

**ST JOHN'S WOOD CHURCH
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

ST JOHN'S WOOD CHURCH

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ST JOHN'S WOOD CHURCH

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2018

Trustees	Ryan Barrows Anders Bergquist Ajoke Braithwaite Thomas Freyman Penny Greenwood-Penny Amanda Hawke Anthony Jayasekera Stephen Jones Patricia Lovelock Shelley Quaile Mandy Smith Deborah Stuart Chloe Taysom
Charity registered number	1131882
Principal office	The Church Office St John's Wood Church Lord's Roundabout St John's Wood London NW8 7NE
Accountants	RPG CROUCH CHAPMAN LLP 62 Wilson Street London EC2A 2BU
Bankers	Barclays Bank PLC 40 Wellington Road London NW8 9TJ

ST JOHN'S WOOD CHURCH

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The Parochial Church Council, being for this purpose the Trustees of the Ecclesiastical Parish of St John's Wood, present their annual report together with the financial statements for the year 1 January 2018 to 31 December 2018.

Introduction

The parish church of the ecclesiastical parish of St John's Wood (universally known as "St John's Wood Church") is a parish church of the Church of England as by Law Established. Like all other parish churches of the Church of England, it has no separate Trust Deed or founding Charter, but is part of the constitutional fabric of the realm. The Church of England first came into being as a legal entity through successive Acts of Parliament in the time of King Henry VIII. It was abolished under the Commonwealth, and re-established by The Act of Uniformity (1662). The church's life is governed by three sorts of laws: Acts of Parliament, ecclesiastical Canons (promulgated by Convocation), and Measures (passed by General Synod, though they also pass through Parliament before acquiring the force of law). The boundaries of individual parishes are determined by the Sovereign in Council - the Ecclesiastical Parish of St John's Wood was brought into being by Orders in Council in 1952.

Objects and activities

a. Objectives

This constitutional position means that the Parish's objectives are, in a sense, not under its own control, but set by statute. But the Parish would identify its objectives as being: to make pastoral care and the services of the church (including weddings, funerals, and baptisms) available to everyone in St John's Wood who wishes to have them; to welcome and encourage as many people as possible to worship in their parish church; to build up and encourage churchgoers in their Christian discipleship and in their knowledge of the Christian faith; to make the love of Jesus Christ known to the people of this part of London through acts of compassionate service; to maintain the church and the adjacent church hall complex to a high standard, as a place of worship and as a resource for the local community; to engage in constructive dialogue with other churches and local faith communities; to support other local community institutions in a shared attempt to build vibrant and resilient community in St John's Wood; and to reduce the impact on the environment of the activities that take place in the premises for which it is responsible, while also encouraging members of the congregation to adopt environmentally thoughtful lifestyles.

b. Activities for achieving objectives

Worship of high quality is offered in the church. There are programmes of Bible and other Christian study throughout the year. Baptisms, weddings and funerals take place regularly in the church, and the clergy take funerals on behalf of the church in local crematoria. A special effort is made to welcome those who are not regular churchgoers (like all parish churches of the Church of England, the church is under a legal obligation to provide for baptisms and weddings for those resident in the parish or otherwise legally qualified to ask for them, and it is the PCC's policy to embrace this as a positive opportunity for pastoral service to the community). Pastoral visits are made to the housebound, the sick, and the dying. Close contacts are maintained and developed with other local faith communities, including especially the London Central Mosque and three local synagogues. An environmental plan to mitigate the church's carbon footprint is reviewed regularly.

c. Main activities undertaken to further the Charity's purposes for public benefit

All the church's activities are understood to be for public benefit, and this is implicit in the Establishment of the Church of England: a parish church is in itself a public, and not a private, body. The church is open to all, and does not limit its interest to those who are active churchgoers. The church is left open throughout the day on almost every day of the year, so that members of the wider community and general public may enter for purposes of prayer or tourism. The church also makes

ST JOHN'S WOOD CHURCH

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2018

its premises available to a wide range of community organisations for their events at reduced (sometimes no) cost, and it makes regular grants to local community organisations. It runs a free weekly drop-in session for very young children and their parents/carers. Through its inter-faith commitments, it makes an important contribution towards sustaining a mutually respectful and tolerant community in St John's Wood.

Achievements and performance

There were 185 parishioners on the Church Electoral Roll in 2018 (179 in 2017).

a. Worship, prayer and study

Worship of a high standard and in varying styles was offered throughout the year, with strong musical leadership from the 11am Choir and from the Chamber Choir. Holy Week and Christmas services were well attended. Worship throughout the year, but especially at the major festivals, was again enhanced by excellent flower arrangements. In addition to regular services, 11 baptisms took place in church during the year, as well as four weddings and five funerals (the clergy officiated at six further funerals not held in church). The average weekly attendance at regular Sunday services, was 125 (141 in 2017), but numbers increased considerably at Christmas and Easter. The reduction in regular attendance reflects demographic changes in the catchment area of the church. A weekday music-and-play based event for very young children and their carers ("Little Locusts") continued to be held weekly: this service has been a particular place of outreach into the growing expatriate Japanese community. Children continued to be warmly welcomed at Sunday services, where the leaders of Junior Church do excellent work. The Junior Choir sang once a month at the Parish Eucharist, and there was a Junior Church summer outing to the seaside at Walton-on-the-Naze. The Taize service on the second Sunday evening of each month again provided opportunities for reflective prayer in a timeless idiom.

b. Maintenance of the fabric

The fabric of the church continued to be maintained to a high level, and the other properties for which the PCC is responsible were all in good order.

c. Service to the community

The Crypt was used throughout the year to host the North Paddington Boys' Club at a greatly reduced charge, while their own premises were being redeveloped. Using the income from a bequest from the late Miss M. W. Heathcote, grants totalling £9,620 were made from PCC funds to community projects, including the St John's Wood Adventure Playground, Neighbourcare (two donations: one towards the cost of new minibus, the other towards the cost of a Christmas lunch organised by them for residents living on their own), and Christ Church Bentinck Primary School (for booster classes in English). The PCC is pleased that the Church and the Hall premises continued to be used by a wide variety of community organisations, including (apart from the North Paddington Boys' Club) the Regent's Park Decorative & Fine Arts Society, the St John's Wood Society, the St John's Wood Film Club, and several local residents' associations. The Hall was made available without charge for local ward councillors to hold constituency surgeries. The church also hosted a number of concerts and events during the year to raise funds for other charities, including St John's Hospice. It continues to be the policy of the PCC to make the premises available to community organisations, or good causes, at reduced charges or free of charge. Special collections for outside charities raised £1,844 at Christmas and £5,464 on other occasions in the year, including £1,994 raised for Neighbourcare through the church's Christmas Fair. St John's Wood Church, in partnership with other local churches, raised a total of £1,825 for Christian Aid, through direct donations and the proceeds of the annual Book Fair. There is a regular Traidcraft and Zaytoun stall after Sunday services, the profits from which are given to charities in the developing world. The Vicar continued to serve as a Governor

ST JOHN'S WOOD CHURCH

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2018

of Arnold House School, and as a Trustee of the Marylebone Almshouses, and welcomed many school groups into church for visits and services. The Curate led regular services at the St Martin's Almshouses, and led assemblies for local schools.

d. Inter-Anglican, ecumenical and inter-faith work

There is regular co-operation with other local Anglican churches. Ecumenical activities included shared Lent study groups, and the Children's Procession on Good Friday, which brings together children from all of the churches in our area. The Church again hosted the annual "Light up a Life" service for St John's Hospice, which has a strong ecumenical and interfaith component. The Vicar continued to take part in an initiative by the Archbishop of Canterbury and the Chief Rabbi to encourage dialogue between Anglican clergy and orthodox rabbis, and contributed to national C. of E. bodies such as the Liturgical Commission and the Porvoo Panel.

e. Safeguarding

The PCC undertook an Annual Review of its Safeguarding Policy, in line with Diocesan guidelines. Safeguarding and Child Protection appear as an item on the agenda of every PCC meeting. No incidents of any kind were reported during the year.

f. Other policies

The Fire Risk Assessment was reviewed during the year, and actions arising from that review were undertaken. Key members of staff received training in First Aid.

g. Relations with the wider diocesan structures

Three members of the PCC served on the Deanery Synod during the year; and one of them also continued as the Synod's Secretary for part of the year. The PCC paid its contribution to the Diocesan Common Fund in full. In addition, the John Slater Fund (established in memory of a former incumbent to make grants to those active in ministry in the Diocese of London, to help with sabbatical and other travel plans) made two grants totalling £1100 during the year (an additional grant of £500 was paid from general PCC funds towards the cost of the Vicar's Study Leave during 2017-8).

Financial review

a. Key Financial Performance Indicators, including investment policy and performance

The PCC has five ordinary financial aims each year:

1. to raise sufficient funds to defray the ordinary activities of the parish church;
2. to be able to pay at least 10% of rental income into its Fabric Reserve Fund each year;
3. to ensure that its Fabric Reserve Fund is sufficiently well-stocked to meet the cost of caring for the fabric of the Church and the Hall complex;
4. to use any legacies that it receives for the long-term good of the parish church and to support the flourishing of the wider community; and
5. to invest such balances as it holds in ethical and responsible ways.

From time to time, the Church also 6. organises special appeals to support particular projects. It is not the policy of the PCC to maximise the raising of funds beyond what is needed to meet these objectives: we do not understand ourselves to be primarily a fund-raising organisation.

Success in regard to each of these aims is measured as follows:

1. by the church's Operating Fund breaking even, after
2. having made a year-end transfer of at least 10% of rental income to the Fabric Fund;

ST JOHN'S WOOD CHURCH

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2018

3. by the Fabric Reserve being able to cope with demands upon it;
4. by using legacy income in ways appropriate to the objectives of the parish;
5. by maintaining a reasonable (not necessarily maximum) level of income from investments, and investing in ethically reliable funds via (e.g.) the C. of E.'s Central Board of Finance;
6. The money having been spent on the purposes for which it was raised.

All these criteria were met or exceeded in 2018. The financial statement shows that incoming resources exceeded outgoing resources by £8,464. An additional transfer of £13,000 was paid into the Fabric Reserve, over and above the normal 10% of rental income. Congregational giving continued to be strong over the year.

b. Investment policy

It is the PCC's policy to invest funds, not immediately required, in income-producing funds which allow capital value to be protected.

c. Reserves Policy

It is PCC policy to try to maintain a balance on free reserves (net current assets) which equates to at least six months' unrestricted payments. It is held to smooth out fluctuations in cash flow to meet emergencies. The balance of the free reserves at the year end was £253,200 which comfortably exceeds the six months' target.

d. Fundraising

The PCC raises its funds from rents, voluntary congregational giving, investments, and parochial fees (the level of which is set nationally by synodical Measure). There were no appeals to the general public during the year, and no external fundraisers were employed.

e. Going Concern

After making appropriate enquiries, the PCC has a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Structure, governance and management

a. Constitution

The Parochial Church Council (PCC) of St John's Wood Church is a corporate body established by the Church of England, and operates under the Parochial Church Council (Powers) Measure. The PCC acts as the body of Trustees for the Ecclesiastical Parish of St John's Wood.

b. Method of Appointment or Election of Trustees

The method of appointment of PCC members is set out in the Church of England's Church Representation Rules. Its membership comprises the incumbent and any assistant curate(s), the churchwardens, and members elected (either directly to the PCC, or to the Deanery Synod) by those members of the congregation who are on the Electoral Roll of the church. All who attend church regularly are encouraged to register on the Electoral Roll, and to offer themselves as candidates to serve on the PCC.

ST JOHN'S WOOD CHURCH

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2018

c. Organisational Structure and Decision-Making

The Incumbent and PCC have shared responsibility for the pattern of services in the church. The clergy oversee the pastoral and educational life of the parish. The churchwardens are responsible in law for the fabric, goods, and ornaments of the church itself.

The PCC has three committees, from all of whom it receives and discusses reports:

- (a) The Finance and Buildings Committee meets in advance of each full PCC. It has delegated authority to spend up to £2,000 on works. Expenditure greater than £2,000 is always decided by the full PCC.
- (b) The Heathcote Committee disburses the income estimated to have been generated each year by a legacy from the late Miss M. W. Heathcote. The PCC has decided as a matter of discretion to use this money (which was not given for any specific purpose, and is unrestricted in use) to support projects that benefit the local community. It meets twice a year. The Heathcote Committee is responsible to the PCC for encouraging potential applicants (who complete a form), for deciding on grants, and for evaluating the effectiveness of how they have been used.
- (c) The Slater Committee disburses the income of the John Slater Fund, which was created for the purpose of making travel grants to clergy active in ministry in the Diocese of London. The Committee meets once a year. Applications on a set form are encouraged through bishops, archdeacons, and Area Directors of Training and Development, and travel plans have normally been approved by these bodies before they reach the Committee. Recipients of grants are required to report on how the money has been used.

The PCC acts as the employer of a part-time Parish Administrator and a full-time Hall Manager, and has maintenance responsibilities for the Church Hall complex with its three residential flats, and for two other residential properties. It is also responsible for the letting of church premises, or for their use by outside organisations.

The PCC appoints a Children's Advocate, a Safeguarding Officer, and a Fire Safety Officer to help it to discharge its responsibilities in these areas.

When planning activities for the year, the PCC has considered the Charity Commission's guidance on public benefit, and in particular the specific guidance on charities for the enhancement of religion.

Administrative information

The Church of St John the Baptist, universally known as St Johns Wood Church, is the parish church of the Ecclesiastical Parish of St Johns Wood in the City of Westminster. It is situated by Lord's Roundabout. The correspondence address is The Church Office, St Johns Wood Church, London NW8 7NE.

The Parochial Church Council (PCC) is registered with the Charity Commission as Charity No. 1131882.

PCC members who served at any time from 1 January 2018 until the date this report was approved are:

ST JOHN'S WOOD CHURCH

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

Incumbent	Anders Bergquist Chairman	
Clergy licensed to parish	Jeremy Tayler	until 8.9.18
	Kristina Andréasson	from 3.2.19
Churchwardens	Stephen Jones	Lay Vice-Chair
	Penny Greenwood-Penny	
Elected representatives on the Deanery Synod		
	Penny Greenwood-Penny	re-elected at APCM on 13.4.14
	Deborah Stuart	re-elected at APCM on 13.4.14
	Shelley Quaile	from APCM on 30.4.17
Elected members	Tomas Freyman	from APCM on 24.4.16, Treasurer
	Patricia Lovelock	from APCM on 24.4.16
	Vivien Turner	from APCM on 24.4.16, resigned 1.9.18
	Ryan Barrows	from APCM on 30.4.17
	Ajoke Braithwaite	from APCM on 30.4.17
	Antony Jayasekera	from APCM on 30.4.17
	Amanda Smith	from APCM on 30.4.17, resigned 1.9.18
	Amanda Hawke	from APCM on 22.4.18
	Chloe Taysom	from APCM on 22.4.18

Approved by the PCC on 2 April 2019 and signed on its behalf by:



ANDERS BERGQUIST
PCC Chairman

ST JOHN'S WOOD CHURCH

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ST JOHN'S WOOD CHURCH (the 'charity')

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 December 2018.

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work or for this report.

RESPONSIBILITIES AND BASIS OF REPORT

As the Trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the charity'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 2011 Act.

INDEPENDENT EXAMINER'S STATEMENT

Since the charity'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 and Wales, which is one of the listed bodies.

Your attention is drawn to the fact that the charity has prepared the accounts in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I can confirm that no 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 charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

ST JOHN'S WOOD CHURCH

INDEPENDENT EXAMINER'S REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2018

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.

Signed:



Dated:

4/7/2019

JEREMY TYRRELL FCA

RPG CROUCH CHAPMAN LLP
Chartered Accountants
62 Wilson Street
London
EC2A 2BU

ST JOHN'S WOOD CHURCH

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:					
Donations and legacies	2	196,629	13,394	210,023	179,611
Investments	3				
Rental income		172,012	-	172,012	165,112
Other investments		14,033	1,551	15,584	14,725
Other income		1,862	116	1,978	3,000
TOTAL INCOME		<u>384,536</u>	<u>15,061</u>	<u>399,597</u>	<u>362,448</u>
EXPENDITURE ON:					
Raising funds	4	-	1,266	1,266	1,517
Charitable activities:					
Grants and donations		9,620	11,391	21,011	22,209
Activities relating to the work of the church		312,294	-	312,294	266,569
Other expenditure		56,562	-	56,562	55,115
TOTAL EXPENDITURE	4	<u>378,476</u>	<u>12,657</u>	<u>391,133</u>	<u>345,410</u>
NET INCOME BEFORE INVESTMENT GAINS/(LOSSES)		6,060	2,404	8,464	17,038
Net gains/(losses) on investments	8	<u>(35,022)</u>	<u>(2,226)</u>	<u>(37,248)</u>	<u>14,747</u>
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		(28,962)	178	(28,784)	31,785
NET MOVEMENT IN FUNDS		(28,962)	178	(28,784)	31,785
RECONCILIATION OF FUNDS:					
Total funds brought forward	12-13	<u>600,926</u>	<u>71,383</u>	<u>672,309</u>	<u>640,524</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>571,964</u></u>	<u><u>71,561</u></u>	<u><u>643,525</u></u>	<u><u>672,309</u></u>

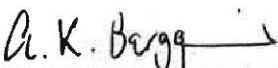
The notes on pages 12 to 24 form part of these financial statements.


ST JOHN'S WOOD CHURCH

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	7		81,942		84,001
Investments	8		308,383		345,631
			<u>390,325</u>		<u>429,632</u>
CURRENT ASSETS					
Debtors	9	31,212		32,592	
Cash at bank and in hand		236,584		222,309	
		<u>267,796</u>		<u>254,901</u>	
CREDITORS: amounts falling due within one year	10	(14,596)		(12,224)	
NET CURRENT ASSETS			<u>253,200</u>		<u>242,677</u>
NET ASSETS			<u><u>643,525</u></u>		<u><u>672,309</u></u>
CHARITY FUNDS					
Restricted funds	12		71,561		71,383
Unrestricted funds	12		571,964		600,926
TOTAL FUNDS			<u><u>643,525</u></u>		<u><u>672,309</u></u>

The financial statements were approved by the Parochial Church Council on 2/4/2019 and signed on their behalf, by:


A. K. BERGQUIST
Incumbent


T. FREYMAN
Hon. Treasurer

The notes on pages 12 to 24 form part of these financial statements.

ST JOHN'S WOOD CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

St John's Wood Church constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared in GBP and all amounts have been rounded to the nearest £.

Going concern

During the year ended 31 December 2018 the church had net outgoing resources of £28,784 (2017: net incoming resources of £31,785). This is after taking into account unrealised losses of £37,248 (2017: unrealised gains of £14,747), before which the net incoming resources would amount to £8,464 (2017: £17,038).

The members of the PCC are satisfied that there are no circumstances which threaten the going concern status of the church in the foreseeable future.

For this reason, the members of the PCC are of the opinion that the church can be considered a going concern for the foreseeable future, this being a period of at least 12 months from the date of approval of the balance sheet.

ST JOHN'S WOOD CHURCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES (CONTINUED)

Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

ST JOHN'S WOOD CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES (CONTINUED)

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

Tangible fixed assets and depreciation

Church furnishing

No value is placed on movable church furnishings held by the church wardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be inalienable property. All expenditure incurred during the year on consecrated or benefice buildings and movable church furnishings, whether maintenance or improvement, is written off as expenditure in the SOFA and separately disclosed.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	Not depreciated
Motor vehicles	-	4 years straight line
Musical instruments	-	10 and 25 years straight line

ST JOHN'S WOOD CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES (CONTINUED)

Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Debtors

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

Cash and cash equivalents

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

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Financial instruments

In addition to its investments, the charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

ST JOHN'S WOOD CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES (CONTINUED)

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Cash Flow Statement

The financial statements do not include a cash flow statement as the charity is small under the provisions of the Charities SORP (FRS102) and, is therefore exempt from the requirements to prepare such a statement.

2. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Standing orders, pledges and envelopes (Gift Aid)	91,378	-	91,378	85,725
Standing orders, pledges and envelopes (Others)	19,687	-	19,687	17,824
Donations and appeals	21,540	12,548	34,088	24,811
Gift Day (Gift Aid)	14,160	-	14,160	8,005
Gift Day (Others)	3,806	-	3,806	400
Zaytoun	468	-	468	715
Traidcraft	-	756	756	1,015
Grants	912	-	912	691
Church fees received by PCC	1,879	-	1,879	1,401
Income tax recoverable on Gift Aid	28,873	90	28,963	25,340
Cash collections at all services	13,726	-	13,726	13,684
Legacies	200	-	200	-
	<u>196,629</u>	<u>13,394</u>	<u>210,023</u>	<u>179,611</u>
Total 2017	<u>167,715</u>	<u>11,896</u>	<u>179,611</u>	

ST JOHN'S WOOD CHURCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

3. INVESTMENT INCOME

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Rental income from church properties	172,012	-	172,012	165,112
Dividends and interest received	14,033	1,551	15,584	14,725
	<u>186,045</u>	<u>1,551</u>	<u>187,596</u>	<u>179,837</u>
Total 2017	<u>177,659</u>	<u>2,178</u>	<u>179,837</u>	

ST JOHN'S WOOD CHURCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

4. EXPENDITURE

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
<u>Fundraising</u>				
Fundraising	-	1,266	1,266	1,517
Sub total	-	1,266	1,266	1,517
<u>Grants and donations</u>				
Christian Aid	-	1,965	1,965	2,045
Relief and development agencies	-	5,383	5,383	1,669
Bicentenary	-	1,798	1,798	-
Local charities and grants	9,620	1,145	10,765	15,196
Slater travel grants	-	1,100	1,100	3,300
Sub total	9,620	11,391	21,011	22,209
<u>Activities directly relating to the work of the church</u>				
Common fund contribution	128,396	-	128,396	130,600
Clergy expenses	4,197	-	4,197	4,431
Clergy houses - maintenance and running costs	22,044	-	22,044	11,089
Church running expenses	43,059	-	43,059	30,186
Choir and music	50,967	-	50,967	48,718
Staff accommodation	2,610	-	2,610	2,521
Fabric expenditure - Church/ Hall	25,770	-	25,770	15,216
Church Hall running costs	33,192	-	33,192	22,749
Depreciation of equipment	559	-	559	1,059
Loss on disposal of fixed assets	1,500	-	1,500	-
Sub total	312,294	-	312,294	266,569
<u>Church management and administration</u>				
Staff costs	46,459	-	46,459	41,411
Office running expenses	7,463	-	7,463	8,498
Governance costs	2,640	-	2,640	5,208
Sub total	56,562	-	56,562	55,116
Total	378,476	12,657	391,133	345,410

ST JOHN'S WOOD CHURCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

In 2017, of the expenditure, £330,757 was to unrestricted funds and £14,653 was to restricted funds.

5. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the charity	559	1,059

During the year, no Trustees received any remuneration (2017 - £NIL).

During the year, no Trustees received any benefits in kind (2017 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2017 - £NIL).

During the year, the Trustees made donations of £14,387 (2017: £21,183).

During the year, the Chairman of the PCC received a grant of £500 towards the cost of his study leave, approved by the Bishop (2017 - £2,200).

6. STAFF COSTS

	2018 £	2017 £
Wages and salaries	45,917	41,411
Pension contributions	542	373
Total	46,459	41,784

During the year the PCC employed three office staff, none of whom earned £60,000 per annum or more. There are no significant disclosure transactions in respect of PCC members, persons closely connected with them or any other related parties.

ST JOHN'S WOOD CHURCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

7. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Total £
<u>Cost</u>				
At 1 January 2018	75,300	2,000	9,139	86,439
Disposals	-	(2,000)	-	(2,000)
At 31 December 2018	75,300	-	9,139	84,439
<u>Depreciation</u>				
At 1 January 2018	-	500	1,938	2,438
Charge for the year	-	-	559	559
On disposals	-	(500)	-	(500)
At 31 December 2018	-	-	2,497	2,497
<u>Net book value</u>				
At 31 December 2018	75,300	-	6,642	81,942
At 31 December 2017	75,300	1,500	7,201	84,001

The freehold land and buildings comprise the Church Hall and the property located at 3 Cochrane Street, London NW8. These were last revalued for insurance purposes during 2017 at £3,136,000.

8. FIXED ASSET INVESTMENTS

	Listed securities £
<u>Market value</u>	
At 1 January 2018	345,631
Revaluations	(37,248)
At 31 December 2018	308,383

ST JOHN'S WOOD CHURCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

	Cost £	Value as at 31.12.18 £	Value as at 31.12.17 £
<u>Restricted</u>			
M&G Charibond - John Slater Fund	60,000	57,242	59,468
<u>Unrestricted</u>			
Barclays Sterling Bond Fund	20,000	20,745	21,712
M&G Charifund Income	74,158	211,163	244,470
M&G Charibond	20,000	19,233	19,981
Sub total	174,158	308,383	345,631
Total	174,158	308,383	345,631

9. DEBTORS

	2018 £	2017 £
Income tax recoverable	21,370	21,100
Other debtors	9,842	11,492
	31,212	32,592

10. CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Other creditors	14,596	12,224

ST JOHN'S WOOD CHURCH

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

11. FINANCIAL INSTRUMENTS

	2018 £	2017 £
Financial assets measured at fair value through income and expenditure	308,383	345,631
Financial assets measured at amortised cost	9,752	11,490
	<u>318,135</u>	<u>357,121</u>
Financial liabilities measured at amortised cost	<u>14,596</u>	<u>12,224</u>

Financial assets measured at fair value through income and expenditure comprise fixed asset investments.

Financial assets measured at amortised cost comprise other debtors.

Financial liabilities measured at amortised cost comprise creditors.

12. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 January 2018 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2018 £
<u>Unrestricted funds</u>					
General Funds	<u>600,926</u>	<u>384,536</u>	<u>(378,476)</u>	<u>(35,022)</u>	<u>571,964</u>
<u>Restricted funds</u>					
Appeals	876	8,828	(3,340)	-	6,364
Bicentenary	4,933	116	(1,798)	-	3,251
Carol Services	2,615	1,845	(2,615)	-	1,845
Christian Aid	-	1,965	(1,965)	-	-
John Slater Fund	62,050	1,551	(1,313)	(2,226)	60,062
Traidcraft	909	756	(1,626)	-	39
	<u>71,383</u>	<u>15,061</u>	<u>(12,657)</u>	<u>(2,226)</u>	<u>71,561</u>
Total of funds	<u>672,309</u>	<u>399,597</u>	<u>(391,133)</u>	<u>(37,248)</u>	<u>643,525</u>

There is a separate "candle money collection" which is administered by the Vicar and is used for the service of the altar and for charitable work at the Vicar's discretion. This is not included in the accounts for the year ended 31 December 2018 (and was not included for the year ended 31 December 2017). The balance of the candle money collection at 31 December 2018 was £2,342 (2017: £2,278).

ST JOHN'S WOOD CHURCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

12. STATEMENT OF FUNDS (continued)

The John Slater Fund was set up during 2005 as a permanent fund in tribute to a former incumbent. The funds are held in an individual bank account and are managed by the PCC.

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 January 2017 £	Income £	Expenditure £	Gains/ (Losses) £	Gains/ (Losses) £	Balance at 31 December 2017 £
General funds	567,378	348,589	(330,757)	15,716	-	600,926
<u>Restricted funds</u>						
Appeals	1,566	5,720	(6,410)	-	-	876
Bicentenary	4,646	287	-	-	-	4,933
Carol Services	1,350	2,615	(1,350)	-	-	2,615
Christian Aid	-	2,045	(2,045)	-	-	-
John Slater Fund	64,141	2,179	(3,300)	(969)	-	62,051
Traidcraft	1,441	1,015	(1,548)	-	-	908
	<u>73,144</u>	<u>13,861</u>	<u>(14,653)</u>	<u>(969)</u>	<u>-</u>	<u>71,383</u>

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 January 2018 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2018 £
General funds	600,926	384,536	(378,476)	(35,022)	571,964
	<u>600,926</u>	<u>384,536</u>	<u>(378,476)</u>	<u>(35,022)</u>	<u>571,964</u>
Restricted funds	71,383	15,061	(12,657)	(2,226)	71,561
	<u>672,309</u>	<u>399,597</u>	<u>(391,133)</u>	<u>(37,248)</u>	<u>643,525</u>

ST JOHN'S WOOD CHURCH

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

12. STATEMENT OF FUNDS (continued)

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 January 2017 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2017 £
General funds	567,378	348,589	(330,757)	15,716	600,926
Restricted funds	73,144	13,861	(14,653)	(969)	71,383
	<u>640,522</u>	<u>362,450</u>	<u>(345,410)</u>	<u>14,747</u>	<u>672,309</u>

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Tangible fixed assets	81,942	-	81,942
Fixed asset investments	251,141	57,242	308,383
Current assets	253,476	14,319	267,795
Creditors due within one year	(14,595)	-	(14,595)
	<u>571,964</u>	<u>71,561</u>	<u>643,525</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
Tangible fixed assets	84,001	-	84,001
Fixed asset investments	286,164	59,468	345,632
Current assets	242,985	11,915	254,900
Creditors due within one year	(12,224)	-	(12,224)
	<u>600,926</u>	<u>71,383</u>	<u>672,309</u>

