500	1,000
School leavers' Bibles	392	-	392	556
Bishop's Fund	-	487	487	-
Tent Theology	703	-	703	-
Open Doors (The Goal)	-	5,000	5,000	-
Holistic Sports (The Goal)	-	4,750	4,750	-
St Helens	5,000	-	5,000	-
International Justice Mission	-	-	-	5,000
Love Russia	-	-	-	500
Earls Court Community Project/Youth with a Mission	-	-	-	750
St Francis Church, Dalgarno way	-	-	-	500
	10,615	10,237	20,852	12,056
Giving to individuals				
S&S Mansour	4,000	-	4,000	4,000
Other gifts over £1,000 each	-	4,365	4,365	-
Other gifts under £1,000 each	3,479	780	4,259	2,980
	7,479	5,145	12,624	6,980
	18,094	15,382	33,476	19,036

ST BARNABAS, KENSINGTON

Notes to the Financial Statements For the year ended 31 December 2019

5. Net Income/(Expenditure)

This is stated after charging:

Operating lease rentals

Depreciation

Independent examination fee

2019	2018
£	£
1,639	1,371
4,823	5,185
1,980	4,464

6. Tangible Fixed Assets

	Freehold land & building £	Fixtures, fittings & equipment £	Total £
Cost/Fair Value			
At 1 January 2019	1,500,000	76,357	1,576,357
Additions	-	4,847	4,847
Disposals	-	-	-
At 31 December 2019	1,500,000	81,204	1,581,204
Depreciation			
At 1 January 2019	-	68,758	68,758
Charge for Year	-	4,824	4,824
Disposals	-	-	-
At 31 December 2019	-	73,582	73,582
Net Book Value			
At 31 December 2019	1,500,000	7,622	1,507,622
At 31 December 2018	1,500,000	7,599	1,507,599

All of the fixed assets are used for charitable purposes.

The freehold land and buildings comprise:

- 87 Blythe Road which was let on a commercial basis until March 2015 and then became home to the Revd H Miller, Associate Vicar, and his family. The property is held under trust by the London Diocesan Fund. Under this Declaration, should the property be sold, the Church would receive 46.43% and the London Diocese Fund and the Church Commissioners would receive a total of 53.57% of the net proceeds less the outstanding loans of £150,000 (see note 10). The property was valued in March 2020 by Kinleigh, Folkhard & Hayward, a local estate agent, on the basis of the estimated value in the prevailing market conditions.
- 17 Devonport Road, part of which is currently being let on a commercial basis. The property is held under trust by the London Diocesan Fund. Under this Declaration, should the property be sold, the Church Commissioners would receive 100% of the net proceeds. The property is not capitalised in these accounts.

ST BARNABAS, KENSINGTON

Notes to the Financial Statements For the year ended 31 December 2019

7. Debtors

	2019 £	2018 £
Prepayments	6,688	27,047
Income tax recoverable	25,522	26,760
Other debtors	1,651	1,590
	<u>33,861</u>	<u>55,397</u>

8. Creditors - Amounts Falling Due Within One Year

	2019 £	2018 £
Creditors for goods and services	9,129	15,412
Accruals	12,695	19,700
Other creditors including taxation and social security	2,231	2,576
Rent deposit held	500	500
	<u>24,555</u>	<u>38,188</u>

9. Creditors - Amounts Falling Due After More Than One Year

	2019 £	2018 £
Loan – private (87 Blythe Road)	10,000	10,000
Loan – London Diocesan Fund (87 Blythe Road)	50,000	50,000
Loan – Church Commissioners (87 Blythe Road)	100,000	100,000
	<u>160,000</u>	<u>160,000</u>

The £10,000 interest-free loan from a member of the congregation is repayable upon the sale of the property, unless earlier by mutual agreement. This is a concessionary loan and stated at the amount of the original transaction.

The £50,000 secured value linked loan from the London Diocesan Fund is an interest-bearing loan repayable upon the sale of the Blythe Road property. The interest rate is 6.45%. The PCC consider that the fair value of this loan at the balance sheet date is £50,000.

The £100,000 secured value linked loan from the Church Commissioners is an interest-bearing loan repayable upon the sale of the Blythe Road property. The interest rate is 1% above the Central Board of Finance deposit accounts rate. This loan is a basic financial instrument and is accounted for using the effective interest rate method.

ST BARNABAS, KENSINGTON

Notes to the Financial Statements For the year ended 31 December 2019

10. Provisions for liabilities

	2019 £	2018 £
London Diocesan Fund & Church Commissioners (87 Blythe Road)	<u>653,571</u>	<u>653,571</u>

The provision is calculated as 53.57% (see note 6) of £1,500,000, the stated value of the property at 87 Blythe Road, less the amount of value linked loans outstanding on the property (£150,000).

11. Restricted Funds

	At 1 January 2019 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	At 31 December 2019 £
Organ restoration fund	7,212	-	-	-	-	7,212
Vicar & Churchwardens fund	432	1,598	1,806	-	-	224
Nominated gifts (to individuals)	-	13,576	13,576	-	-	0
Nominated gifts (French Connect)	954	27,559	27,147	-	-	1,366
Nominated gifts (Thanksgiving)	57,891	9,215	33,094	-	-	34,012
Total	66,489	51,948	75,623	-	-	42,814

	At 1 January 2018 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	At 31 December 2018 £
Organ restoration fund	7,212	-	-	-	-	7,212
Vicar & Churchwardens fund	611	763	942	-	-	432
Nominated gifts (to individuals)	-	1,507	1,507	-	-	-
Nominated gifts (French Connect)	-	39,079	38,125	-	-	954
Nominated gifts	-	64,391	6,500	-	-	57,891
Total	7,823	105,740	47,074	-	-	66,489

Organ Restoration Fund represents funds received for the purpose of providing for organ repairs and restoration work.

Vicar & Churchwardens Fund is a discretionary fund primarily for the purpose of enabling the Vicar to make grants to individuals in need. It is funded mainly by fees from wedding, funeral and banns of marriage.

ST BARNABAS, KENSINGTON

Notes to the Financial Statements For the year ended 31 December 2019

12. Operating Lease Commitments

The total future minimum lease payments under non-cancellable operating leases are payable:

	2019 £	2018 £
Not later than one year	1,639	1,371
Later than one year and not later than five years	5,184	342
	<u>6,823</u>	<u>1,713</u>

13. Related Party Transactions and Balances

The following payments to PCC members, their spouses and other related parties, are required to be disclosed in these accounts:

- Uta Buckler, the wife of Andy Buckler, vicar and member of the PCC, received gross remuneration of £10,101 (2018: NIL), under a contract of employment in her role as temporary Office Administrator (March – September 2019) and her role as Bookkeeper (March 2019-December 2019).
- The total remuneration paid to Key Management Personnel for the year was £79,696 (2018: 50,715).
- The Revd H Miller, associate vicar and ex officio member of the PCC, was provided with housing accommodation rent free for the better performance of his duties.

No PCC member expenses have been incurred or paid.

