

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

UNAUDITED ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2017

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 2017

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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 2017**

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 24 April 2017. 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 Jeremy Day
Treasurer	Chris Weir
Secretary	Rachel Day
Elected Members	Nick Addyman The Revd Sam Ashton Ta Cooper Barbara Sherwood Robin Silson
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 Briqhouse 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 2017

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 four times.

Parish team

St Andrew's

Chris Weir continued in his role as youth worker and Administrator for the parish. The Revd Sam Ashton continued as Assistant Curate.

Kristian Lending continued as a Ministry Trainee and Graham Dickins began as a Ministry Trainee in September.

St John's

Robin Silson joined the staff team at St John's in September.

Jeremy Day began as a Ministry Trainee in September.

Finances

Chris Weir continued in the role of Parish Treasurer.

Church attendance and electoral roll (as at March 2018)

There were 105 parishioners on the electoral roll, 48 who are not resident in the parish. Attendance at the 10.30am service at St Andrew's is 45-60 adults and 10-20 under 16s, and at the 7pm service is 15-25 adults. Attendance at the 11am St John's service is 35-45 adults and 10-15 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. With these aims the PCC had ambitious plans, under God, for 2017. In February we presented our budget for the year to the church families predicting a significant deficit of £40k.

Our main expenditure was expected (and 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 2017 consisted of Andy Mason, vicar at St John's, Sam Ashton, assistant curate at St Andrew's and Chris Weir, who is involved in bible teaching to teenagers and adults as well as running the parish office. Robin Silson joined the staff team in September.

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Kristian Lending continued as a Ministry trainee at St Andrew's whilst Jez Day, at St John's, and Graham Dickins, at St Andrew's, began as Ministry Trainees in September 2017. Leann Indelicato, over as a Reach Global intern, joined St John's in late 2016 for the following year. We are thankful for the enthusiasm and dedication Leann brought to our church family.

The PCC spend some large amounts on buildings work in the year including £8.8k spent renewing the roof of the flats above St John's and £10.7k as a final payment on the platform lift at St John's. We remain thankful to two external organisations, the Goldsmiths Company and the Kensington Area Council, who gave significant amounts towards this project. We are also thankful to the Fulham YMCA who supported the youth ministry in the parish with £7.5k in 2017 and have pledged £17.5k per annum in 2018 and 2019.

We are thankful to God that we were able to maintain our giving outside of the Parish – donating £40k 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 10.5% of the total income for the year.

Significant sacrificial giving from the congregations and further increase in the hire of the St Andrew's building (our two main sources of income), reduced the deficit by the end of 2017 to £25k.

The work with children and teenagers continues to be a highlight of our ministry. Groups for children during the main services on Sundays at both churches and the youth group for teenagers on Thursday evenings allow our young people to have Bible teaching pitched appropriately for their age and level of understanding. FAB club at St Andrew's maintains good numbers and is a great opportunity for under 11s to hear the good news of Jesus whilst the three 'Messy church' afternoons in the year at St John's encouragingly attracted a good proportion of guest families. Our relationship with the chaplain at Chelsea Academy continues to offer opportunities, with two groups running during the week at St John's for students from the school, with increasing opportunities to share the gospel.

In June we celebrated 10 years of St John's. Lots of guests came for a special service including a number of old faces from the church over the years. One of the 'Messy Church' afternoons was during the 'Love World's End' week at the start of July. A Big Supper and a number of other events were also held during this week and lots of guests heard personal accounts and Bible teaching of the good news of Jesus Christ. A number of these guests were contacts from the Gym at St John's, which continues to be well used by local men from the World's End. At St Andrew's Christmas continues to be a good opportunity to invite guests; our carol service, family carols and nativity play were all well attended with some good follow-up happening subsequently.

As church families we have been invigorated through teaching on Sundays – spending significant amounts of time in the Sermon on the Mount and book of Nehemiah at St John's and in Acts and Judges at St Andrew's. During the Summer Paul and the family were able to take a Sabbatical. We thank our Heavenly Father for sustaining our church and sustaining the Dawsons during this time. Our midweek groups continue to thrive and both churches had encouraging Weekends away in March 2017.

We are very thankful to God for keeping us and providing for us. 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 2017**

Financial Review

Total voluntary income, including tax recovered, was £235,165 (2016: £245,161), a decrease of 4% on last year. Investment income was similar at £12,287 (2016: £12,552). In total income from property lettings was £157,681, an increase from £153,486 in the prior year.

Total expenditure decreased 1% in the year from £436,226 to £432,222.

The net result for the year was a deficit of £25,047 (2016: £26,004). The balances carried forward at 31st December 2017 on unrestricted funds totalled £106,799 (2016: £127,827).

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

05 March 2018

The Parochial Church Council of St John with St Andrew, Chelsea
Independent examiner's report
For the year ended 31 December 2017

Independent examiner's report to the trustees of The Parochial Church Council of Saint John with Saint Andrew, Chelsea for the year ended 31st December 2017.

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 2017.

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

Since the Church's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England & Wales, which is one of the listed bodies.

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:

1. accounting records were not kept in respect of the Church as required by section 130 of the Act; or
2. the accounts do not accord with those records.

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
Birkby House
Birkby Lane
Briqhouse
West Yorkshire
HD6 4JJ

6/03/2018

The Parochial Church Council of St John with St Andrew, Chelsea
Statement of Parochial Church Council's responsibilities
For the year ended 31 December 2017

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 2017

	Note	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Income and endowments from:					
Donations and legacies	2(a)	223,903	11,262	235,165	245,161
Fundraising activities	2(b)	146,528	-	146,528	143,206
Investments	2(c)	12,287	-	12,287	12,552
Parish activities	2(d)	12,721	-	12,721	8,606
Total income		395,439	11,262	406,701	409,525
Expenditure on:					
Raising funds					
Investment management costs	3(a)	5,925	-	5,925	2,231
Charitable activities					
Parish activities and support	3(b)	409,769	15,136	424,905	432,603
Other					
Church management and administration	3(c)	1,392	-	1,392	1,392
Total expenditure		417,086	15,136	432,222	436,226
Net expenditure		(21,647)	(3,874)	(25,521)	(26,701)
Transfers between funds		(1,230)	1,230	-	-
Net expenditure after transfers		(22,877)	(2,644)	(25,521)	(26,701)
Other recognised (losses)/gains					
Gains/(losses) on investment assets	5	474	-	474	697
Net movement in funds		(22,403)	(2,644)	(25,047)	(26,004)
Reconciliation of funds:					
Total funds brought forward		129,827	2,644	132,471	158,475
Total funds carried forward		107,424	-	107,424	132,471

The fund analysis for the year ended 31 December 2016 is detailed in note 11.

The Parochial Church Council of St John with St Andrew, Chelsea
Balance Sheet
For the year ended 31st December 2017

		£	2017 £	£	2016 £
Fixed assets					
Investments	5		8,582		8,108
Current assets					
Debtors	6	9,950		19,877	
Cash at bank					
Cash in hand		42		42	
Deposit account		-		-	
Current account		99,163		119,539	
		<u>109,155</u>		<u>139,458</u>	
Liabilities					
Creditors: amounts falling due within one year	7	<u>10,313</u>		<u>15,095</u>	
Net current assets			98,842		124,363
Total net assets			<u>107,424</u>		<u>132,471</u>
The funds of the Parish					
Unrestricted			107,424		129,827
Restricted	9		-		2,644
			<u>107,424</u>		<u>132,471</u>

Approved on behalf of the Parochial Church Council on 5 March 2018 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 2017

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 2015.

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 2017

2. Income

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
(a) Donations and legacies				
Planned giving:				
Gift aid donations	128,666	-	128,666	136,379
Non gift aid donations	6,644	-	6,644	13,004
Tax recoverable	38,720	-	38,720	41,055
Collections:				
Cash collections	4,894	-	4,894	6,301
Donations, appeals etc.:				
Sundry donations	44,979	426	45,405	40,922
YMCA funding	-	6,875	6,875	-
AM time reimbursement	-	3,336	3,336	-
Gym fund	-	-	-	-
Youth worker fund	-	625	625	7,500
	223,903	11,262	235,165	245,161
(b) Fundraising activities				
Rental income:				
St Andrew's	123,689	-	123,689	124,229
St John's	4,405	-	4,405	4,622
Miscellaneous sales	847	-	847	1,720
Church hall lettings for non church purposes	17,587	-	17,587	12,635
	146,528	-	146,528	143,206
(c) Investments				
Flat rentals	12,000	-	12,000	12,000
Dividends	135	-	135	524
Bank and building society interest	152	-	152	28
	12,287	-	12,287	12,552
(d) Parish activities				
Fees - funerals, marriages, banns, etc.	1,679	-	1,679	1,074
Events	642	-	642	7,284
Church weekends and revive	10,033	-	10,033	-
Holiday club	367	-	367	248
	12,721	-	12,721	8,606

The Parochial Church Council of St John with St Andrew, Chelsea
Notes to the Financial Statements (continued)
For the year ended 31st December 2017

3. Expenditure

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
(a) Raising funds				
Flats:				
Utilities	1,761	-	1,761	1,221
Repairs and maintenance	4,164	-	4,164	1,010
	5,925	-	5,925	2,231
(b) Parish activities				
Missionary and charitable giving	41,432	-	41,432	47,539
Ministry				
Diocesan common fund	84,577	-	84,577	89,150
Clergy expenses and travelling expenses	7,336	-	7,336	5,413
Curate stipend and accommodation	45,320	3,336	48,656	54,157
Vicarage - Maintenance and water	365	-	365	2,202
Apprentice expenses	81,590	-	81,590	17,130
Youth worker	-	625	625	711
Church worker	18,171	-	18,171	19,617
Christ Church Mayfair - Vicar	-	-	-	26,314
Resources for Church including catering	6,268	-	6,268	-
Training and conferences	6,320	-	6,320	5,783
Church and services				
St Andrew's:				
Utilities (Gas, electricity, water rates)	8,858	-	8,858	10,929
Insurance	5,213	-	5,213	5,661
Repairs and maintenance	5,096	-	5,096	5,046
St John's:				
Utilities (Gas, electricity, water rates)	5,865	-	5,865	4,486
Insurance	2,809	-	2,809	2,300
Repairs and maintenance	37,404	3,452	40,856	85,280
Music/organ	570	-	570	728
Literature	658	-	658	839
Church weekends and Revive	16,040	-	16,040	-
Events and trips	6,323	-	6,323	22,651
Education				
Sunday school	395	-	395	903
Holiday clubs	184	600	784	807
Youth work	86	6,710	6,796	2,312
Church management and administration:				
Church administrator	18,796	-	18,796	15,065
Parochial fees	834	-	834	368
Bank charges	750	-	750	644
Office equipment repairs and renewals	1,593	-	1,593	557
Printing, postage, stationary and adverts etc.	4,886	-	4,886	4,691
Payroll fees	598	-	598	449
Telephone and internet	1,223	-	1,223	450
Sundry expenses	-	-	-	148
Gym expenses	210	413	413	273
	409,769	15,136	424,695	432,602
(c) Other costs				
Independent examiner's report and accountancy	1,392	-	1,392	1,392
	1,392	-	1,392	1,392

The Parochial Church Council of St John with St Andrew, Chelsea
Notes to the Financial Statements (continued)
For the year ended 31st December 2017

4. Staff costs

	2017	2016
	£	£
Wages and salaries	105,378	61,168
Social security costs	3,031	590
Pension costs	14,263	3,674
	122,672	65,432
	122,672	65,432

During the year the PCC employed 4 members of staff (2016: 3).

As Church Administrator and Youth Worker, Chris Weir, who is a member of the PCC, was paid a salary of £31,103 (2016: £25,867) during the year, with an additional £4,665 (2016: £3,674) being paid into his pension.

Sam Ashton, assistant curate and PCC member received a stipend of £37,600 (2016: £30,750) and accommodation costs of £23,135 (2016: £23,407). Robin Silson, youth worker apprentice and PCC member received funding of £12,800 (2016: £15,290) and a stipend of £9,366 (2016: £nil) plus £1,405 (2016: £nil) of pension contributions.

Barbara Sherwood, who is a member of the PCC, received a donation from the Church of £9,700 (2016: £13,200) for her work supporting pastors throughout Africa.

The PCC contributed £nil (2016: £26,314) to Christ Church Mayfair towards the remuneration of Andy Mason (PCC member) the Vicar at St John's. Andy was employed by Christ Church Mayfair until October 2016 to work at St John's. Andy Mason received a salary of £27,309 (2016: £4,551) plus pension contributions of £8,193 (2016: £nil) directly from the PCC for this work.

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 2017	8,108
Revaluation gain	474
At 31 December 2017	8,582
	8,582

Holdings at 31 December 2017:

1892 Charibond shares
377 CBF Church of England Investment Fund income units

6. Debtors

	2017	2016
	£	£
Other debtors	8,618	8,153
Prepayments	1,332	11,724
	9,950	19,877
	9,950	19,877

The Parochial Church Council of St John with St Andrew, Chelsea
Notes to the Financial Statements (continued)
For the year ended 31st December 2017

7. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	1,763	7,602
Accruals	8,550	7,493
	10,313	15,095
	10,313	15,095

8. Funds

The Restricted Funds comprise the following:-

The Sunday School fund contains donations for the provision of a Sunday School in the parish.

The Lift Grants are monies received from the Goldsmiths company and the Kensington Area Council contributing to the construction of a platform lift at St John's.

The Bibles and Chairs fund contains donations received towards the purchase of new Bibles and chairs for St John's.

The Youth Group fund contains a donation from the World's End and Lots Road Big Local committee towards a new youth group run with the chaplain from Chelsea Academy for students of the school.

The Gym fund contains donations received to maintain and repair gym equipment held at St John's.

The Parish Youth Worker fund is a £15,000 grant receivable over 2 years to 31 December 2017 to provide remuneration for a youth worker in the parish.

The appeals fund contains donations made in support of charities, nominated by the PCC, to be paid over to the relevant charities.

9. Fund Movements

	At 1		Income	Expenditure	Transfers		At 31
	January						December
	2017		£	£	£	£	2017
	£		£	£	£	£	£
<i>Restricted funds:</i>							
Bibles & Chairs fund	2,307	426	(3,452)	719	-	-	-
Youth Group fund	279	-	(435)	156	-	-	-
Gym fund - St John's	58	-	(413)	355	-	-	-
YMCA funding	-	6,875	(6,875)	-	-	-	-
AM time reimbursement	-	3,336	(3,336)	-	-	-	-
Parish youth worker fund	-	625	(625)	-	-	-	-
	2,644	11,262	(15,136)	1,230	-	-	-
	2,644	11,262	(15,136)	1,230	-	-	-

10. Analysis of net assets by fund

	Investments	Current assets	Current liabilities	Fund balances
	£	£	£	£
Unrestricted fund	8,582	109,155	(10,313)	107,424
Restricted funds	-	-	-	-
	8,582	109,155	(10,313)	107,424
	8,582	109,155	(10,313)	107,424

The Parochial Church Council of St John with St Andrew, Chelsea
Notes to the Financial Statements (continued)
For the year ended 31st December 2017

11. Statement of financial activities for year ended 31 December 2016

	Note	Unrestricted Funds £	Restricted Funds £	Total 2016 £
Income and endowments from:				
Donations and legacies	2(a)	229,894	15,267	245,161
Fundraising activities	2(b)	143,206	-	143,206
Investments	2(c)	12,552	-	12,552
Parish activities	2(d)	8,606	-	8,606
Total income		394,258	15,267	409,525
Expenditure on:				
Raising funds				
Investment management costs	3(a)	2,231	-	2,231
Charitable activities				
Parish activities	3(b)	418,118	14,485	432,603
Other				
Church management and administration	3(c)	1,392	-	1,392
Total expenditure		421,741	14,485	436,226
Net income/(expenditure)		(27,483)	782	(26,701)
Transfers between funds		-	-	-
Net expenditure after transfers		(27,483)	782	(26,701)
Other recognised gains:				
Gains on investment assets	5	697	-	697
Net movement in funds		(26,786)	782	(26,004)
Reconciliation of funds:				
Total funds brought forward		156,613	1,862	158,475
Total funds carried forward		129,827	2,644	132,471