

**THE PAROCHIAL CHURCH COUNCIL OF SAINT JOHN WITH SAINT ANDREW,
CHELSEA**

UNAUDITED ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2021

REGISTERED CHARITY NO. 1132248

The Parochial Church Council of St John with St Andrew, Chelsea
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For the year ended 31st December 2021

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The Parochial Church Council of St John with St Andrew, Chelsea
Report of the Church Council
For the year ended 31st December 2021

Legal and Administrative Information:

Members of the PCC are either *ex-officio*, *co-opted* or elected at the APCM in accordance with the Church representation Rules. The last APCM was held on 10 May 2021. During the year the following served as members of the PCC:

Incumbent	The Revd Paul Dawson
Curate (St John's)	The Revd Andy Mason
Churchwardens	Samuel Ofori-Boateng Marc Stacey
Deanery Synod Reps	Samuel Ofori-Boateng Mark Gunner
Treasurer	Chris Weir
Secretary	Barbara Sherwood
Elected Members	Nick Addyman Victoria Dare Rhoda Hunter The Revd Edward Lees-Millais Barbara Ofori-Boateng
Bankers	National Westminster Bank Plc Chelsea Branch 244 Kings Road London CAF Bank Limited Kings Hill West Malling Kent
Independent Examiner	Laura Brain FCA Brosnans Birkby House Birkby Lane Brighouse West Yorkshire HD6 4JJ

The Parochial Church Council of St John with St Andrew, Chelsea
Report of the Church Council
For the year ended 31st December 2021

Principal activity

The PCC of St. John with St. Andrew's PCC has the responsibility of co-operating with the incumbent, the Rev'd Paul Dawson, in promoting in the ecclesiastical parish the whole mission of the church, pastoral, evangelistic, social and ecumenical. It also has the maintenance responsibility for St. Andrew's Church building and St. John's Church Centre.

Members

The appointment of PCC members is governed by and set out in the Church Representation Rules.

Committee

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

Review of the year

Since our last APCM the full PCC has met six times and the standing committee an additional five times.

Parish team

St Andrew's

Chris Weir continued in his role as youth worker and Administrator for the parish. The Revd Edward Millais continued as Assistant Curate. Harry Ovey finished as a Ministry trainee at St Andrew's in September 2020 whilst Ali McGhee joined to begin in this role.

St John's

Jeremy Day continued as Church Worker.

Finances

Chris Weir continued in the role of Parish Treasurer.

Church attendance and electoral roll (as at May 2022)

There were 87 parishioners on the electoral roll, of whom 49 are not resident in the parish. In-person attendance at the 10.30am service at St Andrew's is 45-60 adults and 10-20 under 16s. Attendance at the 11am St John's service is 30-40 adults and 15-25 under 16s.

St John with St Andrew's report:

At St John with St Andrew we want to give local people repeated opportunities to hear the gospel of Jesus Christ. We want to learn the gospel for ourselves, so we are better equipped to share the gospel and are motivated to give financially to others sharing the gospel here in the UK and overseas.

The Covid-19 pandemic and lockdown restrictions put an enormous strain on many in our church families and we are uncertain what the longer term affects will be for us as individuals and churches. The PCC budget for 2021 reflected this uncertainty, predicting a deficit of £82k. However, as we look back over 2021 we are very aware of our heavenly Father providing for the ministry here in Chelsea and continuing to equip us to serve him. In 2021 we eventually recorded a deficit of £36k, £46k better than anticipated. This was largely due to income being higher than budgeted.

The Parochial Church Council of St John with St Andrew, Chelsea
Report of the Church Council
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The budget anticipated a drop in planned giving. However, the drop wasn't as large in 2021 as anticipated. Planned giving totaled £94k (£25k over budget – with associated tax recoverable a further £6k over budget). Collections at Sunday services remained unfeasible for much of the year (£2k budgeted) but we are thankful that most of our giving comes through regular standing orders. We are also thankful for the continued support of the YMCA for our youth ministries, from whom we received £14k in the year. Rental income, the major part of which is the term-time weekday rental of St Andrew's by Chelsea Prep-prep, continues to be a significant income stream.

We are thankful to God that we were able to maintain our normal giving outside of the Parish – donating £39k to various partners in the UK and overseas who are seeking to share the good news of Jesus where God has placed them. This amounted to just under 10% of the total income for the year. We were also able to give just over £2k to our local primary school Park Walk to assist in their care for Afghan refugee children. Ali Betts continued as a Ministry trainee at St Andrew's.

Our main expenditure for the year continued to be staff costs, including the portion of the Common Fund that pays the stipend and accommodation of Paul Dawson, our vicar. Alongside Paul our staff team in 2021 consisted of Andy Mason, vicar at St John's and Chris Weir, who is involved in bible teaching to teenagers and adults as well as running the parish office. Edward Millais continued as curate at St Andrew's and Christian Badhan continued at St John's.

Our main expenditure for the year continued to be staff costs, including the portion of the Common Fund that pays the stipend and accommodation of Paul Dawson, our vicar. Alongside Paul our staff team in 2020 consisted of Andy Mason, vicar at St John's and Chris Weir, who is involved in bible teaching to teenagers and adults as well as running the parish office. Edward Millais continued as curate at St Andrew's and Jez Day continued at St John's. Jez left for Bible college in September, when he was replaced in his role by Christian Badhan.

We were able to undertake some significant building work in the year. The lighting work at St Andrew's was completed earlier in the year (total cost £34k), radiant heaters were installed in various rooms (cost £13k) and at the end of the year the Lady Chapel was enclosed with glass screens (this was funded by Chelsea Pre Prep at a total cost of £36k). At St John's the leaking roof was treated at a cost of £3k.

Due to lockdown restrictions many of our regular meetings, such as Sunday services, Bible studies and work with children and teenagers, were limited at the start of the year. We are thankful that, though some are still unable to join us in person, applications such as Zoom and Youtube have allowed attendance virtually. We are thankful at the start of 2022 that more and more freedom is possible for our ministries. As always we are very thankful to God for keeping us and providing for us. Once again He has given us all we've needed and by his grace has allowed us to contribute to the spread of the good news of Jesus in the local area and further afield.

The Parochial Church Council of St John with St Andrew, Chelsea
Report of the Church Council
For the year ended 31st December 2021

Financial Review

Total voluntary income, including tax recovered, was £203,225 (2020: £184,959), an increase on last year. Investment income was similar at £12,271 (2020: £12,273). In total, income from property lettings was higher at £210,699 compared to £193,915 in the prior year.

Total expenditure increased 28% in the year from £365,119 to £468,825, mainly because of the work to replace the lighting, new heaters and other repairs.

The net result for the year was a deficit of £36,347 (2020: surplus of £25,044). The balances carried forward at 31st December 2021 on unrestricted funds totalled £133,564 (2020: £170,302).

Reserves Policy

The PCC policy is to maintain sufficient reserves as deemed necessary to mitigate against key financial risks.

Approved on behalf of the Parochial Church Council and signed on its behalf by:

The Revd Paul Dawson
Incumbent

23 May 2022

The Parochial Church Council of St John with St Andrew, Chelsea
Independent examiner's report
For the year ended 31 December 2021

I report to the trustees on my examination of the accounts of the The Parochial Church Council of Saint John with Saint Andrew, Chelsea (the Church) for the year ended 31 December 2021.

Responsibilities and basis of report

As the charity trustees of the Church 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 Church's accounts carried out under section 145 of the 2011 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

The Church's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England & Wales.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- the accounting records were not kept in accordance with section 130 of the Act; or
- the accounts do not accord with those records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than the requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

L. R. Brain FCA
Brosnans, Chartered Accountants
Birkby House
Birkby Lane
Brighouse
West Yorkshire
HD6 4JJ

24 May 2022

The Parochial Church Council of St John with St Andrew, Chelsea
Statement of Parochial Church Council's responsibilities
For the year ended 31 December 2021

The council members are responsible for preparing the accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Law applicable to charities in England and Wales require the council members to prepare accounts for each financial year which give a true and fair view of the financial activities during the year and of its financial position at the end of the year.

In preparing accounts giving a true and fair view, the council members should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statement of recommended practice have been followed, subject to any departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The council members are responsible for keeping accounting records that disclose, with reasonable accuracy, the financial position of the charity, and which enable them to ascertain the financial position of the charity and which enable them to ensure that the accounts comply with the Church Accounting Regulations 2006. 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.

The Parochial Church Council of St John with St Andrew, Chelsea
Statement of Financial Activities
For the year ended 31st December 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Income and endowments from:					
Donations and legacies	2(a)	148,899	54,336	203,235	184,959
Fundraising activities	2(b)	214,745	-	214,745	191,858
Income from investments	2(c)	12,271	-	12,271	12,273
Parish activities	2(d)	1,204	-	1,204	533
Total income		377,119	54,336	431,455	389,623
Expenditure on:					
Raising funds					
Investment management costs	3(a)	10,168	-	10,168	2,670
Charitable activities					
Parish activities and support	3(b)	402,877	53,945	456,822	360,079
Other					
Church management and administration	3(c)	1,835	-	1,835	2,370
Total expenditure		414,880	53,945	468,825	365,119
Net expenditure		(37,761)	391	(37,370)	24,504
Other recognised (losses)/gains					
Gains/(losses) on investment assets	5	1,023	-	1,023	540
Net movement in funds		(36,738)	391	(36,347)	25,044
Reconciliation of funds:					
Total funds brought forward		170,302	3,200	173,502	148,458
Total funds carried forward		133,564	3,591	137,155	173,502

The comparative fund analysis for the year ended 31 December 2020 is detailed in note 11.

The Parochial Church Council of St John with St Andrew, Chelsea
Balance Sheet
For the year ended 31st December 2021

		£	2021 £	£	2020 £
Fixed assets					
Investments	5		11,121		10,098
Current assets					
Debtors	6	35,624		20,236	
Cash at bank					
Cash in hand		42		42	
Current account		130,042		156,506	
		<u>165,708</u>		<u>176,784</u>	
Liabilities					
Creditors: amounts falling due within one year	7	<u>39,674</u>		<u>13,380</u>	
Net current assets			126,034		163,404
Total net assets			<u><u>137,155</u></u>		<u><u>173,502</u></u>
The funds of the Parish					
Unrestricted			133,564		170,302
Restricted	9		3,591		3,200
			<u><u>137,155</u></u>		<u><u>173,502</u></u>

Approved on behalf of the Parochial Church Council on 23 May 2022 and signed on its behalf by

The Revd Paul Dawson
Incumbent

Chris Weir
Treasurer

The Parochial Church Council of St John with St Andrew, Chelsea
Notes to the Financial Statements
For the year ended 31st December 2021

1. Accounting policies

Basis of accounts preparation

The financial statements have been prepared in accordance with current Church Accounting Regulations together with applicable accounting standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" FRS102 version effective 2019.

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at market value. 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 their main affiliation to another body, nor those that are informal gatherings of church members. The current and comparative periods each cover 12 months. The accounts are prepared in £ Sterling.

Fund accounting

Restricted funds represent;

(a) income from trusts or endowments which may be expended on those restricted objects provided in the terms of the trust or bequest, and

(b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given.

Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund. The PCC does not usually invest separately for each fund.

Unrestricted funds are general funds which can be used for PCC ordinary purposes.

Income

Planned giving, collections and donations are recognised when received.

Tax refunds are recognised when the incoming resource to which they relate is received.

Grants and legacies are accounted for when the PCC is legally entitled to the amounts due, the income is probable and can be measured reliably.

Dividends are accounted for when receivable, interest is accrued.

Rental income from the letting of Church premises is recognised when it is receivable.

Expenditure

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. The Diocesan Share is accounted for when due. Other expenses are recognised on an accruals basis as a liability is incurred. Expenditure includes VAT and is reported as part of the expenditure to which it relates:

Charitable expenditure comprises those costs incurred by the Church in the delivery of its activities and services for its beneficiaries.

Church management costs include these costs associated with meeting the constitutional and statutory requirements of the Church.

Tangible fixed assets

Consecrated and beneficed property is not included in the accounts in accordance with section 10(2)(a) of the Charities Act 2011. Movable church furnishings held by the vicar and churchwardens on special trust for the PCC and which may require a faculty for disposal are inalienable property, listed in the church's inventory which can be inspected (at any reasonable time). For anything acquired prior to 2000 there is insufficient cost information available and therefore such assets are not valued in the financial statements.

Tangible fixed assets are valued at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Church equipment	25% straight line
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Individual items of equipment with a purchase price of £1,500 or less are written off when the asset is acquired.

Investments

Investments are valued at the mid-market value at the balance sheet date and the gain/loss taken to the Statement of Financial Activities.

The Parochial Church Council of St John with St Andrew, Chelsea
Notes to the Financial Statements (continued)
For the year ended 31st December 2021

2. Income

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
(a) Donations and legacies				
Planned giving:				
Gift aid donations	83,106	-	83,106	96,881
Non gift aid donations	11,199	-	11,199	11,681
Tax recoverable	25,466	-	25,466	30,351
Collections:				
Cash collections	145	-	145	527
Donations, appeals etc.:				
Sundry donations	17,740	34,332	52,072	27,354
LPOW scheme income	11,243	-	11,243	-
YMCA funding	-	14,004	14,004	8,169
AM time reimbursement	-	6,000	6,000	9,996
	148,899	54,336	203,235	184,959
(b) Fundraising activities				
Rental income	185,799	-	185,799	169,179
Income from tenants for utilities	9,000	-	9,000	7,500
Miscellaneous income and events income	7,046	-	7,046	2,443
Church hall lettings for non church purposes	12,900	-	12,900	12,736
	214,745	-	214,745	191,858
(c) Investments				
Flat rentals	12,000	-	12,000	12,000
Dividends	271	-	271	273
Bank and building society interest	-	-	-	-
	12,271	-	12,271	12,273
(d) Parish activities				
Fees - funerals, marriages, banns, etc.	1,204	-	1,204	533
	1,204	-	1,204	533

The Parochial Church Council of St John with St Andrew, Chelsea
Notes to the Financial Statements (continued)
For the year ended 31st December 2021

3. Expenditure

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
(a) Raising funds				
Flats:				
Repairs and maintenance	10,168	-	10,168	2,670
	10,168	-	10,168	2,670
(b) Parish activities				
Missionary and charitable giving	38,265	2,994	41,259	39,217
Ministry				
Diocesan common fund	90,000	-	90,000	90,000
Clergy expenses and travelling expenses	326	-	326	342
General expenses	702	-	702	1,032
Curate stipend and accomodation	72,634	6,000	78,634	77,662
Vicarage - Maintenance and water	5,468	-	5,468	-
Youth worker	4	-	4	12,175
Church workers	46,368	14,004	60,372	39,245
Resources for Church including catering	404	-	404	4,749
Ministry trainee support	10,571	1,000	11,571	4,730
Training and conferences	2,606	-	2,606	90
Church and services				
St Andrew's:				
Utilities (Gas, electricity, water rates)	9,580	-	9,580	10,887
Insurance	5,848	-	5,848	6,153
Repairs and maintenance	62,741	29,947	92,688	30,893
St John's:				
Utilities (Gas, electricity, water rates)	2,099	-	2,099	4,818
Insurance	2,528	-	2,528	2,522
Repairs and maintenance	12,416	-	12,416	9,112
Literature	82	-	82	-
Church weekends and Revive	5,460	-	5,460	2,482
Events and trips	3,394	-	3,394	1,551
Education				
Sunday school	2,117	-	2,117	274
Holiday & FAB clubs	-	-	-	104
Youth & student work	1,008	-	1,008	341
Church management and administration:				
Church administrator	21,933	-	21,933	16,555
Parochial fees	336	-	336	-
Bank charges	638	-	638	633
Office equipment repairs and renewals	158	-	158	311
Printing, postage, stationary and adverts etc.	1,144	-	1,144	1,488
Software	1,149	-	1,149	1,317
Payroll fees	633	-	633	623
Telephone and internet	523	-	523	410
Licences	320	-	320	350
Sundry expenses	1,422	-	1,422	13
	402,877	53,945	456,822	360,079
(c) Other costs				
Legal and professional fees	395	-	395	900
Independent examiner's report and accountancy	1,440	-	1,440	1,470
	1,835	-	1,835	2,370

The Parochial Church Council of St John with St Andrew, Chelsea
Notes to the Financial Statements (continued)
For the year ended 31st December 2021

4. Staff costs

	2021	2020
	£	£
Wages and salaries	122,140	126,721
Social security costs	7,691	4,471
Pension costs	29,430	14,445
	159,261	145,637
	159,261	145,637

During the year the PCC employed 4 members of staff (2020: 4).

As Church Administrator and Youth Worker, Chris Weir, who is a member of the PCC, was paid a salary of £35,840 (2020: £28,734) during the year, with an additional £5,257 (2020: £5,182) being paid into his pension.

Jeremy Day, church worker and PCC member, received a salary of £nil (2020: £21,383) plus pension contributions of £nil (2020: £42,966).

Barbara Sherwood, who is a member of the PCC, received a donation from the Church of £2,400 (2020: £2,400) for her work supporting pastors throughout Africa.

As curate, Revd Andy Mason, PCC member, received a salary of £28,412 (2020: £29,672) plus pension contributions of £7,103 (2020: £7,103) and accommodation costs of £1,683 (2020: £987).

For the ongoing training of assistant curate Revd Edward Millais the PCC contributed £39,900 (2020: £39,900) to the Diocese of London as off Common Fund clergy costs.

No trustees were remunerated for their role as a trustee. No other council members, or any persons connected with them, received any remuneration or expenses during the year.

5. Investments

Market value	£
At 1 January 2021	10,098
Revaluation gain	1,023
At 31 December 2021	11,121
	11,121

Holdings at 31 December 2021:

1892 Charibond shares

377 CBF Church of England Investment Fund income units

The Parochial Church Council of St John with St Andrew, Chelsea
Notes to the Financial Statements (continued)
For the year ended 31st December 2021

6. Debtors

	2021	2020
	£	£
Other debtors	35,534	19,430
Pension debtor	90	806
	35,624	20,236
	35,624	20,236

7. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	28,946	1,085
Accruals	10,728	12,295
	39,674	13,380
	39,674	13,380

8. Funds

The Restricted Funds comprise the following:-

AM time reimbursement fund consists of a contribution from the Co-Mission church planting network for his time as Co-Mission's Director of Training.

The YMCA funding is a £35,000 grant over 2 years received from Fulham and South Kensington YMCA supporting youth work in the Parish.

The Allchurches Trust donation is to be used for youth work.

9. Fund Movements

	At 1		Income	Expenditure	Transfers		At 31
	January		£	£	£		December
	2021		£	£	£		2021
	£		£	£	£		£
<i>Restricted funds:</i>							
YMCA funding	-		14,004	(14,004)	-		-
AM time reimbursement	-		6,000	(6,000)	-		-
Allchurches trust youth fund	3,200		-	-	-		3,200
Afghan Children's Appeal	-		2,635	(2,244)	-		391
Lady Chapel CPP contribution	-		29,947	(29,947)	-		-
Ministry Trainee support	-		1,000	(1,000)	-		-
Mercy ministry donations	-		750	(750)	-		-
	3,200		54,336	(53,945)	-		3,591
	3,200		54,336	(53,945)	-		3,591

10. Analysis of net assets by fund

	Investments	Current assets	Current liabilities	Fund balances
	£	£	£	£
Unrestricted fund	11,121	162,117	(39,674)	133,564
Restricted funds	-	3,591	-	3,591
	11,121	165,708	(39,674)	137,155
	11,121	165,708	(39,674)	137,155

The Parochial Church Council of St John with St Andrew, Chelsea
Notes to the Financial Statements (continued)
For the year ended 31st December 2021

11. Comparative statement of financial activities for year ended 31 December 2020

	Note	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Income and endowments from:				
Donations and legacies	2(a)	162,444	22,515	184,959
Fundraising activities	2(b)	184,358	-	184,358
Investments	2(c)	12,273	-	12,273
Parish activities	2(d)	533	-	533
Total income		359,608	22,515	382,123
Expenditure on:				
Raising funds				
Investment management costs	3(a)	2,670	-	2,670
Charitable activities				
Parish activities	3(b)	333,264	19,315	352,579
Other				
Church management and administration	3(c)	2,370	-	2,370
Total expenditure		338,304	19,315	357,619
Net income/(expenditure)		21,304	3,200	24,504
Transfers between funds		-	-	-
Net expenditure after transfers		21,304	3,200	24,504
Other recognised gains:				
Gains on investment assets	5	540	-	540
Net movement in funds		21,844	3,200	25,044
Reconciliation of funds:				
Total funds brought forward		148,458	-	148,458
Total funds carried forward		170,302	3,200	173,502