



ST PAUL'S
HAMMERSMITH

THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF
ST PAUL, HAMMERSMITH

ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2018

REGISTERED CHARITY NUMBER 1130490

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST PAUL, HAMMERSMITH

YEAR ENDED 31 DECEMBER 2018

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THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST PAUL, HAMMERSMITH

REFERENCE AND ADMINISTRATIVE INFORMATION

YEAR ENDED 31 DECEMBER 2018

Principal Address

The Parochial Church Council (PCC) of the Ecclesiastical Parish of St Paul Hammersmith
Queen Caroline Street
Hammersmith
London
W6 9PJ

Members of the PCC

Vicar:	The Revd Simon Downham
Associate Vicar:	The Revd Mark Ruoff
Curate SSM:	The Revd Dr Viv Thomas

Church Wardens:	Ms Rosie Brown Vacant
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Deanery Synod Representatives:	Mrs Helen Parry Mrs Margaret Rogers Mr Jim O'Connell
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Elected Members:	Mr David Bell Mr Francis Ellison Mrs Alison Evans Mr Sam Mead Mr David Salisbury Mr Alex Starling Mrs Judith Sara Thomas Mr Francis Woods
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THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST PAUL, HAMMERSMITH

REFERENCE AND ADMINISTRATIVE INFORMATION

YEAR ENDED 31 DECEMBER 2018

Auditors

Alexander James & Company Ltd.
Upper Deck
Admiral's Quarters
Portsmouth Road
Thames Ditton
Surrey KT7 0XA

Solicitors

Winkworth Sherwood
35 Great Peter Street
Westminster
London
SW1P 3LR

Bankers

HSBC BANK PLC UK
2nd Floor
Space One
1 Beadon Road
London
W6 0EA



THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST PAUL, HAMMERSMITH
ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2018

The Parochial Church Council (PCC) of St Paul's Hammersmith presents its annual report and the audited financial statements for the year ended 31st December 2018.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Parochial Church Council (PCC) of St Paul's Hammersmith is a corporate body established by the Church of England. The PCC is governed by the Parochial Church Council (Powers) Measure 1956, the Church Representation Rules and the Charities Act 2011. As legally required since 2009, the PCC is registered as a charity (Charity Number 1130490) and the PCC members are registered trustees.

Appointment of PCC members

Members of the PCC are elected by the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules. Church members are invited to nominate candidates for election to the Parochial Church Council. Instruction is given as to the nature of the role, and to relevant qualities. Once elected, PCC members join a working group or are assigned a particular portfolio and invited to focus on that area of the church's life.

Members of the PCC

New PCC members are inducted not least through reference to the role and responsibilities of trustees and detailed briefing as to the role and responsibilities of PCC members.

Those persons who served as members of the PCC during the year or were appointed since were as follows:-

Members of the PCC

Vicar:	The Revd Simon Downham
Associate Vicar:	The Revd Mark Ruoff
Curate SSM:	The Revd Dr Viv Thomas
Church Wardens:	Ms Rosie Brown Mr Oliver Wright (resigned November 2018)
Deanery Synod Representatives:	Mrs Helen Parry Mrs Margaret Rogers Mr Jim O'Connell
Elected Members:	Mr David Bell Mr Francis Ellison Mrs Alison Evans Mr Max Harris (resigned October 2018) Miss Sue Hussey (resigned April 2018) Mr Sam Mead Mr David Salisbury Mr Alex Starling Mrs Judith Sara Thomas Mr Francis Woods

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Organisation

The PCC carries out its aims and objectives through informal conversation, formal meetings, regular prayer and the work of various working groups. A draft agenda for each meeting is agreed between the Vicar, the lay chair and the Standing Committee working as the Governance Working Group and members are invited to consider whether they wish to table other items.

The PCC met six times. Typically the vicar gives a report and an aspect of the core ministry and mission of the church is presented by the relevant team. In addition to the set business of governance, finance, human resources and property, a large amount of business focussed on the operation of the St Paul's Centre, the articulation of strategy and the rebuilding of financial management processes, Safeguarding and Health and Safety (particularly in relation to St Paul's properties) have become increasingly significant issues. Three principal working groups have been established. The HR Working Group, the Finance Working Group and the Governance Working Group.

The PCC has committed itself to appointing and financing a paid staff team, working alongside the clergy. An annual budget is presented to the PCC and once approved the majority of decisions relating to expenditure are delegated to the senior staff team with quarterly management accounts and financial updates being presented to the PCC.

The staff team is there to develop the ministry of the Church within parameters set by the PCC, and to motivate and guide congregational members in the development of their own ministries. As a many hundreds of congregational members are actively involved in ministries within and outside St. Paul's.

In pursuit of its objectives, the PCC co-operates with a number of other charities and trusts related to the church. The PCC is the sole managing trustee of the St Paul's Church Hall Fund which holds the church and St Paul's Centre buildings and one residential property privately let with the income used to fund clergy accommodation. The PCC also works closely with Insights for Life, which is a registered charity set up in 2007 with the aim of supporting family life in our community; with Resurgo, a registered charity set up in 2003 which houses the SPEAR programme; the St Paul's Money Advice Centre, a registered charity which operates the Hammersmith branch of Crosslight Advice; and TLG (Transforming Lives for Good), A registered charity which partners St Paul's in the operation of our TLG West London Centre – our secondary school for pupils in danger of exclusion. See relevant sections of 'Activities during the Year' below.

Risk Policy

During 2018, the Risk Management process continued to identify and document all significant risks to which St Paul's may be exposed and ensure that appropriate safeguards are in place to mitigate the impact of those risks. Risk is considered under five principal categories (Governance, Operational, Financial, Compliance and External) with items owned by named staff and PCC members. The present (as will the future) structure incorporates the Safeguarding Policy and a robust pastoral structure to address personal ministry issues. Financial risk is managed on a day to day basis by the Finance Manager who reports to the PCC and works with the Finance Working Group chaired by the PCC Treasurer and which meets not less than 3 times a year. A fully updated Risk Register is presented annually to the PCC.

Reserve Policy

Where cash flow permits, the PCC is accumulating monthly amounts with a longer-term view of establishing a reserve to ensure a resilient cashflow strategy. Taking account of the projected levels of income, the diverse sources of income and the relative timing of receiving income the PCC decided, in order to be confident of being able to smooth out episodic cash flow issues, to build up a reserve of £150,000. This is such an amount as to cover three months of salaries. At the date of this report the reserves stood at £80,000



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During 2018 an investment project into the kitchen facility was scoped and costings obtained. The proposal is to redesign and upgrade the kitchen and its equipment so that it is more aligned to best practice for a commercial kitchen space and therefore better able to meet the continuing growing demand on the catering facilities. This work will be carried out in the summer of 2019, therefore £60,000 of budgeted income that had not been allocated to expenditure in 2018 was moved to the budget reserve to fund the project in 2019.

Grant Policy

Each year the PCC, as part of the annual budget procedure, agrees a global sum for external giving. In addition, there may be dedicated collections made for a particular person or concern. The External Giving Group constituted by the Vicar and PCC and chaired by a member of the Global Vision Group meets regularly to manage the administration of the external giving budget. Priority is given to members of the congregation to concentrate on particular mission work. Subject to certain conditions, those going abroad for a year or longer may be eligible for support of up to £3,000 per year for an initial period of 3 years. Those going on short-term mission may be eligible for support of up to £500. Different criteria apply to those doing particular mission work in the UK. Members of St Paul's may apply for support for particular projects or organisations. People in training for ordination or missions work may also receive small grants. In addition to the external giving budget, there is a hardship fund from which grants may be made at the discretion of the Vicar. In 2018, the External Giving Group managed £11,500.

AIMS AND OBJECTIVES

The Parochial Church Council (PCC) of St Paul's Hammersmith has the responsibility, together with the Vicar, the Reverend Simon Downham, to promote in the parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. It is also responsible for the maintenance and development of the church building, the St Paul's Centre, St Pauls Place and staff accommodation. The PCC seeks to implement the Church's agreed vision statement: to Glorify God by becoming a transforming community for Hammersmith, West London, London and beyond. The mission is the formation of dynamic, urban, missional, disciples, or Cityshapers shaped by God to shape the city.

STRATEGIES ADOPTED TO ACHIEVE THE AIMS AND OBJECTIVES

The PCC holds a strategic review each June. In June 2018 the Vision and Mission were again affirmed but with new headline language of Heaven on Hammersmith. One strategic priority was brought to the fore: Growth. Five spheres of activity were articulated – Growth through, Building a House of Prayer, Establishing a School of the Spirit and Promoting a people of Blessing all underpinned by resources (principally people and property, and finances) and a strong community.

The activities related to these priorities are set out below. The costs of these activities are shown in consolidated form within the accounts.

The contribution from church members volunteering time, energy and money toward the mission of St Paul's is invaluable. Without the generous support of some three hundred and fifty committed adult members within our congregation the charitable, social and outreach work of the church would not exist.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF

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Public Benefit

The Charities Commission in its Charities and Public Benefit Guidance requires that there are two principles to be met to show that the organisation's aims are for the public benefit. Firstly there must be an identifiable benefit. Secondly, the benefit must be to the public or a section of the public.

When planning the activities and in exercising their duties and powers in order to meet the stated objective of the charity for the year under review, the members of the PCC confirm they have had due regard to the guidance issued by the Charity Commission on public benefit and that they will continue to ensure each year that they will consider how the PCC continues to meet the public benefit objectives outlined in section 4 of the Charities Act 2011.

Membership

Average Sunday attendance since the last APCM (25th April 2017) was 365 (including staff, children and young people). (2017's figure was 401). There are 355 people on the electoral roll down from 401 in 2017.

SERVICESSunday Services

Our regular pattern of Sunday services has remained largely the same with the 8.30am, 10.30am and 6pm services. Highlights in the preaching series included Brilliant House, Simple Gospel, and a study in Galatians on Freedom. Visiting speakers included a sofa Sunday with Giles and Sheila Udy from Getting Out of The Boat, Professor RT Kendall, Scott McNamara, Chuck Parry and Dr Michael Brown. Josh Lees as well as Denis Adedie also preached to the 6pm community.

Worship

2018 was a time of transition for our worship team. The worship team was taken over by Elijah Dobner in September when he came on as our new Worship and Creative Pastor. Elijah leads the team with the help of Worship Intern Phil Jones and six other regular worship leaders who lead our sung worship during our Sunday services, weddings, funerals, other special services and at various prayer and worship nights. We've had several outstanding worship events throughout the year, including Kingdom Comes and Basement Worship nights. Our team organized a 24 hour worship and prayer event in January 2019, which was also a success.

Currently there are 34 members of the team and we continue to introduce new members.

The Christmas Program was one of our biggest to date drawing people from all around the local area in to hear the good news of the Christmas story. At our Carols by Candlelight service we had a Choir of around 50 people led by musical directors Sam and Rachel Chaplin singing in front of a packed sanctuary. We feel that it, along with our Family and Alternative Carols services were true highlights of the past year.

Baptisms

There was great excitement for parents, Godparents, families and friends in our morning services as 6 children were baptised into the church. We had the privilege of baptising 5 youth and 1 adult with a full immersion service. There was also a thanksgiving celebration for one child.

Easter

The Ash Wednesday service held on 14th February at 8am and Reading Ephesians Out Loud on Wednesday 28th March. A particular highlight of the week was the Maundy Thursday Passover Meal with guest speaker Simon Lissak (Chosen People Ministries) who led everyone through the steps of a Seder Plate with the specific foods for the Seder Meal. 100 people attended, staff hosted the meal with catering provided by Cooking 4 @ Crowd. On Good Friday we participated in

the ecumenical March of Witness in central Hammersmith with local churches culminating in an evangelistic service outside in Lyric Square.

Easter morning there was a joyful all age morning service as well as an evening celebration on Easter Day.

Over 325 people attended services from Good Friday to Easter Day.

Christmas

Christmas was again a great highlight with Rachel & Sam Chaplin our musical directors for one outstanding Carols by Candlelight service attendance by some 750 people. In addition, there was a family carols with Christingles and an alternative carol service with special lighting and effects.

There was increased attendance for all Christmas services including The Crib, the Christmas Eve midnight service and Christmas day all age celebration. There were over 1345 in attendance at services throughout advent to Christmas and 503 attending Christmas Crib, Eve and Christmas Day.

In addition, eight schools held their carol services at St Paul's.

In total we estimate that over 8,000 people participated in Christmas celebrations.

On Christmas Day there was a lunch hosted for 30 people to gather in those who found themselves alone on Christmas day.

DISCIPLESHIP

Children

Tandy Ruoff and Lisa Carson ran our children and families with a team of 40 wonderful volunteers. The heart of the ministry is City Kids with a prime focus on Sundays. Currently there are 122 children under 11 registered with an average Sunday attendance of 65.

A weekly woman's bible study group ran on a Thursday morning with 10 core families and an average attendance of 6-8 children attending the creche.

The Citykids outreach ministry is complemented by occasional events such as the Bright Party with 90 children in attendance and the Mother's Day service where 15 additional St Paul's Primary School families joined in our children's choir.

The Family Life team also ran a Prayer room for 'Thy Kingdom Come' week which was attended by St Pauls Primary School (years 2-5). A 120 children were able to receive a lesson on "what is Prayer" and have the opportunity to spend time in the prayer room doing different prayer activities.

The Family Life team have also had amazing opportunities to lead All-age services during 2018 which have been wonderfully attended with full congregation participation from 3months to 99yrs. The Christmas season saw many new families visiting our services the highlights being our Christingle and Crib Service which had over 250 local families taking part.

2018 was a fruitful year an incredible team of volunteers who have been amazingly supportive and servant-hearted in serving the children and families of this church.

Youth

Youth attendance averaged at 33 young people (with 50 registered) per Sunday, which is a 27% increase from last year. The youth meet in the Centre on a Sunday morning as part of the church services.

Rosie Tenant joined as the new youth and student worker alongside Dominic Gbanga.

A particular highlight is life group on a Wednesday evening run for older youth boys between the ages of 15 - 17 with 6 in regular attendance. It's been a great time of sharing faith and having the conversation about being a young man in 2018. In addition to this, an older youth life group has been run after our Sunday gatherings with 13 young people attending this group. We have had 4 young people from TLG to come to on a Sunday and have run a boys mentoring session for young men from TLG once a term. We hosted the 1st ever youth takeover at St Paul's during the evening service where the young people served in various aspects of the service.

The volunteer youth team has increased from 7 to 10 with two Hannahs joining the team alongside Abi. They have been great additions alongside our already awesome volunteer team.

Life Groups

Life Groups are a key priority. There are 17 Lifegroups actively meeting. Lifegroups receive a weekly email sent to leaders and administrators with updates, study notes, testimony and events. There were 2 leaders lunches. February and November. Sheila and Viv Thomas brought great wisdom to the role of leadership at the November lunch with two addition dates added for gathering in 2019. All leaders attend Leaders Advance in January and September, and there are ongoing one to ones with Leaders throughout the year.

There was a young adults weekend away in September attended by over 40 people.

Discipleship & Evangelism

Alpha was held twice in 2018 with 40 people who attended across sessions. The *Getting Out of the Boat Conference* was held in February offering teaching and time for healing prayers and deeper encounter at which over 175 people attended.

The church welcomed Scott McNamara in June for a one-day conference and to preach about the *Jesus at the Door initiative*. Members of the congregation and staff members went to the streets using the *J@TD* tools and led 8 people to Christ over three days.

Welcoming and Newcomers

The Sunday Welcome team has 41 congregation members. 80 new people filled in Connect Cards over the year. A welcome pack for Newcomers was created and has been given to those enquiring about integration into church life. There have been five Newcomers Events.

Marriage Preparation

In 2018 one couple from the congregation were married outside London. One to one pastoral meetings were held with the couple involved.

Prayer Life

Prayer is a key strategic priority. Prayer is categorised as Intercession, Restorative and Contemplative with all prayer seen as a Holy Spirit empowered conversation leading to encounter. There is a recurring pattern of prayer every Thursday at 7am with a pool of 10 regular intercessors. In addition, there have been four Kingdom Come whole church worship and prayer meetings.

David's Tent held three worship evenings with over 600 in attendance at each. Our worship leader Elijah Dobner held an impromptu New Year's Eve worship night and 90 people joined in.

At Sunday services Restoration Prayer was offered throughout the year by the Prayer Ministry Teams with ministry time at each service seeing an increase in those responding. There are currently 35 Prayer Ministry Team members of the team. Freedom Prayer continues with 23 people receiving prayer.

The church connected with the Archbishop of Canterbury's Kingdom Come prayer for evangelism initiative. A pray room was set aside during Pentecost with dedicated themes for Thy Kingdom Come in the St Paul's centre. A West London Kingdom Come worship night was held at the start of Pentecost hosting 11 other churches.

Living Free

We continued to offer Freedom Prayer sessions throughout the year but on a much reduced basis. We held sessions on Wednesday mornings praying for 23 people overall for which the feedback was most encouraging.

Pastoral

Pastoral care continues to be provided through life groups or referral to a wider pastoral team combining professional counsellors, spiritual directors and resources. Pastoral appointments, home and hospital visits have continued.

COMMUNICATION

Communications In the last year the communications team has got two new staff members – One to create content and one to oversee and manage projects. Our aim is to now create content, designs and material for the church entirely in-house. This will hopefully unify and help ensure that our 'brand' look and feel is more consistent.

We have increased the standard of photography, social media output and are creating content that really highlights the life of the church and the people in it.

In the last 90 days our website has seen 8,647 sessions with 5,933 users and 25,095 page views.

We have increase our output on Facebook, Twitter and Instagram to posting a minimum of three times a week. Facebook has seen 1,166 likes (up from 1,132) and Instagram has an increase to 453 followers (350 last year) with there being more engagement on each post.

MISSIONAL ACTIVITIES

St Paul's Centre

St Pauls Centre continues to successfully build on the missional work of the whole St Paul's Family.

Spear, Resurgo and Crosslight continue to grow, reaching more and more people in the community. Accounting for nearly 50% of our total bookings for 2018, the care and support offered by them continues to grow the name of St Pauls as a Christian church shaping the community and the shaping the city.

We welcomed approximately 85,000 people to the centre last year through over 1,800 bookings. In addition to our work with our own internal missional partners, we worked with other charities including Age Uk, Teenage Cancer Trust, Action on Disability. Our charity bookings led to around 3,000 hours of meeting room space delivered to support their work.

Our ability to offer technology and audio-visual packages underpins the success of our bookings; Our clients used the plasma screens 103 times, and the theatre package in the Newbegin room, our largest conference room was booked 109 times.

We have also built on our reputation as a destination venue, delivering a unique space for larger events. We again welcomed Britain's Got Talent, hosted a major UK Film Premier, delivered the annual conference for Imperial College NHS Trust and the Tearfund jubilee event. This outreach again shows how we are reaching the community with our message to both Christian and secular organisations.

- Our busiest month was March with 256 bookings made
- Our busiest room was the Library which had 290 events in the year including internal bookings
- We provided 206 separate audio-visual usages
- We delivered 60 events through 8 local schools, attended by approximately 9,500 children

English Language School

Gemma Hawkins and a team of 4 wonderful women have established English lessons for immigrant women in our borough.

Classes have run on a weekly basis since September 2017 and since January 2019 all volunteers are taking turns to prepare and lead lessons!

We frequently have new students joining and committing to regular attendance. At the moment there are 3 Brazilian, 2 Bulgarian, 2 Japanese, 1 Eritrean and 1 Nepalese women regularly attending and bringing between them 4 children.

Everyone who attends, enjoys learning, conversational company, and the drinks and snacks that follow the lesson!

Global Vision

The purpose of Global Vision team is to raise the profile of global issues among the congregation and to support members who are overseas.

Recently the focus has been on financially supporting five families and individuals working abroad, along with a local youth refugee charity.

They are Carlton and Ali Geake who have just moved from South Africa to the US with OM; Matt and Sveta Cheal who have moved from Moscow to Stockholm with People International; Flo and Inno Magambi working with refugees in Malawi with their growing charity There is Hope; Joel and Fiona Hafvenstein working with United Mission to Nepal; Elke Hanssmann who travels the globe training OM's people; and Refugee Support Network which is based in west London and has strong links with members of St Paul's.

TLG West London Centre

TLG West London is SPH's Alternative Provision Education Centre serving Hammersmith and Fulham Education Authority as well as surrounding areas, Brent, Ealing and Hounslow. The school takes pupils who have been excluded from mainstream education and those who are at risk of permanent exclusion on 2 to 5 day programs of study. We continue to be known as specialists for reintegration into mainstream school due to our nurturing and holistic programs and the extensive pastoral support offered to very vulnerable young people.

The academic year 2017/2018 was a positive year where we exceeded all financial milestones and 90% of our students were successfully reintegrated back into mainstream education. Throughout the year we were at full capacity with a waiting list in place.

Many of our pupils have recognised Special Educational Needs with over 50% requiring SEN support or have an Education Health Care Plan.

The mobility of pupils has not been as high as previous years as a small cohort with SEN needs have requested to do their KS4 schooling at TLG. Of the 25 pupils on roll in 2017/18, 10 completed a full academic year with us. All other pupils joined us at a point in the year other than the September start date and left before the end of the summer term.

We continue to see a significant number of students being referred to TLG West London. The numbers of referrals surpass the capacity we are able to accommodate due to space limitations within the building.

- The total number of students referred last academic year was 25 (over 3 terms; autumn, spring and summer)
- 70% of students took part in activities facilitated by St Pauls during the school day on 10 occasions throughout the year.
- 50% took part in activities (Church service) facilitated by the St Pauls youth pastor on 3 occasions beyond the school day.
- 2% of student and families attended special services at St Pauls at Christmas and Easter.

MISSIONAL PARTNERS

Foodbank

We continue to be significant supporters of the Hammersmith and Fulham Foodbank.. The week before Christmas we hosted the Foodbank families Christmas party. SPH volunteers helped alongside the Food bank team and Simon Downham delivered a 'Christmas Moment' message with carols sung. The St Pauls Money Advice Centre has partnered with the Foodbank to provide money training for Foodbank clients.

Resurgo (Spear, Resurgo Ventures)

In 2018, the Spear Programme engaged with over 675 young people, 153 of which came through our Hammersmith and Fulham centres. 24% of young people had a mental health issue or learning difficulty, 49% had less than 5 GCSEs (A*-C) and 46% received free school meals.

75% of young people that complete the Spear Programme get into work and are there a year later.

The annual Resurgo Party based at St Paul's raised over £450,000 with special guest appearances from comedy duo Harry and Chris!

The St Paul's Money Advice Centre St. Paul's Money Advice Centre jointly operates the Hammersmith branch of Crosslight Advice – a charity which is authorized and regulated by the Financial Conduct Authority – in order to provide debt advice and money education in the Hammersmith area offering our local communities hope and help.

The Centre is run by Stephan Wiedmer (Case Manager) and supported by 237 volunteers including five daytime Case Manager who provide debt advice to clients through a mix of face-to-face client meeting (6-12 every week) plus phone calls, email and letters. In 2018 they held 461 face-to-face appointments with. They saw 98 new clients. There is a weekly drop-in for existing clients, facilitated by two volunteer hosts. In 2018 there were 148 drop-ins from clients. At 31st December 2018 the money advice centre had 97 active clients with £1.7 million of debts.

In addition to debt advice, they offer a program of one-to-one budget coaching with a budgeting mentor to help clients create a budget and learn financial skills, so they can manage their finances wisely.

St Paul's Church of England Primary School

St Paul's Church of England Primary School is thriving and is at the heart of the church's mission in the parish and has been rated Outstanding by Ofsted. Six of the present governors and the chair of the Friends of St Pauls are associated with the church. There are weekly assemblies with the whole school in the church where we welcome parents and carers as well, with a usual attendance of 240 pupils and 30 adults. St Paul's Church team lead assemblies without any planned input from the school.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF

ST PAUL, HAMMERSMITH

ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2018

FINANCIAL REVIEW

The financial results for the year set out on pages 17 to 34 are the consolidated results of the PCC and St Paul's Church Hall Fund, of which the PCC is the sole Managing Trustee.

The main sources of funding for the PCC in respect of the general operations of the church continued to derive from donations made by the congregation which account for £509,536 of unrestricted funds.

The rest is made up of church lettings, contributions towards specific church activities/courses. At the year end the consolidated General Funds stood at £905,148.

At the year-end date, restricted funds were negative by £323,850. As more fully disclosed by note 21, the negative fund relates to the construction of the St Pauls Centre and arose because of a shortfall between monies collected over monies expended on the eventual completion of the extension in October 2011. The shortfall at the time was met by way of a generous interest free loan of £100,000 provided by a member of the congregation (now repaid) and through commercial loans obtained from the London Diocese Fund (now repaid) and Triodos.

During the year the PCC reduced bank loans by £19,417. It is anticipated that the remaining Triodos loan will continue to be repaid by way of general giving, committed pledges and operating surpluses transferred from the General Fund in the future years. The PCC is confident that it will be able to meet its commitment to service the loan as the repayments fall due.

The Triodos loan is secured on the property situated in Rannoch Road in Hammersmith, London which belongs to St Paul's Church Hall Fund and forms part of its Endowment Fund. The Endowment Fund as at the year- end date represents the estimated fair value of the property as at 18th October 2011 being the date the PCC became the Sole Managing Trustees of St Paul's Church Hall Fund.

The PCC continues to manage the resources of the church primarily through the use of an annual budget covering each area of the church's ministry. The application of all resources held within the General Fund is determined by the PCC and senior staff. In the main, all of the 2018 budget objectives were achieved.

FUTURE PLANS

The Church's vision is to become a transforming community for London. The mission is the formation of dynamic, urban, missional disciples. The aim is to build a 'strong temple' for the sake of a strong city. Our key priorities are:

- o The establishment of a Kingdom Culture
- o The promotion of prayer in the broader sense of intimate encounter with our enjoyment of investment in the presence of God.
- o Sundays and other principal gatherings for worship.
- o The building of community principally through a refreshed Life Group System and planning of a church weekend away in 2019.
- o The growth of the church through evangelism and mission strategies through the development of a Mission Action Plan.



THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF

ST PAUL, HAMMERSMITH

ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2018

STATEMENT OF PAROCHIAL CHURCH COUNCIL MEMBERS' RESPONSIBILITIES

Charity law requires the PCC Members to prepare financial statements for each financial year that give a true and fair view of the PCC's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the PCC Members should follow best practice and:

- o Select suitable accounting policies and then apply them consistently.
- o Make judgments and estimates that are reasonable and prudent.
- o Prepare financial statements on the going concern basis unless it is inappropriate to presume that the PCC will continue in operation.

The PCC Members are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the PCC and which enable them to ascertain the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011 and the Church Accounting Regulations 2006. They are also responsible for safeguarding the assets of the PCC and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

We are immensely grateful to God for all He has done throughout the year.

Signed for and on behalf of the PCC of St Paul Hammersmith on

16th April 2019

..... The Reverend Simon Downham (Vicar)

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

Opinion

We have audited the financial statements of The Parochial Church Council of the Ecclesiastical Parish of St Paul, Hammersmith (the 'PCC of St Paul's Church Hammersmith') for the year ended 31 December 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2018 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the PCC of St Paul's Church Hammersmith in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Charity's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the PCC of St Paul's Church Hammersmith's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the accounts is inconsistent in any material respect with the Charity's Report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Charity's responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the PCC of St Paul's Church Hammersmith's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Alexander James & Co Ltd

Michael Morris Dobrin
For and on behalf of
Alexander James & Company Limited
Chartered Certified Accountants
Statutory Auditor

17 April 2019

Alexander James & Company Limited is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006")

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2018 £	Total 2017 £
Income from:						
Donations and legacies	3	509,536	11,048	-	520,584	506,542
Charitable activities	4	637,765	2,400	-	640,165	560,425
Rental income	5	111,637	-	-	111,637	112,413
Total income		1,258,938	13,448	-	1,272,386	1,179,380
Expenditure on:						
Raising funds	6	65,824	-	-	65,824	58,279
Charitable activities	7	1,128,577	9,208	-	1,137,785	1,101,844
Total resources expended		1,194,401	9,208	-	1,203,609	1,160,123
Net gains/(losses) on investments	11	-	-	(35,000)	(35,000)	(40,000)
Net incoming/(outgoing) resources before transfers		64,537	4,240	(35,000)	33,777	(20,743)
Gross transfers between funds		(16,539)	16,539	-	-	-
Net movement in funds		47,998	20,779	(35,000)	33,777	(20,743)
Fund balances at 1 January 2018		131,000	(344,629)	1,085,000	871,371	892,114
Fund balances at 31 December 2018		178,998	(323,850)	1,050,000	905,148	871,371

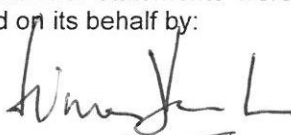
THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

BALANCE SHEET

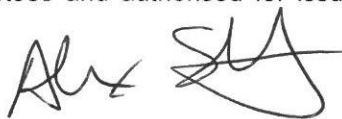
AS AT 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	12		9,995		11,153
Investment properties	13		1,050,000		1,085,000
			<u>1,059,995</u>		<u>1,096,153</u>
Current assets					
Debtors	15	103,557		97,760	
Cash at bank and in hand		148,279		95,688	
		<u>251,836</u>		<u>193,448</u>	
Creditors: amounts falling due within one year	16	101,735		93,169	
		<u>101,735</u>		<u>93,169</u>	
Net current assets			150,101		100,279
Total assets less current liabilities			1,210,096		1,196,432
Creditors: amounts falling due after more than one year	18		(304,948)		(325,061)
			<u>(304,948)</u>		<u>(325,061)</u>
Net assets			<u>905,148</u>		<u>871,371</u>
Capital funds					
Endowment funds			1,050,000		1,085,000
Income funds					
Restricted funds			(323,850)		(344,629)
Unrestricted funds			178,998		131,000
			<u>905,148</u>		<u>871,371</u>

The financial statements were approved by the Trustees and authorised for issue on 16 April 2019 and are signed on its behalf by:



The Revd Simon Downham
Trustee



Mr A Starling
Trustee

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Cash absorbed by operations	24		(35,798)		(64,911)
Investing activities					
Purchase of tangible fixed assets		(3,831)		(10,212)	
Rent received		111,637		112,413	
Net cash generated from investing activities			107,806		102,201
Financing activities					
Repayment of bank loans		(19,417)		(30,910)	
Net cash used in financing activities			(19,417)		(30,910)
Net increase in cash and cash equivalents			52,591		6,380
Cash and cash equivalents at beginning of year			95,688		89,308
Cash and cash equivalents at end of year			148,279		95,688

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Charity information

The Parochial Church Council of the Ecclesiastical Parish of St Paul, Hammersmith is a corporate body established by the Church of England.

1.1 Accounting convention

The financial statements have been prepared in accordance with the PCC of St Paul's Church Hammersmith's [governing document], the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The PCC of St Paul's Church Hammersmith is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the PCC of St Paul's Church Hammersmith. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 December 2018 are the first financial statements of The Parochial Church Council of the Ecclesiastical Parish of St Paul, Hammersmith prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2017. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the PCC of St Paul's Church Hammersmith has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the PCC of St Paul's Church Hammersmith.

1.4 Incoming resources

Income is recognised when the PCC of St Paul's Church Hammersmith is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the PCC of St Paul's Church Hammersmith has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the PCC of St Paul's Church Hammersmith has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income from investment properties and other rental income is recognised on the accruals basis.

1.5 Resources expended

Resources expended are recognised when a liability crystallises to pay funds to a third party for the supply of goods or services in pursuance of the Charity's objectives and general business.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant, equipment and machinery	At rates between 25% per annum and 33.3% per annum reducing balance basis
--------------------------------	---

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Impairment of fixed assets

At each reporting end date, the PCC of St Paul's Church Hammersmith reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

(Continued)

1.10 Financial instruments

The PCC of St Paul's Church Hammersmith has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the PCC of St Paul's Church Hammersmith's balance sheet when the PCC of St Paul's Church Hammersmith becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the PCC of St Paul's Church Hammersmith's contractual obligations expire or are discharged or cancelled.

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

2 Critical accounting estimates and judgements

In the application of the PCC of St Paul's Church Hammersmith's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

2 Critical accounting estimates and judgements

(Continued)

Key sources of estimation uncertainty

Key sources of estimation uncertainty which may have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

Investment property valuation

The Charity's investment property is stated at the estimated fair open market value based on a professional valuation as disclosed in note 13.

Legacies

Legacies are recognised on receipt or otherwise if the PCC of St Paul's Church Hammersmith has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2018	2018	2018	2017
	£	£	£	£
Donations and gifts	509,536	11,048	520,584	506,542
For the year ended 31 December 2017	493,940	12,602		506,542

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

4 Income from charitable activities

	St Paul's Church	The Lighthouse Group	External & Charitable Giving	St Paul's Centre	Total	2017
	£	£	£	£	£	£
Income from charitable activities	151,525	236,289	-	249,951	637,765	558,025
Other income	-	-	2,400	-	2,400	2,400
	<u>151,525</u>	<u>236,289</u>	<u>2,400</u>	<u>249,951</u>	<u>640,165</u>	<u>560,425</u>
Analysis by fund						
Unrestricted funds	151,525	236,289	-	249,951	637,765	
Restricted funds	-	-	2,400	-	2,400	
	<u>151,525</u>	<u>236,289</u>	<u>2,400</u>	<u>249,951</u>	<u>640,165</u>	
For the year ended 31 December 2017						
Unrestricted funds	115,137	241,410	-	201,478		558,025
Restricted funds	-	-	2,400	-		2,400
	<u>115,137</u>	<u>241,410</u>	<u>2,400</u>	<u>201,478</u>		<u>560,425</u>

5 Rental income

	Unrestricted funds £	Total 2018 £	Total 2017 £
Income from let properties	111,637	111,637	112,413
	<u>111,637</u>	<u>111,637</u>	<u>112,413</u>

Rental income represents £35,000 received from Resurgo Trust for its rental of St Paul's Place (2017 £35,000), £14,300 from the operators of the cafe (2017 £14,395), and other rental income of £62,337 (2017 £63,018).

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST PAUL, HAMMERSMITH**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

6 Raising funds

	Unrestricted funds £	Total 2015 £	Total 2017 £
Cost of renting and maintaining let properties	65,824	65,824	58,279
	<u>65,824</u>	<u>65,824</u>	<u>58,279</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

7 Expenditure on charitable activities

	St Paul's Church	The Lighthouse Group	External & Charitable Giving	St Paul's Centre	One-off Weekends & Other Events	Total	2017
	£	£	£	£	£	£	£
Church activities	520,000	142,952	45,415	1,959	2,871	713,197	711,366
Property costs and site management	127,112	23,168	-	208,913	-	359,193	278,611
	647,112	166,120	45,415	210,872	2,871	1,072,390	989,977
Share of support costs (see note 8)	33,998	1,645	2,742	16,450	-	54,835	101,347
Share of governance costs (see note 8)	10,560	-	-	-	-	10,560	10,520
	691,670	167,765	48,157	227,322	2,871	1,137,785	1,101,844
Analysis by fund							
Unrestricted funds	691,670	167,765	38,949	227,322	2,871	1,128,577	
Restricted funds	-	-	9,208	-	-	9,208	
	691,670	167,765	48,157	227,322	2,871	1,137,785	
For the year ended 31 December 2017							
Unrestricted funds	605,687	221,828	68,284	200,228	3,417	1,099,444	
Restricted funds	-	-	2,400	-	-	2,400	
	605,687	221,828	70,684	200,228	3,417	1,101,844	

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

8 Support costs

	Support costs £	Governance costs £	2018 £	2017 £
Central IT costs	29,748	-	29,748	43,302
Communications	3,948	-	3,948	3,313
Finance costs	7,412	-	7,412	18,924
Servicing of loans	11,872	-	11,872	12,533
Central admin (excluding salaries)	1,855	-	1,855	23,275
 Audit fees	 -	 10,560	 10,560	 10,520
	<u>54,835</u>	<u>10,560</u>	<u>65,395</u>	<u>111,867</u>
Analysed between Charitable activities	<u>54,835</u>	<u>10,560</u>	<u>65,395</u>	<u>111,867</u>

Explanation of basis of allocation

Central IT, communications, finance and central admin costs have been apportioned on the basis of an approximation of the staff time that was committed to organising, facilitating and managing the various activities.

The costs of servicing loans have been apportioned to the St Paul's Centre as the loans were used to facilitate the build of the centre.

Salaries relating to staff that were dedicated to a specific activity were allocated in full to that activity. The remaining general management and support staff costs were allocated in line with an approximation of the staff time that was committed in organising, facilitating and managing the various activities of the Charity.

St Paul's charitable and missional activities utilise the various owned and rented properties for office space, meetings, interviews and classrooms etc. Therefore the property costs have been allocated to activities according to the space that they occupy on both a regular and ad hoc basis.

Governance costs includes amounts payable to the auditors of £10,560 (2017- £10,520) for audit fees.

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the PCC of St Paul's Church Hammersmith during the year.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2018 Number	2017 Number
St Paul's Centre, site and facilities staff	6	4
Clergy, pastoral and ministry staff	8	9
Operations staff	3	3
TLG staff	5	5
	<u>22</u>	<u>21</u>

There were no employees whose annual remuneration was £60,000 or more.

11 Net gains/(losses) on investments

	Total 2018 £	Total 2017 £
Revaluation of investment properties	<u>(35,000)</u>	<u>(40,000)</u>

The freehold land and buildings have been included in these accounts by the trustees based upon the professional open market valuation provided to them by an independent valuer, Marsh & Parsons Limited which is a long established local real estate agents with ongoing relevant experience in the location and class of the property being valued. Revaluation gains and losses are recorded in full in these accounts.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

12 Tangible fixed assets

	Plant, equipment and machinery £
Cost	
At 1 January 2018	409,959
Additions	3,831
At 31 December 2018	413,790
Depreciation and impairment	
At 1 January 2018	398,806
Depreciation charged in the year	4,989
At 31 December 2018	403,795
Carrying amount	
At 31 December 2018	9,995
At 31 December 2017	11,153

13 Investment property

	2018 £
Fair value	
At 1 January 2018	1,085,000
Net gains or losses through fair value adjustments	(35,000)
At 31 December 2018	1,050,000

Investment property comprises freehold residential land and buildings. The fair value of the investment property has been arrived at by the Trustees on the basis of a valuation carried out at 19th February 2019 by Marsh & Parsons Limited, a long established local real estate agent, who are not connected with the PCC of St Paul's Church Hammersmith. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

PCCs cannot own buildings and land in their own right. In compliance with the PCC (Powers) Measure Act 1956, parish property of buildings and land is vested in the London Diocesan Fund who act as the "Diocesan Authority" (custodian trustee), with the PCC acting as managing trustee. Although legal title to the property is registered in the name of the London Diocesan Fund, the London Diocesan Fund has no day to day control over the disposition of such custodian trusts and the PCC enjoys all rights and encumbrances as if it were the beneficial owner. Accordingly the PCC includes the value of the investment property in its own balance sheet.

14 Financial instruments

	2018 £	2017 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost (debtors)	7,210	40,744

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

(Continued)

14	Financial instruments		2018	2017
	Carrying amount of financial liabilities			
	Measured at amortised cost (creditors)		397,330	410,571
			<u> </u>	<u> </u>
15	Debtors			
			2018	2017
	Amounts falling due within one year:		£	£
	Other debtors		10,100	40,744
	Prepayments and accrued income		93,457	57,016
			<u> </u>	<u> </u>
			103,557	97,760
			<u> </u>	<u> </u>
16	Creditors: amounts falling due within one year			
			2018	2017
		Notes	£	£
	Bank loans	17	20,264	19,568
	Other taxation and social security		9,353	7,659
	Other creditors		72,118	65,942
			<u> </u>	<u> </u>
			101,735	93,169
			<u> </u>	<u> </u>
17	Loans and overdrafts			
			2018	2017
			£	£
	Bank loans		325,212	344,629
			<u> </u>	<u> </u>
	Payable within one year		20,264	19,568
	Payable after one year		304,948	325,061
			<u> </u>	<u> </u>

The long term mortgage loan is secured by a fixed charge over the investment property to which it relates.

The long term loan was drawn down from Triodos Bank in December 2011 and is contracted on a capital and interest repayment basis over a term of 20 years. The interest rate on the loan is 3.25% above the Royal Bank of Scotland base rate.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

18 Creditors: amounts falling due after more than one year

	Notes	2018 £	2017 £
Bank loans	17	304,948	325,061

19 Endowment funds

These are endowment funds which are material to the PCC of St Paul's Church Hammersmith's activities made up as follows:

	Balance at 1 January 2018 £	Revaluations gains and losses £	Balance at 31 December 2018 £
Permanent endowments			
Land and buildings	1,085,000	(35,000)	1,050,000
	<u>1,085,000</u>	<u>(35,000)</u>	<u>1,050,000</u>

The endowment fund represents the long term capital funds that are required to be maintained as a permanent endowment. This fund cannot be used to make distributions that would otherwise be made out of income without the consent of the Charity Commission. The endowment fund can be expended in or towards land and buildings including community facilities in order to further the work of the Church without recoupment.

As required, the Trustees have had the assets within the endowment fund professionally revalued and these accounts record the assets at open market value at the balance sheet date as determined by the Trustees.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				
	Balance at 1 January 2018	Incoming resources	Resources expended	Transfers	Balance at 31 December 2018
	£	£	£	£	£
Extension Project (Stretch 21)	(348,841)	7,090	-	16,539	(325,212)
Specific purposes / charities	4,212	6,358	(9,208)	-	1,362
	<u>(344,629)</u>	<u>13,448</u>	<u>(9,208)</u>	<u>16,539</u>	<u>(323,850)</u>

Extension Project (Stretch 21)

The deficit in relation to this fund represents the shortfall of monies expended over monies collected in relation to the building of the extension to the Church.

The PCC met the shortfall by way of medium and short term loans. The repayment of the deficit in this fund was expected to be met by way of general giving, committed pledges and operating surpluses in future years.

The Trustees have determined that in order to address the deficit on this fund in a manageable but prudent basis, the accumulated deficit will be reviewed annually and should be no more than the balance remaining on the loan owed to Triodos Bank.

This bank loan is repayable in full by instalments over a 20 year loan period ending in December 2031 as disclosed in note 17 to these accounts.

If in any given year insufficient externally generated funds have been raised for this restricted fund to reduce the deficit to no more than the Triodos Bank loan balance at the year end date, a transfer will be made from unrestricted funds to achieve sufficient reduction of the fund deficit on an annual basis.

Specific purposes/charities

This fund represents the unexpended balance of monies collected towards specified external giving.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

21 Analysis of net assets between funds

	Unrestricted 2018 £	Restricted 2018 £	Endowment 2018 £	Total 2018 £	Total 2017 £
Fund balances at 31 December 2018 are represented by:					
Tangible assets	9,995	-	-	9,995	11,153
Investment properties	-	-	1,050,000	1,050,000	1,085,000
Current assets/(liabilities)	159,795	(9,694)	-	150,101	100,279
Long term liabilities	-	(304,948)	-	(304,948)	(325,061)
	<u>169,790</u>	<u>(314,642)</u>	<u>1,050,000</u>	<u>905,148</u>	<u>871,371</u>

22 Financial commitments, guarantees and contingent liabilities

In August 2018 the Charity commenced an archaeological study of the human skeletal remains discovered during the construction of St Paul's Centre. This programme of works was a condition of the planning granted for the centre, and its completion discharges the Charity's last planning obligation.

Oxford Archaeology were engaged to prepare a formal Post Excavation Assessment ("PXA") proposal which was submitted to and approved by Historic England prior to commencement. The PXA now being undertaken by Oxford Archaeology runs on a monthly work and reporting cycle until January 2020.

At the balance sheet date the Charity was committed to twelve monthly payments of £4,080 each and one final payment of £4,374 due in January 2020 on completion of the PXA. The total aggregate outstanding financial commitment is therefore £53,334

23 Related Party Transactions

St Paul's Church Hall Fund

St Paul's Church Hall Fund is connected to the PCC because it is required by its Trust Deed to apply funds towards the repairs and maintenance of the fixtures of St Paul's Church Hammersmith, in furthering the religious and other charitable work of the Church of England in the parish. The Trust is also permitted to apply its capital towards new church facilities.

As from 18 October 2011, following a Charity Commission order, the PCC became the sole Managing Trustee of the Fund and its assets and liabilities are consolidated with those of the PCC from that date.

Other Related Party Transactions

Simon Downham (Vicar) is also a trustee of Insights for Life, a registered charity and one which works closely with the PCC with the aim of improving family life. There were no disclosable transactions between the PCC and Insights for Life

Rosemary Brown is also a trustee of St Pauls Money Advice Centre, a registered charity which works closely with the PCC with the aim of providing members and the local community with hope and help with their finances and debt. There were no disclosable transactions during the year.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST PAUL, HAMMERSMITH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2018

24	Cash generated from operations	2018 £	2017 £
	Surplus/(deficit) for the year	33,777	(20,743)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(111,637)	(112,413)
	Fair value gains and losses on investment properties	35,000	40,000
	Depreciation and impairment of tangible fixed assets	4,989	9,037
	Movements in working capital:		
	(Increase) in debtors	(5,797)	(17,607)
	Increase in creditors	7,870	36,815
	Cash absorbed by operations	(35,798)	(64,911)