

St John's PCC Annual Report and Accounts

Year ended 31st December 2020

The Parochial Church Council of the Ecclesiastical Parish of St John the Evangelist, Blackheath
("St John's PCC") is a registered charity number 1132894

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St John's PCC: Report of the Trustees

The trustees submit their Report and the Financial Statements of St John's PCC for the year ended 31st December 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Name

The Parochial Church Council of the Ecclesiastical Parish of St John the Evangelist, Blackheath are the trustees who administer St John's Church, Blackheath. The charity is also referred to as St John's Church, St John's Parochial Church Council and St John's PCC (which is the name used in this report).

Address

The correspondence address is St John's Church, Stratheden Road, Blackheath, London SE3 7TH. It is part of the Diocese of Southwark within the Church of England.

Legal Status

St John's PCC is a registered charity under number 1132894.

Governing Document

St John's PCC has two approved governing documents: The Parochial Church Council's (Powers) Measure 1956 as amended and the Church Representation Rules (contained in Schedule 3 to the Synodical Government Measure 1969, as amended).

Appointment of Trustees

The Church Representation Rules specify the composition of St John's PCC who are the trustees of the charity. St John's PCC is made up of ministerial appointments, lay churchwardens (elected by the parishioners annually at the Annual Parochial Church Meeting) and lay members of the PCC and Deanery Synod (elected for a three-year renewable term at the Annual Parochial Church Meeting). In addition there are co-opted lay members with defined responsibilities. St John's PCC is chaired by the incumbent for the time being and during any vacancy by a churchwarden. All eligible members of the Church are encouraged to join the electoral roll. When vacant positions arise, requests for nominations are published in St John's Church.

Trustees Induction and Training

New lay trustees are provided with detailed information on their legal obligations under charity law and an explanation of what the role will entail. Their training needs are assessed from time to time by the St John's PCC and training provided where required. Trustees are encouraged to attend appropriate external and diocesan training events where these will facilitate the undertaking of their role.

Organisational Structure

St John's PCC members who have served from 1st January 2020 until the date this report was approved, or the date shown if different, are set out below.

<i>Incumbent:</i>	Reverend Dr Edward Scrase-Field
<i>Assistant curate:</i>	Reverend Andrew Beswetherick
<i>Curate:</i>	Reverend Chris Hanning
<i>Churchwardens:</i>	Samuel Hart Vanessa Ratcliffe
<i>Elected lay representatives:</i>	Tunde Akinkugbe (elected APCM 2018) Matt Baker (until October 2020) Jane Beswetherick (elected APCM 2018) Hannah Burns (elected APCM 2018) Pete Burns (elected APCM 2019) David Halford (until October 2020) Hannah Lockwood (elected APCM 2018) Alice Makoni (elected APCM 2019)
<i>Lay representatives to the Deanery Synod:</i>	Victoria Alexander (elected APCM 2020) Richard Godden (elected APCM 2020)

Katharine MacKenzie (elected APCM 2020)
Katherine McPherson (elected APCM 2020)
Jeremy Olsen (elected APCM 2020)
Alan Wright (until October 2020)

Co-opted members:

Raki Bogan (Treasurer)
Tim Webster (PCC Secretary)

St John's PCC had eight ordinary business meetings during the year, which were held monthly excluding April (when the APCM was originally scheduled to be held), August, October (when the APCM was held) and December. Various committees met between meetings and details of their deliberations were received by St John's PCC for discussion and endorsement where necessary.

The standing committee is the only committee required by law. It has power to transact the business of the PCC between meetings, subject to any directions given by the PCC. The Leader's Council was established and comprises the standing committee. Current membership is Victoria Alexander, Matt Baker, Jane Beswetherick (until February 2021), Richard Godden, Chris Hanning, Samuel Hart, Vanessa Ratcliffe and Edward Scrase-Field (Chair).

The following were eligible to join St John's PCC as co-opted members but chose not to assume their positions.
Readers:

Louis Alexander
Stephen Greenall
Rosie Medhurst

Risk Management

The primary aim of St John's PCC is the promotion of the gospel of our Lord Jesus Christ and as Christians we trust that God will complete His work and purposes in us. St John's PCC acknowledges the requirement to identify and manage the risks faced in achieving its primary aim. To this end St John's PCC has identified the primary risks to which it is exposed which relate to operational areas and finances. Identified risks are routinely reviewed and systems or procedures designed to manage those risks have been established.

Safeguarding

The PCC has a duty of care to ensure the protection of the vulnerable in the church community. In this regard the PCC promotes a safer church for all in the church community and has a plan to raise awareness and promote training where required. The PCC has adopted the House of Bishops' Promoting a Safer Church safeguarding policy statement and also has regard for the Diocesan safeguarding policies and practice guidance. The PCC has appointed Louisa Nevison-Andrews as Parish Safeguarding Officer who regularly reports on safeguarding in the parish. Safeguarding is a standing agenda item at each PCC meeting.

AIMS, OBJECTIVES, ACTIVITIES AND ACHIEVEMENTS

Aims

The primary aim of St John's PCC is the promotion of the gospel of our Lord Jesus Christ according to the doctrines and practices of the Church of England.

Objectives

St John's PCC has the responsibility of supporting and co-operating with the incumbent in promoting the whole mission of the Church, pastoral, evangelistic, social and ecumenical in the ecclesiastical parish and for continuing that work during the absence of an incumbent.

Public Benefit

The trustees have given due regard to the Charity Commission's guidance on public benefit. St John's PCC's current vision statement comprises three pillars: Growing in Outreach, Growing in Discipleship and Growing the Next Generation.

Activities and achievements

St John's welcomes people of all ages, backgrounds and viewpoints. Four Sunday services are held at 07.30 (traditional Holy Communion using the Book of Common Prayer), 09.15 and 11.15 (family-friendly and welcoming services for all ages with children's activities, Bible teaching and music worship) and 18.00 (an informal service in a variety of different formats). Regular meetings for prayer are held on weekdays at 09.00

and on the second Monday evening of each month. In addition to the regular services, baptisms, thanksgivings for the birth of children, marriage and funeral services are held throughout the year.

During the week the church building is open to visitors during office hours and many group meetings and activities take place. As a church family, members support each other through the challenges of daily life. This includes through friendship and hospitality as two of the many gifts God has given to care for each other. Small groups meet in people's homes or at church to discuss the Bible, pray together, have fun and support each other in the development of the Christian faith. As Christians the desire is to be a positive presence in the community. This includes in the parish, in places of work and through mission partners in the UK and overseas.

The coronavirus pandemic meant that the church building was closed for periods of the year and certain activities were held virtually. All Government and Church of England guidelines pertaining to places of worship were followed.

Church attendance

The electoral roll currently totals 246, a small decrease from 267 in the previous year. Approximately 85% of these people live outside the Parish. The average weekly attendance counted during January 2020 was 233 adults and 84 children. The average weekly attendance counted during October 2020 was 95 adults and 45 children (though more watched online).

Review of the Year

St John's continues to exist to grow disciples of Jesus Christ committed to worshipping God in all aspects of life. This is especially by sharing the good news of Jesus Christ and showing love to one another and the wider communities. Through 2020, led by the Vicar, St John's continued to progress the Vision (which was started in 2017) to grow the church and deepen our commitment to Jesus Christ. The Vision is structured under the three pillars of Growing in Outreach, Growing in Discipleship and Growing the Next Generation.

The year was dominated by the coronavirus pandemic which necessitated a number of material changes to the operations of the church. Sunday services were largely held online. Encouragingly these appear to have reached a broader audience than the pre-existing congregation. Other events were cancelled or were held virtually, and the church building was open when permitted, with staff working remotely for much of the year. The pandemic presented challenges including the loss of life, where the church sought to assist those affected pastorally. A Hardship Fund was created to provide practical assistance to people in need.

Fabric report

During the year Karen Butti of Thomas Ford & Partners was appointed church architect following the retirement of her predecessor. A project of refurbishment to the exterior of the building was started in October 2020 to attend to a number of predominantly masonry issues which have arisen since the last major work which was undertaken in the 1980s. The project will attend to outstanding matters from the 2016 Quinquennial Inspection and is scheduled to complete in March 2021. Minor repairs were made to the interior of the building when required. The Elsie Marshall Memorial Hall continues to be let to a local nursery midweek.

Members of staff

In addition to the Vicar, Edward Scrase-Field, the work of the church continues to be supported by the Chis Hanning as Curate. Children and Youth work continued to be led by Hannah Mugenyi and Matt Lockwood respectively. Sophie Annesley covered Hannah Mugenyi's maternity leave for a portion of the year. Sue Redford continued as Parish Worker and Liam Chiltern as Ministry Trainee (Music Coordinator). Wendy Goldthorpe worked as Administrator until her resignation in August 2020 when Cathy Livesey joined the staff team.

Children's work (0-11 years old)

Children's work continued to be led by Hannah Mugenyi, though Sophie Annesley covered her maternity leave from February to August. Normal Sunday and midweek groups were suspended from March 2020 due to the pandemic. From March to August teaching videos were created for children of different ages to watch at home. From September children's teaching was included in services, which was livestreamed and in-person when guidance allowed. Craft activity packs were provided to help reinforce the message of the children's teaching. From the second national lockdown in November these packs were posted to families with children over two years old and 95 children from 52 households chose to receive these packs each week. Although a number of regular events were not able to be run, an online Holiday Club was held in the summer with over 100 views of the first day. Harvest and Christmas toddler services took place with 46 children attending over four services at

Christmas. The six Christingle services in December were attended by 260 people. Resources and videos were provided to a local school to allow 400 children to participate in 'Classroom Christingles'.

Youth work (11-18 years old)

Youth work continued to be led by Matt Lockwood. The year provided some new opportunities for engaging with young people but also some significant challenges. The majority of youth work was conducted virtually. Three mid-week groups operated; Brave (for girls in school years 7 and 8), Fierce (for girls in school years 9-12) and Gravity (for boys in school years 7-9). Attendance at these groups was steady and increased through the year. Legacy (for school years 10-13) met in-person when permitted and also online during the Sunday evening service. It is intended to restart work in schools once permitted, including with the pastoral care team of a local secondary school.

Discipleship

Edward Scrase-Field, Victoria Alexander and Chris Hanning oversaw the coordination of small groups, which continued to play an important part in the life of the church. There are 16 small groups containing around 200 members which meet in various homes (when permitted) or online, predominantly on Tuesday, Wednesday and Thursday evenings. Group study material has been recommended to complement the overall church teaching programme. Other activity during the course of the year included a marriage course, two seeker courses, training for reading the Bible with a friend and a weekend away in early March on the theme of 'real change'.

Community Outreach

Activities in the community were significantly curtailed by the coronavirus pandemic though efforts continued where permitted. Sue Redford as Parish Worker visited local shop owners and offered bereavement support. A letter was sent to the community offering practical and emotional support. In addition to online services, efforts were made to increase the church's presence on social media platforms. In November Andrew Beswetherick led the Royal Borough of Greenwich's public act of Remembrance where local councilors and other dignitaries attended. Around 200 nativity bags were given out to the local community and around 150 people visited the Christmas display in the church building. Other activities included the continuation of a pub discussion group online, provision of books and stationery for local children, support for the local food bank and a knitting group.

Fellowship/Pastoral

Almost 40 people received a pack of materials in place of the monthly lunch and craft sessions for predominantly older people called Make Your Mark. A team of eight regularly telephone each of the Make Your Mark members either weekly or fortnightly. Where permitted, work continued with local care homes which included the delivery of Christmas cards made by children. Holiday at Home was run over three Thursdays in August, primarily aimed at older people. Throughout the year members of the church visit at home those who temporarily or permanently cannot attend church.

Missionary Committee

The committee aims to support and inform the congregation about St John's mission partners. The church provides both financial and prayer support for the work of a number of diverse missions, operating in the UK and overseas. The committee comprises Beverley Campbell, Elizabeth Fleetwood, Tony Gosden, Ann Hill, Christine Legg, Barbara Ray, Janel Rehn and Edward Scrase-Field. Four Sunday services a year are designated Mission Sundays to maintain the profile of the mission activities that the church supports.

FINANCIAL REVIEW

Overview

2020 was dominated by the Coronavirus global pandemic and its affects were seen in every aspect of church life. The PCC was concerned about the effect the pandemic would have on the congregation and the ability to sustain the consistent giving experienced and forecasted for in the past. Although there were individuals that required dropping or suspending their giving allotment, there were positive signs as well, including new givers which allowed St. John's PCC to continue to meet its commitments to the diocese, staff, and other operational requirements. As anticipated, the church building needed work done to the exterior which was financed by the maintenance fund. The benefit of the PCC policy to budget £36,000 per year for maintenance has enabled the works without requesting specific congregational support during a trying financial time. This year only £12,000 of the budgeted amount was able to be transferred to maintain the reserve policy guidelines.

The Maintenance fund after net expenses of £131,028 and budgeted allocation of £12,000 from General Fund stands at £45,656.

An amount of 11% of General Fund income from offerings is tithed to Mission work each year (for details see note 7.1). Mission work, including work in Tanzania, incurred expenditure of just over £47,000 (for details see note 7.2).

During 2020, the Finance Committee comprised: Treasurer (Raki Bogan), Payments Manager (Christine Legg), Payroll Manager (Joanna Godden), Gift Aid Management (Chris and Amanda Coombes) and Accounts Manager (Tony Gosden) remains. Richard Godden stepped down from the team after many years as Finance Director.

Reserves Policy

St John's being a church within the jurisdiction of the Church of England is responsible for the good order of the church building and its associated church hall and for operating the normal function of an evangelistic church.

The St John's PCC has considered the reserves that are appropriate having regard to the scope of the activities of St John's Church and the buildings and other assets for which it is responsible. Its policy is, at the end of each financial year, to have (a) cash in bank and in hand at least equal to the amount of the creditors less the amount of the debtors (excluding prepayments and any amount owing by HMRC) at the year-end (to ensure that it can pay its year-end debts as the fall due) and (b) the following reserves:

- (i) a liquidity reserve equal to the amount of budgeted General Fund tax recoveries for the following financial year less the amount of any budgeted General Fund surplus for that year prior to any budgeted transfer to the Maintenance Fund; at the year end, the balance of the liquidity reserve was £32,500 (2019: £28,250)
- (ii) a budget deficit reserve equal to the amount of any budgeted General Fund deficit for the following financial year prior to any budgeted transfer to the Maintenance Fund; at the year end, the balance of the budget deficit reserve was £Nil (2019: £Nil)
- (iii) a short-term income deficiency reserve equal to one third of the amount of the budgeted General Fund income for the following financial year; at the year end, the balance of the short-term income deficiency reserve was £152,067 (2019: £151,950)
- (iv) a maintenance reserve of at least £150,000 or, in the years following major expenditure on repairs and maintenance, such lower amount as the PCC may consider adequate having regard to the likely scheduling of future repair and maintenance costs. At the year end, the balance on the maintenance reserve was £45,656 (2019: £164,684)

The first three of these reserves are held within the General Fund and must be represented by cash, short-term deposits or debt owing to St John's PCC by HMRC. At the year end the residual general fund was £941 (2019: £18,641). The maintenance reserve is held within a separate Maintenance Fund and may be represented by such assets as the PCC considers appropriate from time to time.

At the end of 2020, all of the reserves of the church were of an amount at least equal to the target amounts set out above with the amount in the Maintenance Fund being £45,656 due to expenditures carried out.

The PCC reviews the financial situation of the church at least six times per year and takes interim steps to brief the members of the church at least twice per year. Annually the PCC reviews the financial position of the church funds and makes decisions as appropriate.

Principal Financial Management Policies

The Finance Committee prepares budgets annually which are approved by St John's PCC. Activities are managed in line with the approved budget with a view to ensuring that significant unplanned deficits do not arise. Cash balances in excess of St John's PCC immediate requirements are invested with CCLA Investment Management Ltd in COIF Charity Funds.

Principal Funding Sources

St John's PCC is principally funded by the members and attendees of the church through regular giving and, to a lesser extent, irregular gifts.

Bankers

St John's PCC current account is held at Barclays Bank UK PLC branch at 93 Lewisham High Street, London SE13 6BB.

Auditors

The attached financial statements have been audited by Shipleys LLP of 10 Orange Street, Haymarket, London WC2H 7DQ.

STATEMENT OF TRUSTEE'S 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).

Law applicable to charities in England and 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 those financial statements, the trustees are required to:

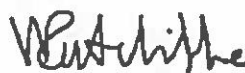
- select suitable accounting policies and then apply them consistently; observe the methods and principles in the charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed subject to any material departures disclosed 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; and
- comply with section 17(5) of the Charities Act 2011 through having regard to any guidance issued by the Charities Commission when exercising any powers or duties to which such guidance is relevant.

The trustees are responsible for keeping proper accounting records which 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 and provisions of the Governing Documents. 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.

This report was approved by St John's PCC on 15th March 2021 and signed on its behalf by:



Samuel Hart
Churchwarden



Vanessa Ratcliffe
Churchwarden



Accounts for the year ended

31 December 2020

St John's PCC
STATEMENT OF FINANCIAL
ACTIVITIES

For the period from 01 January 2020 to 31 December 2020



		<i>Unrestricted Funds</i>			<i>Restricted Funds</i>		
		General Fund	Missionary Fund	Maintenance Fund	Tanzania Fund	Total Funds	Prior Year Total
						2020	2019
	Notes	£	£	£	£	£	£
Income							
Donations and Legacies	3	387,271	1,816	0	0	389,087	392,402
Investment income	3	0	0	1,687	0	1,687	2,734
Income from charitable activities	3	35,568	0	4,009	0	39,577	39,733
Total Income		422,839	1,816	5,696	0	430,351	434,869
Expenditure							
Charitable activities	4	381,262	47,835	136,724	0	565,821	407,748
Total Expenditure		381,262	47,835	136,724	0	565,821	407,748
Net Income / (Expenditure)		41,577	-46,019	-131,028	0	-135,470	27,121
Transfers							
Gross transfers between funds—in	11	0	42,912	12,000	0	54,912	79,308
Gross transfers between funds—out	11	-54,912	0	0	0	-54,912	-79,308
Total Transfers		-54,912	42,912	12,000	0	0	0
Net Income after Transfers		-13,335	-3,107	-119,028	0	-135,470	27,121
Reconciliation of funds							
Total funds brought forward		198,841	22,504	164,684	5,886	391,915	364,794
Total funds carried forward		185,506	19,397	45,656	5,886	256,445	391,915

**St John's PCC
BALANCE SHEET**

For the period from 01 January 2020 to 31 December 2020

		<i>Unrestricted Funds</i>			<i>Restricted Funds</i> Tanzania	Total Funds	Prior Year Total
		General Fund	Missionary Fund	Maintenance Fund	Fund	2020	2019
	Notes	£	£	£	£	£	£
Fixed Assets	8						
Current assets							
Debtors	9	22,342	0	30,000	0	52,342	100,036
Cash in bank and in hand		169,633	19,397	90,654	5,886	285,570	305,829
Total Current Assets		191,975	19,397	120,654	5,886	337,912	405,865
Liabilities							
Creditors: Amounts falling due in one year	10	6,467	0	75,000	0	81,467	13,950
Net current assets less current liabilities		185,508	19,397	45,654	5,886	256,445	391,915
Total net assets less liabilities		185,508	19,397	45,654	5,886	256,445	391,915
Represented by							
Unrestricted : General							
-liquidity reserve	14	32,500				32,500	28,250
-budget deficit reserve	14	0				0	0
-short term income deficiency reserve	14	152,067				152,067	151,950
-general reserve	14	941				941	18,641
Unrestricted: Maintenance				45,654		45,654	164,684
Unrestricted: Mission			19,397			19,397	22,504
Restricted: Tanzania					5,886	5,886	5,886
Total funds		185,508	19,397	45,654	5,886	256,445	391,915

Signed by two trustees on behalf of all the trustees

Signature	Print Name	Date of Approval
	Rev E Scrase-Field	11/4/2021.
	Mr R Bogan	11/4/2021

Note 1 Basis of Preparation

GENERAL INFORMATION

St John's PCC Blackheath is unincorporated and registered with the Charity Commission in England. The principal address is St John's Church, Stratheden Road, Blackheath, London, SE3 7TH. The objectives of the PCC are set out on Page 4.

BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The PCC meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The functional currency of the PCC is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates. The financial statements are also presented in pounds sterling.

CASH FLOW STATEMENT

The PCC has taken advantage of the exemption in the Charities SORP (FRS 102) from the requirement to produce a cash flow statement on the grounds that it is a small charity.

PREPARATION OF THE ACCOUNTS ON A GOING CONCERN BASIS

The Finance Committee prepares budgets annually which are approved by St John's PCC. and the PCC reviews the financial situation of the church during the course of the year and takes interim steps to brief the members of the church at least twice per year. The finance committee has considered the impact of Covid-19 on the PCC and its operations, finances and budgets. Annually the PCC reviews the financial position of the church funds and makes decisions as appropriate. Activities are managed in line with the approved budget with a view to ensuring that significant unplanned deficits do not arise. Cash balances in excess of St John's PCC immediate requirements are invested with CCLA Investment Management Ltd in COIF Charity Funds. The trustees are satisfied that, based on its current forecasts, the charity has sufficient funds to meet its liabilities and have prepared the accounts on a going concern basis.

Note 2
Accounting policies

INCOME

Recognition of Income:

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income with related expenditure:

Where income has related expenditure (as with fundraising or contract income) the income and related expenditure are reported gross in the SOFA.

Grants and donations:

Grants and donations are only included in the SOFA when the charity has unconditional entitlement to the resources, it is probable that the income will be received and the amount can be measured reliably.

Tax reclaims on donations and gifts:

Income from tax reclaims are included in the SOFA at the same time as the gift to which they relate.

Investment income:

This is included in the accounts when receivable.

Legacies:

Income from legacies is included when the entitlement becomes known to St John's PCC, receipt is probable and the amount can be reliably measured.

Volunteers:

The Trust benefits greatly from the involvement and enthusiastic support of its many volunteers. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

EXPENDITURE

Recognition of expenditure:

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Charitable activities:

Include costs of the general running of the church, its maintenance and of supporting mission causes.

Governance costs:

Include costs of the preparation and examination of statutory accounts, the cost of trustee meetings and cost of any legal advice to trustees on governance and constitutional matters.

Irrecoverable VAT:

St John's PCC is not able to recover any VAT. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Note 2

Accounting policies (cont'd)

FUND ACCOUNTING

General Fund: Unrestricted funds in that the PCC is entitled to dispose of them as it decides, in accordance with the PCC's objectives.

Missionary Committee: Funds are to be used for mission purposes (note 7).

Liquidity reserve: This reserve is the lesser of the following two amounts:

- (i) The amount of the budgeted General Fund tax recovery for the following financial year less the amount of any budgeted General Fund surplus for that year prior to any budgeted transfer to the Maintenance Fund; and
- (ii) The sum of the amount of General Fund cash in bank and in hand and the General Fund HMRC debtor at the year-end less the amount of cash notionally allocated to the payment of year-end creditors (being an amount equal to the amount of the General Fund creditors less the amount of the General Fund debtors, excluding prepayments and the HMRC debtor).

Budget deficit reserve: This reserve is the lesser of the following two amounts:

- (i) The amount of any budgeted General Fund deficit for the following financial year prior to any budgeted transfer to the Maintenance Fund; and
- (ii) The sum of the amount of General Fund cash in bank and in hand and the General Fund HMRC debtor at the year-end less an amount equal to the sum of the amounts of the notional cash allocation referred to above and the liquidity reserve.

Short-term income deficiency reserve: This reserve is the lesser of the following two amounts:

- (i) One third of the amount of the budgeted General Fund income for the following year; and
- (ii) The sum of the amount of General Fund cash in bank and in hand and the General Fund HMRC debtor at the year-end less an amount equal to the sum of the amounts of the notional cash allocation referred to above, the liquidity reserve and the budget deficit reserve.

Maintenance Reserve: This reserve is the amount in the Maintenance Fund at the year-end.

General reserve: This reserve is the balancing figure (i.e. the amount of the total General Fund reserve less the aggregate of the other General Fund reserves

Tanzania Fund: Restricted fund for specific use in supporting work in Tanzania.

PENSIONS

Contributions to defined benefit contribution plans are recognised in the period in which the related service is provided.

ASSETS

Tangible fixed assets for use by charity:

Consecrated and beneficed property is not included in the accounts in accordance with s.10(2)(a) and (c) of the Charities Act 2011.

Movable church furnishings held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the church's inventory, which can be inspected (at any reasonable time).

Other fixed assets are capitalised if they can be used for more than one year, and cost at least £1,000. They are valued at cost or, if gifted, at the value to the charity on receipt. All fixed assets are depreciated over 3 years on a straight line basis.

DEBTORS

Other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

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

Note 2**Accounting policies (cont'd)****LIABILITIES**

Creditors and provisions are recognised where the charity has a present obligation resulting 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 normally recognised at their settlement amount after allowing for any trade discounts due.

FINANCIAL INSTRUMENTS

The PCC only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

TAXATION

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

Note 3
Analysis of Income

	<i>Unrestricted Funds</i>			<i>Restricted Funds</i>		
	General Fund	Missionary Fund	Maintenance Fund	Tanzania Fund	Total Funds	Prior Year Total
	£	£	£	£	2020 £	2019 £
<u>Donations and Legacies</u>						
Gift Aid—Bank and Envelopes	207,738				207,738	204,867
One off Gift Aid gifts	55,709				55,709	57,573
CAF Stewardship giving	10,575				10,575	12,192
Cash collections and envelopes	4,215				4,215	11,044
Monthly giving—Bank	23,224				23,224	22,329
Earmarked giving and donations	4,695	1,816			6,511	3,400
Legacies	1,000				1,000	1,000
Rent	14,300				14,300	14,300
Sub totals	321,456	1,816	0	0	323,272	326,705
Tax recoverable on Gift Aid	65,815				65,815	65,697
Sub-totals	387,271	1,816	0	0	389,087	392,402
Investment income						
on Bank and COIF deposits			537		537	951
Interest on STJHA loan			1,150		1,150	1,783
Sub totals			1,687		1,687	2,734
Income from Generated Funds Totals	387,271	1,816	1,687	0	390,774	395,136
Income from charitable activities						
Fees for weddings and funerals	3,875				3,875	3,372
Older people's work	668				668	723
Memorial Hall lettings	17,564				17,564	18,333
Church use	275				275	615
Parish weekend	11,061				11,061	2,855
Church events	1,634				1,634	6,502
Income re youth drop in	0				0	130
Income re Legacy youth group	150				150	2,765
Income re Christianity Explored etc	0				0	263
Holiday Club	0				0	1,662
Footprints	336				336	1,403
Messy Church	0				0	0
Administration	0				0	61
Sundries	5		4,009		4,014	1,049
Income from Charitable Activity Totals	35,568		4,009		39,577	39,733
Income Grand Totals	422,839	1,816	5,696	0	430,351	434,869

In the prior year, income related to restricted funds amounted to £0 from donations & legacies and £0 from income from charitable activities.

Note 4
Analysis of Expenditure

	<i>Unrestricted Funds</i>			<i>Restricted Funds</i>	<i>Income</i>			<i>Prior Year Gross Total 2019</i>
	<i>General Fund</i>	<i>Missionary Fund</i>	<i>Maintenance Fund</i>	<i>Tanzania Fund</i>	<i>Gross Total</i>	<i>General Fund</i>	<i>Total Funds 2020</i>	
	£	£	£	£	£	£	£	£
Charitable activities								
Giving to missionary societies	0	47,400		0	47,400		47,400	39,411
Home mission	1,410	250			1,660		1,660	2,789
Parish share	157,200				157,200		157,200	157,200
Parish administrator	28,580				28,580		28,580	26,550
Ministry assistant	27,149				27,149		27,149	9,142
Parish worker	24,762				24,762		24,762	24,070
Childrens worker	44,127				44,127		44,127	29,586
Youth worker	20,811				20,811		20,811	20,251
Youth volunteers	0				0		0	8,157
Working expenses of clergy/readers	465				465		465	495
Youth work expenses	2,422				2,422		2,422	2,454
Visiting speakers	60	150			210		210	100
Vicarage expenses	372				372		372	0
Parish mission (housing)	0	0			0		0	0
Church insurance	5,515				5,515		5,515	5,331
Church office—telephone	1,971				1,971		1,971	1,897
Organ tuning and maintenance	991				991		991	952
Worship group	2,786				2,786		2,786	1,375
Church maintenance			128,154		128,154		128,154	9,919
Cleaning	3,515				3,515		3,515	2,578
Communion wine	120				120		120	239
Service and festival expenses	6,319				6,319	275	6,044	4,421
Wedding and funeral expenses	2,565				2,565	3,875	-1,310	2,461
Administration	6				6	0	6	532
Printing, stationery and computing	8,387				8,387		8,387	6,341
Children's work expense	1,435				1,435		1,435	3679
Legacy youth group	956				956	150	806	5,572
Youth drop in and J's	338				338	0	338	598
Holiday club expenses	421				421	0	421	1678
Footprints	215				215	336	-121	1965
Discipleship: Gravity etc	456				456	0	456	0
Alpha/ Christianity explored etc	175				175	0	175	893
Conferences and courses	580				580		580	1,196
Parish weekend	21,126				21,126	11,061	10,065	0
PCC and other church events	1,795				1,795	1,634	161	8,746
Older people's work	1,438				1,438	668	770	1264
Sundry expense	5,980		1,140		7,120	5	7,115	8,040
Church heat, light and water	11,414				11,414		11,414	15,101
Hall expenses	2,049		7,430		9,479	17,564	-8,085	5,046
Hall verger	0				0		0	0
NIC employment allowance	-9,937				-9,937		-9,937	-5,848
Charitable activities totals	377,974	47,800	136,724	0	562,498	35,568	526,930	404,181
Governance costs								
Subscriptions	288				288		288	503
Bank Charges		35		0	35		35	64
Audit Fee	3,000				3,000		3,000	3,000
Total	3,288	35		0	3,323		3,323	3,567
Expenditure Grand totals	381,262	47,835	136,724	0	565,821	35,568	530,253	407,748

In the prior year, expenditure relating to restricted funds amounted to £9,176 for charitable activities.

Note 5**Details of certain types of expenditure****5.1 Trustee travel and subsistence expenses**

	This year	Last year
Number of trustees who were paid expenses	1	2
Nature of the expenses	Travel and subsistence	Travel and subsistence
Total amount paid	£465	£495

No trustee or member of key management is paid a salary by St John's Church.

5.2 Fees for examination of the accounts

Auditor's fee	£3,000	£3,000
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Note 6**Paid employees****6.1 Staff costs**

	<u>2020</u>	<u>2019</u>
	£	£
Gross wages and salaries	127,350	95,706
Employer's national insurance costs	12,552	10,556
NICs employment allowance and statutory maternity pay	-9,937	-5,848
Pension Costs	<u>5,528</u>	<u>3,337</u>
	<u>135,493</u>	<u>103,751</u>

6.2 Average number of full-time equivalent employees in the year

Working on charitable activities	5.6	4.2
The average number of employees during the year was 5.8 (2019: 4.3)		

6.3 Emoluments

There are no employees with emoluments in excess of £60,000 per annum.

Note 7**Grant making****7.1 Missionary grants**

The PCC has decided to transfer 11% of the prior year's General Fund income, excluding contributions towards specific expenses, to the Missionary Committee for distribution. If, however, this amount is less than the amount given in the prior year, the PCC agreed to reduce the transfer and only 11% of the prior year's General Fund income will be given. In 2020, therefore, £42,912 was given and in 2021 £42,108 should be given .

7.2. Breakdown of Missionary grant making

(a) The Missionary Committee made the following gifts during the year:

	<u>2020</u>	<u>2019</u>
	£	£
Church Pastoral Aid Society	0	330
Middle East Media	0	165
Tear Fund	10,000	7,330
Tanzania (Mara) (unrestricted)	4,035	0
Youth for Christ (To support Neil & Joy)	6,000	6,380
CMS (To support Ben & Katy)	3,880	1,950
Street Pastors	1,920	1,800
Sports Chaplaincy	3,550	3,250
Greenwich Youth for Christ	6,000	5,280
Crosslinks	5,150	0
London City Mission	2,050	665
Other	<u>0</u>	<u>1,551</u>
	£42,585	£28,701
Other grants	<u>5,250</u>	<u>1,589</u>
	£47,835	£30,290
(b) Tanzania Fund	<u>0</u>	<u>9,122</u>
Total Missionary activities	<u>£47,835</u>	<u>£39,412</u>

7.3 The Missionary Fund holds the following balances at the year end

	<u>2020</u>	<u>2019</u>
	£	£
Allocated to named organisations	726	326
Not allocated	<u>18,671</u>	<u>22,178</u>
	19,397	22,504
(d) Tanzania Fund	<u>5,886</u>	<u>5,886</u>
Total Missionary balances	<u>£25,283</u>	<u>£28,390</u>

Note 8
Tangible Fixed Assets

8.1 Cost or valuation

	Furniture & Fittings	Office Equipment	Clavinova	Total
	£	£	£	£
At 1st January 2020	800	0	1,000	1,800
Additions	-	-	-	0
Disposals	-	-	-	0
At 31st December 2020	800	0	1,000	1,800

8.2 Accumulated depreciation

	800	0	1,000	1,800
At 1st January 2020	800	0	1,000	1,800
Charge for Period	-	-	-	0
Eliminated on Disposal	-	-	-	0
At 31st December 2020	800	0	1,000	1,800

8.3 Net Book Value

	0	0	0	£0
At 31st December 2019	0	0	0	£0
At 31st December 2020	0	0	0	£0

Note 9
Debtors and prepayments

	2020	2019
St John's Housing Assn	30,000	60,000
Insurance	4,780	4,452
Parish Weekend	0	2,885
Tax recoverable	17,562	32,185
Other	0	514
Total	£52,342	£100,036

In the prior year, £0 of debtors related to the restricted fund.

Payments were made against two existing unsecured loans of £70,000 (for 68 Coombe Ave.) and £100,000 (for 15 St. John's Park) by the St John's Housing Association in the year. A payment of £10,000 was made for the Coombe loan to repay in full the loan balance. Two payments of £10,000, were made to reduce the balance of the St. John's Park loan from £50,000 to £30,000. The loans aggregated reduced from £60,000 to the current balance of £30,000, all representing the St John's Park loan.

£15,000 of the loan due from the St John's Housing Association, at year end, is repayable in more than one year. (2019: £35,000)

Interest is due on both at the greater of 2.3% per annum or the rate applied to the COIF Charities Deposit Fund.

Note 10**Creditors and accruals**

	<u>2020</u>	<u>2019</u>
Audit	3,000	3,000
Mission causes	0	89
Maintenance	75,000	0
Various creditors	-36	7,359
Inland Revenue	2,774	2,818
Pension provider	729	608
Tanzania support	0	76
Total	£81,467	£13,950

In the prior year, £76 of creditors related to restricted funds

Note 11**Additional disclosures****Transfers between funds**

During 2020 £12,000 (2019: £36,000) was transferred from the General Fund to the Maintenance Fund and £42,912 (2019: £43,308) was transferred from the General Fund to the Missionary Fund, each in accordance with decisions of St John's PCC

In accordance with the new policy for reserve funds allocation, £Nil (2019: £Nil) was transferred from the Maintenance Fund to General Fund, as approved by the PCC.

Income from legacies

There was £1,000 income from legacies during 2020 (2019: £1,000).

Note 12**Related party transactions**

The PCC has made loans to St John's Housing Association. At the time of the decision, a PCC member was a director of the housing association. Details of the loans are provided in Note 9.

A close family member of a trustee was paid a salary by St John's Church of £18,587 (2019: £18,223) and a pension of £866 (2019: £697).

Note 13**Cash in bank and in hand**

In the prior year, £5,962 of cash in bank and in hand related to restricted funds.

Note 14**Reserves Policy**

The liquidity reserve and the short-term income deficiency reserves are equal to the target amount that the PCC has considered to be appropriate pursuant to the Reserves Policy set out in the Trustees Report. No budget deficit reserve is required in 2020 since the 2021 budget is flat. The general reserve represents the balance of the reserves in the General Fund after deduction of the other reserves.

Note 15
Analysis of Funds

	Funds at 01/01/2020	Income	Expenditure	Transfers	Funds at 31/12/2020
Unrestricted Funds					
General fund	198,841	422,839	-381,262	-54,912	185,506
Missionary fund	22,504	1,816	-47,835	42,912	19,397
Maintenance fund	164,684	5,696	-136,724	12,000	45,656
Restricted Funds					
Tanzania fund	5,886	0	0	0	5,886
Total funds	£391,915	£430,351	-£565,821	£0	£256,445

	Funds at 01/01/2019	Income	Expenditure	Transfers	Funds at 31/12/2019
Unrestricted Funds					
General fund	204,343	431,719	-357,913	-79,308	198,841
Missionary fund	9,070	416	-30,290	43,308	22,504
Maintenance fund	136,319	2,734	-10,369	36,000	164,684
Restricted Funds					
Tanzania fund	15,062	0	-9,176	0	5,886
Total funds	£364,794	£434,869	-£407,748	£0	£391,915

INDEPENDENT AUDITORS' REPORT TO THE PCC OF ST. JOHN THE EVANGELIST CHURCH, BLACKHEATH

OPINION

We have audited the financial statements of St. John the Evangelist Church, Blackheath for the year ended 31 December 2020 which comprise the statement of financial activities, balance sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 2020 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the PCC's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the PCC with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE PCC OF ST. JOHN THE EVANGELIST CHURCH, BLACKHEATH (*continued*)

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 PCC 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. In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; 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 PCC

As explained more fully in the trustees' responsibilities statement, the PCC 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 PCC 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 PCC 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 PCC either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE PCC OF ST. JOHN THE EVANGELIST CHURCH, BLACKHEATH (*continued*)

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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 auditor's 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the charity's activities, controls and laws and regulations and assessed the susceptibility of the charity's financial statements to material misstatement from irregularities, including fraud.
- We determined that the laws and regulations that are most significant to the charity are the Church Accounting Regulations 2006, the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Parochial Church Council's (Powers) Measure 1956 as amended and the Church Representation Rules.
- Based on this understanding we designed our audit procedures to detecting irregularities, including fraud. Testing undertaken included making enquiries on the management and those charged with governance; journal entry testing; review of bank letters, PCC minutes and governing documents; reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations. These procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the PCC.

**INDEPENDENT AUDITORS' REPORT TO THE PCC OF
ST. JOHN THE EVANGELIST CHURCH, BLACKHEATH *(continued)***

- Conclude on the appropriateness of the PCC's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

USE OF OUR REPORT

This report is made solely to the PCC (also known as "trustees"), as a body, in accordance with Section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act, and the requirements of the Church Accounting Regulations 2006. Our audit work has been undertaken so that we might state to the PCC 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 PCC as a body, for our audit work, for this report, or for the opinions we have formed.

SHIPLEYS LLP
Statutory Auditors
10 Orange Street
Haymarket
London, WC2H 7DQ