

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST BARNABAS KENSINGTON
Diocese of London

Charity Registration Number: 1133985

Report & Accounts
31 December 2016

ST BARNABAS, KENSINGTON

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ST BARNABAS, KENSINGTON

Legal and Administrative Information For the year ended 31 December 2016

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

Minister in Charge	Reverend H Miller	From July 2016
Incumbent:	In interregnum	
Associate Vicar	Reverend H Miller	Until July 2016
Churchwardens	Carolyn Green	(re-elected APCM 2016)
	Roger Hall	(re-elected APCM 2016)
Elected Lay Representatives	Ikwa Amiaka	(elected APCM 2014)
	Yinka Atiko	(elected APCM 2014)
	Clive Bell	(elected APCM 2014)
	Don Christian	(re-elected APCM 2016)
	Miranda Greg	(retired APCM 2016)
	Ramsay Mason	(retired APCM 2016)
	Nicola Shannon	(elected APCM 2015)
	Aaron Sim, Treasurer	(re-elected APCM 2015)
	Chloe Slinger	(elected APCM 2016)
	Daphne Towry-Coker	(elected APCM 2015)
	Mara Williams	(re-elected APCM 2016)
Lay Representatives to the Deanery Synod	Gill Dandy	(elected APCM 2014)
PCC Representative on the School Board of Governors	Mara Williams	

Key Management Personnel in Attendance

Operations Manager	Pippa Fernee	
Senior Team Administrator	Lina Lavruvianec	PCC Secretary (from May 2015)

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 2016

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 2016. 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 Steering Group

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.

Revd. H Miller (Associate Vicar/Minister in Charge); Aaron Sim (Treasurer); Pippa Fernée (Operations Manager); Carolyn Green (Church Warden); Roger Hall (Church Warden); Nicola Shannon PCC Representative from APCM 2016.

1.4 Church Attendance

The electoral roll is completely reviewed and revised once every six years and it is currently being updated. Last year the electoral roll stood at 189.

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.

ST BARNABAS, KENSINGTON

Report of the Parochial Church Council For the year ended 31 December 2016

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 others 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 9am Service remains a more reflective, traditional service of communion with songs and hymns played on the organ. Numbers have continued to grow and average between 40-50 people attending.

The 10.30am Service is a lively, family-focussed service. Worship is led by the band and children are welcome at Children's Church. There have been a number of guest preachers/speakers as well as providing opportunity for developing service leaders from within the congregation. This service remains steady in numbers despite the constant number of people moving away from the area. We continue to have a significant international element to the membership.

The 6.30pm Service is a more relaxed service with an emphasis on worship, teaching, ministry and healing prayer. The service is much loved by those who attend. Numbers continue to decline but the service is holding its own at the present time.

Midweek "Kingdom Come" Prayer Evenings happen monthly. A midweek prayer group meets monthly on a Thursday evening. Both "Kingdom Come" and the monthly prayer meetings have a small but committed team of attendees.

Staff

Significant changes have included the licensing of Rev H Miller as Minister in Charge in July of this year. The other major development is the appointment of Rev Andy Buckler as our Vicar. Andy will be installed as Vicar in June 2017 meanwhile we are grateful and pleased H continues to oversee the church. Jack Ellison's role as Worship Pastor was amended in recognition of all the creative work he had been doing over recent months to that of Worship Leader and Creative Co-Ordinator. The rest of the staff team have remained in post.

Outreach

Students. Although we do have a small number of students attending our church it was not possible to continue to run a specific group for them and the last student cluster took place over the summer of 2016.

The Alpha Course. We ran the Alpha Course in the Autumn of 2016 using the new film series.

"Sticky Fingers". The Thursday morning mums and toddlers group has continued through 2016, including 'family fun days' and other social events. There has been a good core leadership team in place, though the number of attendees was noticeably lower during the year.

Glass Doors. From the end of January to early April (about 10 weeks) St Barnabas again hosted the night shelter project as part of their second circuit of local churches. There is always a good number of church members who volunteer to help with this.

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.

ST BARNABAS, KENSINGTON

Report of the Parochial Church Council For the year ended 31 December 2016

St Francis Mission Church, North Kensington. We continue our links with St Francis Mission Church with financial support and where practicable, reciprocal preaching opportunities. During the year the Priest In Charge Azariah France-Williams stepped down to take on another role elsewhere.

Pastoral Care and Community Building

Pastoral care continues to be provided on a variety of levels. In November 2016 Rev H Miller and the PCC appointed Pippa Fernee to undertake the role of Pastoral Care Coordinator until Rev Andy Buckler arrives in June 2017. This appointment to assist H in the provision and organisation of pastoral care. Midweek cluster groups give the greatest opportunity for fellowship, study and mutual support. 'Freedom Prayer' appointments are available using the model we have developed from 'Transforming Life' and have become an important part of the life of the church.

Some members of the church went to the summer conferences at New Wine and HTB's Focus.

Courses

Other than Alpha no specific courses were run in 2016,

Overseas

Support has continued for a variety of mission partners throughout the year and the support and financial contributions are proposed and monitored by the Missions Team (a sub-group of the PCC).

Property & Plant

In 2016 there was little in planned expenditure in part based on a desire by the PCC to reserve as much in the way of funds for Andy Buckler to access upon his arrival. However, the premises still need to be taken care of and this year we had to spend a significant amount when the pump mechanism for the sump failed in October/November and had to be replaced. In the light of the heightened terrorism alert in the UK and for safeguarding reasons, the PCC replaced the existing door entry phone system with a video entry-phone system and had one installed by the North Porch Door into the church.

The PCC is also responsible for two clergy properties. Devonport Road had a new bathroom fitted in the basement flat and a new double oven installed in the kitchen. Major expense is anticipated and budgeted for in 2017 but otherwise, the house has been relatively light on maintenance costs in 2016. Blythe Road which accommodates Rev H Miller and his family needed little in the way of maintenance having had a major refurbishment in 2015. The biggest expense this year was a new carpet for the stairs.

Discussions continue as to the viability of maintaining two houses and a working party chaired by Roger Hall as church warden is being set up.

Website & Planning Centre

The website was completely re-designed in 2016 and is updated/maintained on a weekly basis by church staff. Planning Centre – a database, calendar, registrations and Sunday planning programme was installed.

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 9 and 10 respectively. The Church's reserves increased by £8,492 during the year (2015 – decreased by £1,457). The balance sheet shows total net assets of £736,765 (2015: £728,273). Cash balances increased by £6,873 (2015: decreased by £5,091).

Included in total funds are amounts totalling £8,300 (2015: £8,964) 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 £472,838 (2015: £491,195). Expenditure in 2016 was £464,346 (2015: £492,652). The largest element of expenditure was direct staff costs, which amounted to £134,397 (2015: £133,065). We have continued to give to our mission partners and other Christian charities and individuals. In 2016 we gave £35,074 (2015 £43,710 and contributed £106,997 (2015: £112,609) to the Diocesan Common Fund.

ST BARNABAS, KENSINGTON

Report of the Parochial Church Council For the year ended 31 December 2016

4.2 Reserves Policy

The PCC has examined the requirements for free reserves, ie 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 2016 the church had net free reserves of £35,174 (2015: £26,765) as follows:

	2016 £	2015 £
Total reserves	736,765	728,273
Less: restricted funds	(8,300)	(8,964)
Less: fixed assets	(1,506,8625)	(1,506,115)
Add: long term loans on residential & church properties	160,000	160,000
Add: provision for liabilities	653,571	653,571
Free reserves	35,174	26,765
Free reserves requirement:		
6 month's budgeted routine expenditure	235,000	240,000

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 Periods

As St Barnabas Church will be in interregnum at the start of 2017 there are no long term major building projects or works (other than routine maintenance and contingency works if required) being considered for 2017 as the PCC wish to give the new incumbent the opportunity to participate in and lead as the vision for the future takes shape.

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.

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.

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Report of the Parochial Church Council For the year ended 31 December 2016

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 27 March 2017 and signed on its behalf by:



**Rev'd H Miller
Chairman**

ST BARNABAS, KENSINGTON

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

I report on the accounts of the Parochial Church Council of St Barnabas Kensington for the year ended 31 December 2016, which are set out on pages 9 to 20.

Respective responsibilities of PCC and examiner

The PCC are responsible for the preparation of the accounts. The PCC consider that an audit is not required for this year (under section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is needed. The charity's gross income exceeds £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

It is my responsibility to:

- examine the accounts (under section 145 of the 2011 Act);
- to follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of independent examiners' report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiners' statement

In connection with my examination, no matter has come to my attention:

- which gives me reasonable cause to believe that, in any material respect, the requirements:
 - (a) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (b) to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act and the regulations made thereunderhave not been met; or
- to which, in my opinion, attention should be drawn 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: 29/03/2017

ST BARNABAS, KENSINGTON

Statement of Financial Activities For the year ended 31 December 2016

	Note	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total 2016 £	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Total 2015 £
Income from:							
Donations and legacies	2	352,956	7,012	359,968	369,480	24,678	394,158
Charitable activities		2,458	-	2,458	164	1,614	1,778
Other trading activities		110,379	-	110,379	95,230	-	95,230
Investments		33	-	33	29	-	29
Total Income		465,826	7,012	472,838	464,903	26,292	491,195
Expenditure on:							
Raising funds	3	50,271	-	50,271	54,862	2,756	57,618
Charitable activities	4	406,399	7,676	414,075	409,238	25,796	435,034
Total Expenditure		456,670	7,676	464,346	464,100	28,552	492,652
Net (Expenditure)/Income	5	9,156	(664)	8,492	803	(2,260)	(1,457)
Transfers between funds		-	-	-	-	-	-
Net movement in funds		9,156	(664)	8,492	803	(2,260)	(1,457)
Total funds brought forward		719,309	8,964	728,273	718,506	11,224	729,730
Total funds carried forward		728,465	8,300	736,765	719,309	8,964	728,273

ST BARNABAS, KENSINGTON

Balance Sheet

As at 31 December 2016

	Note	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total 2016 £	Total 2015 £
Fixed Assets					
Tangible Assets	6	1,506,862	-	1,506,862	1,506,115
Current Assets					
Stock		1,380	-	1,380	1,455
Debtors	7	8,311	-	8,311	18,644
Cash At Bank And In Hand		51,573	8,300	59,873	53,000
		61,264	8,300	69,564	73,099
Creditors - Amounts Falling Due Within One Year	8	26,090	-	26,090	37,370
Net Current Assets		35,174	8,300	43,474	35,729
Creditors - Amounts Falling Due After More Than One Year	9	160,000	-	160,000	160,000
Provisions for liabilities	10	653,571	-	653,571	653,571
Net Assets		<u>728,465</u>	<u>8,300</u>	<u>736,765</u>	<u>728,273</u>
Represented By:					
Restricted Funds	11	-	8,300	8,300	8,964
Unrestricted Income Funds		728,465	-	728,465	719,309
Total Funds		<u>728,465</u>	<u>8,300</u>	<u>736,765</u>	<u>728,273</u>

The financial statements were approved by the PCC on 27 March 2017 and signed on its behalf by:



Aaron Sim
Treasurer

ST BARNABAS, KENSINGTON

Notes to the Financial Statements For the year ended 31 December 2016

I. 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 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.

ST BARNABAS, KENSINGTON

Notes to the Financial Statements For the year ended 31 December 2016

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 from 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 on a 5 yearly basis and the next valuation is due on 31 December 2017. 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 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.

ST BARNABAS, KENSINGTON

Notes to the Financial Statements For the year ended 31 December 2016

2. Income

	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total 2016 £	Total 2015 £
Donations & legacies				
Offerings and donations	287,101	7,012	294,113	319,194
Income tax reclaimed	62,427	-	62,427	62,726
Legacies	-	-	-	-
Grants	3,428	-	3,428	12,238
	352,956	7,012	359,968	394,158
Charitable activities				
Sticky Fingers	1,102	-	1,102	1,197
Fee income (net)	1,356	-	1,356	581
	2,458	-	2,458	1,778
Other trading activities				
Lettings income – residential	39,523	-	39,523	31,236
Lettings income – Howard Hall & church	61,628	-	61,628	61,994
Outings and other parish events	8,010	-	8,010	-
Other	1,218	-	1,218	2,000
	110,379	-	110,379	95,230
Investments				
Bank Interest	33	-	33	29
Total	465,826	7,012	472,838	491,195

3. Expenditure on Raising Funds

	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total 2016 £	Total 2015 £
Residential church property costs - upkeep	27,920	-	27,920	29,962
Residential church property costs - interest	17,737	-	17,737	23,270
Church hall letting – professional fees				-
Bank & collecting agent fees	1,291	-	1,291	1,026
Sticky Fingers	1,566	-	1,566	2,756
Books & CDs	1,757	-	1,757	604
	50,271	-	50,271	57,618

ST BARNABAS, KENSINGTON

Notes to the Financial Statements For the year ended 31 December 2016

4. Expenditure on Charitable Activities

	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total 2016 £	Total 2015 £
Provision of clergy				
Common Fund	106,997	-	106,997	112,609
Church Life & Outreach				
Gross salaries	23,521	-	23,521	33,918
Employer's National Insurance	1,199	-	1,199	2,175
Upkeep of services	6,636	-	6,636	2,055
Worship	-	-	-	991
Children/youth	1,975	-	1,975	2,531
Women	351	-	351	609
Other ministries	7,758	-	7,758	6,617
Catering & hospitality	4,025	-	4,025	6,003
Gifts and grants (see note 4b below)	27,398	7,676	35,074	43,710
	72,863	7,676	80,539	98,609
Provision of Office & Support				
Gross salaries	68,675	-	68,675	65,666
Employer's National Insurance (net of SMP)	2,831	-	2,831	3,879
Pension contributions	9,960	-	9,960	(158)
Insurance	2,167	-	2,167	2,951
Staff expenses other	5,881	-	5,881	6,280
Volunteer expenses	120	-	120	4,157
Printing, postage & stationery	1,262	-	1,262	1,555
Photocopying	3,585	-	3,585	3,564
Accountancy, payroll & recruitment	7,030	-	7,030	5,721
Technology – IT (communications, phones, software)	8,721	-	8,721	7,125
Technology – IT Support	4,800	-	4,800	4,980
Technology – sound & video	3,251	-	3,251	1,301
Publicity and website design	1,302	-	1,302	5,177
Bank & credit card charges	-	-	-	876
Depreciation	4,599	-	4,599	1,229
Other	456	-	456	1,475
	122,720	-	122,720	115,778
Provision of Buildings and Facilities				
Gross salaries	29,470	-	29,470	24,281
Employer's National Insurance	825	-	825	103
Heat, light & water	13,682	-	13,682	16,444
Insurance	9,092	-	9,092	9,494
Repairs and maintenance & Health & safety	31,118	-	31,118	31,684
Cleaning & waste	16,132	-	16,132	15,981
Depreciation	-	-	-	7,291
	100,319	-	100,319	105,278
Governance costs				
Independent Examination fee	3,500	-	3,500	2,760
	3,500	-	3,500	2,760
Total expenditure – charitable activities	406,399	7,676	414,075	435,034

ST BARNABAS, KENSINGTON

Notes to the Financial Statements For the year ended 31 December 2016

4a. Expenditure - Employee Emoluments

In addition to the many volunteers who give their time to the church, there were 12 (2015: 13) 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:

	2016 £	2015 £
Gross salaries	119,582	123,865
Employer's National Insurance (net of SMP and Employer's Allowance)	4,855	6,158
Pension costs	9,960	(158)
Employee insurance	-	3,200
	134,397	133,065

These figures exclude the amounts paid to the Diocese for the incumbent and the curates, who are funded through the Common Fund. No employee (2015: 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 4 (2015: 3).

4b. Expenditure – Missionary & Charitable Giving

	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total 2016 £	Total 2015 £
Giving to organisations				
J&R Kone (Burkina Faso) – annual grant	-	-	-	1,000
M Saunderson – annual grant	1,450	-	1,450	1,450
- support for student in Peru	3,000	-	3,000	3,000
Earls Court Community Project/Youth with a Mission	1,500	-	1,500	1,500
Sugandh – annual grant	2,500	-	2,500	2,500
- fundraising and collections	930	-	930	376
Glass Door	1,020	385	1,405	-
West London Churches Homeless Concern	-	-	-	1,396
St Francis Church, Dalgarno way	5,020	-	5,020	4,020
Grain of Wheat International	500	-	500	1,500
Rahab	1,150	-	1,150	1,000
International Justice Mission	4,500	500	5,000	5,730
Open Doors	-	-	-	14
St Barnabas & St Phillips School	-	-	-	176
	21,570	885	22,455	23,662
Giving to individuals				
S&S Mansour	4,000	-	4,000	4,000
Victoria O'Neill	-	-	-	600
Ben Strain	300	-	300	900
Bishops Lent Appeal	-	5,500	5,500	-
Other gifts over £1,000 each	1,528	72	1,600	13,580
Other gifts under £1,000 each	-	1,219	1,219	968
	5,828	6,791	12,619	20,048
	27,398	7,676	35,074	43,710

ST BARNABAS, KENSINGTON

Notes to the Financial Statements For the year ended 31 December 2016

5. Net Income/(Expenditure)

	2016 £	2015 £
This is stated after charging:		
Operating lease rentals	1,501	1,469
Depreciation	4,599	8,521
Independent examination fee	3,500	2,760

6. Tangible Fixed Assets

	Freehold land & building £	Fixtures, fittings & equipment £	Total £
Cost			
At 1 January 2016	1,500,000	66,469	1,566,469
Additions	-	5,346	5,346
Disposals	-	(6,078)	(6,078)
At 31 December 2016	1,500,000	65,737	1,565,737
Depreciation			
At 1 January 2016	-	60,354	60,354
Charge For Year	-	4,599	4,599
Disposals	-	(6,078)	(6,078)
At 31 December 2016	-	58,875	58,875
Net Book Value			
At 31 December 2016	1,500,000	6,862	1,506,862
At 31 December 2015	1,500,000	6,115	1,506,115

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 2016 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 by the PCC in March 2017 using information from local estate agents.
- 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 2016

7. Debtors

	2016 £	2015 £
Prepayments	5,674	5,552
Income tax recoverable	2,537	5,806
Lettings receivable	-	1,388
Other debtors	100	5,898
	<u>8,311</u>	<u>18,644</u>

8. Creditors - Amounts Falling Due Within One Year

	2016 £	2015 £
Creditors for goods and services	6,702	7,732
Accruals	3,676	6,930
Other creditors including taxation and social security	-	1,996
Loan – Kensington Area (Church ceiling repair)	-	5,000
Rent deposit held	15,000	15,000
Other creditors	712	712
	<u>26,090</u>	<u>37,370</u>

ST BARNABAS, KENSINGTON

Notes to the Financial Statements For the year ended 31 December 2016

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

	2016 £	2015 £
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.

The Kensington Area loan for the repair of the church ceiling, originally £30,000, is an interest-free loan repayable in instalments by 28 February 2016. This is a concessionary loan and stated at the amount of the original transaction.

10. Provisions for liabilities

	2016 £	2015 £
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).

ST BARNABAS, KENSINGTON

Notes to the Financial Statements For the year ended 31 December 2016

11. Restricted Funds

	At 1 January 2016 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	At 31 December 2016 £
Organ restoration fund	7,212	-	-	-	-	7,212
Vicar & Churchwardens fund	1,631	627	1,170	-	-	1,088
Sticky Fingers	121	-	121	-	-	-
Night Shelter (Glass Doors)	-	385	385	-	-	-
International Justice Mission	-	500	500	-	-	-
Nominated gifts	-	5,500	5,500	-	-	-
Total	8,964	7,012	7,676	-	-	8,300

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.

Sticky Fingers is a group for mums and their toddlers. It is funded mainly by subscription fees.

Night Shelter are funds received in support of the Night Shelter run by local churches for the homeless.

International Justice Mission are funds received in support of this international charity.

Nominated Gifts are funds raised usually to provide gifts of appreciation to members of the Church's ministry team moving to new appointments away from the Church.

ST BARNABAS, KENSINGTON

Notes to the Financial Statements For the year ended 31 December 2016

12. Operating Lease Commitments

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

	2016 £	2015 £
Not later than one year	1,501	1,501
Later than one year and not later than five years	4,878	4,878
	<u>6,379</u>	<u>6,379</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:

- Pippa Fernee, a key management staff member and ex officio, received gross remuneration of £31,530 (2015: £30,913) under a contract of employment in her role as Operations Manager
- Lina Lavruvianec, a key management staff member and ex officio, received gross remuneration of £25,076 (2015: £24,524) under a contract of employment in her role as Senior Administrator.
- 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.

During the year members of the PCC gave a total of £26,694 (2015: £27,139) in unrestricted offerings and donations during the year.