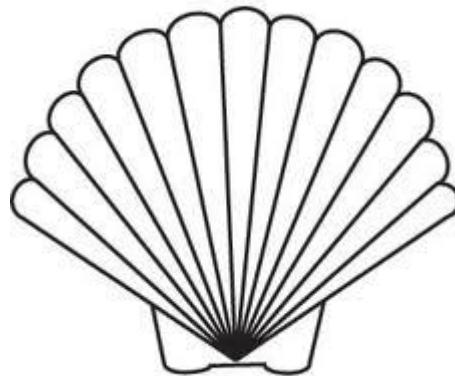


ST JAMES GARLICKHYTHE

ST JAMES GARLICKHYTHE

Registered charity number 1131198



REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023



REPORTS AND FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2023

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CHARITY INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2023

UK Registered Charity No.	1131198
Name of the charity	The Parochial Church Council of St James Garlickhythe with St Michael Queenhithe and Holy Trinity-the-Less
Registered office	St James Garlickhythe Garlick Hill London EC4V 2AF
Trustees	<p>Trustees and members of the Parochial Church Council from April 2023 to April 2024 were:</p> <p>The Rector: Revd Timothy Handley SSC (Chair) (resigned 1 October 2023)</p> <p>Churchwardens: Mr Paul Farmiloe Mr Philip Grant</p> <p>Other members of the PCC: Mr Ellis Pike (Lay Vice Chair) Mr Francis Barber Mr Gordon Haines MBE (Deputy Churchwarden) Mrs Jaspreet Hodgson CC (from 12 September 2023) Dr Joanna Kidd (Deputy Churchwarden) Mrs Emma McWilliams Prof Jonathan Rawlings (Deputy Churchwarden, from 12 September 2023) Mr Nick Stockwell Miss Lynette Stone CBE (Deputy Churchwarden) Ms Suzy Webb (Deanery Synod representative and Deputy Churchwarden)</p> <p>In attendance: Ms Johanne Moss (Secretary) Alderman Dr Sir Andrew Parmley MusM, Hon FGS (co-opted for music) Mr Stephen Hodgson FCA, CTA, ADIT (Hon. Treasurer, from 12 September 2023)</p>

CHARITY INFORMATION FOR THE YEAR ENDED 31 DECEMBER 2023

Other Church Officials

Hon. Curate:	Vacant
Verger:	Mr Ellis Pike
Parish Administrator:	Ms Johanne Moss
Electoral Roll Officer:	Mr Paul Farmiloe
Finance Officer:	Mrs Elizabeth Bridges
Gift Aid Officer:	Mr Philip Grant
Director of Music:	Alderman Dr Sir Andrew Parmley MusM, Hon FGS
Safeguarding Officer:	Dr Joanna Kidd
Fabric Officer	Mr Philip Grant
Terrier Officer	Prof Jonathan Rawlings
Tower Captain:	Mr Dickon Love MBE
Hon. Treasurer:	Mr Stephen Hodgson FCA, CTA, ADIT (from 12 September 2023)

Independent examiner

Mr Keith Raffan FCA
Raffan & Golding Ltd
17 Short's Garden
St Giles, Covent Garden
London, WC2H 9AT

Principal bankers

Co-operative Bank PLC
1 Balloon Street
Manchester, M60 4EP

Cambridge & Counties Bank Ltd
Charnwood Court
5B New Walk
Leicester, LE1 6TE

HSBC
60 Queen Victoria Street
London, EC4N 4TR

Investment Managers

CCLA Investment Management Ltd
Senator House
85 Queen Victoria Street
London, EC4V 4ET

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees of the charity, who are the members of the Parochial Church Council ('PCC') present their report and financial statements for the year ended 31 December 2023.

The Accounts have been prepared in accordance with the accounting policies set out in note 1 to the Accounts and comply with 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).

Structure, governance and management

The PCC, which is also a registered charity with the Charity Commission, is governed by the Parochial Church Councils (Powers) Measure 1956 and the Church Representation Rules 2020.

All members of the PCC are either *ex officio* or are elected at the Annual Parish Meeting in accordance with the Church Representation Rules. The parish has adopted a policy of waiving the term limits that any person cannot serve more than six years continuously. The members of the PCC, who are also considered trustees of the charity, who served during the year, are shown on page 1 of this report.

Eight full meetings of the PCC were held in 2023. The standing committee, consisting of the priest, two churchwardens, the secretary and treasurer has the power to meet and transact the business of the PCC between its meetings, subject to any directions given by the PCC.

The PCC and Church Wardens managed through the Interregnum process from the news in June, 2023, of Fr Tim Handley's impending departure and the process for the appointment of a new Rector. Fr Tim Handley's leaving service at the church was on 17 September 2023. The PCC were pleased to announce the appointment of the Revd Anthony Howe MA FSA as the new Rector in February 2024 and his Installation service will take place on 15 April 2024.

The Fabric Committee met several times during the year mostly online and as required. The Committee focused, in particular, on the church's Big Project, i.e. the complete refurbishment of the church's interior. See below, under *Church fabric & fabric committee*.

Objectives and activities for the public benefit

Aims and Purpose

The PCC has the responsibility of co-operating with the Rector, or with the Bishop of London during an inter-regnum, in promoting in the ecclesiastical parish of St James Garlickhythe, the whole mission of the church, pastoral, evangelistic, social and ecumenical. This is its main public benefit. The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the charity's aims and objectives and in planning its activities.

Activities:

Achievements and Performance

The PCC at St James is committed to enabling as many people as possible to worship at our church and to become part of the parish community. The PCC maintains an overview of worship throughout the parish and makes suggestions on how our services can involve the many groups that live and work within our parish. Our services and worship put faith into practice through prayer and scripture, music and sacrament.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

When planning our activities for the year, we have considered the Commission's guidance on public benefit and, in particular, the supplementary guidance on charities for the advancement of religion. We try to enable ordinary people to live out their faith as part of our parish community through:

- 1) Worship and prayer; learning about the gospel; and developing their knowledge of, and trust in, Jesus.
- 2) Provision of pastoral care for people living and working in the parish or who have a connection with St James including acting as Corps Church for 3MI Battalion of the Intelligence Corps.
- 3) Missionary and outreach work.

To facilitate this work, it is important that we maintain the fabric of the historic building of St James Garlickhythe and the attached parish rooms.

Worship and prayer

Prior to the Interregnum, the Eucharist had been celebrated at St James on Mondays, Tuesdays, Wednesdays, and Thursdays each week at 12.15pm, providing a quiet, intimate and reflective environment for prayer, whilst our Sunday Sung Eucharist continues to provide the opportunity to worship using the Church of England's traditional liturgy. St James continues to stream all its Sunday and special services through Facebook, Twitter, and YouTube.

Sunday services at St James are conducted according to the 1662 Book of Common Prayer and the Authorised Version of the Bible, also known as the King James Version. All readings and collects are taken from the lectionary and calendar of the Book of Common Prayer. Whilst our stance is traditional, we are an open, diverse, and inclusive Christian community with a wide range of personalities and eager to draw others into our fellowship. We warmly welcome all who wish to worship with us on Sundays, weekdays and on special occasions of service.

St James Garlickhythe PCC currently has liturgical responsibilities for St Michael Paternoster Royal, a church within the modern boundary of the parish of St James and which also lies within the Diocese of London. No responsibility has been taken for the upkeep of the building and this remains with the Diocese. Prior to the Interregnum, we held weekly said Eucharist on Mondays at St Michaels and support Livery company services there.

St James is well known for its musical traditions, under the splendid stewardship of our Director of Music, Sir Andrew Parmley. Once again, the church has been delighted with this rich heritage, which brings great pleasure to regular worshippers and to visitors.

In 2023, the electoral roll numbered 65 but this disguises the many more attending the church at other services and watching online. The congregation of St James Garlickhythe reflects its location in the heart of the City of London and therefore few reside in the parish. People worship at St James because of its commitment to the Book of Common Prayer of 1662, the Ordinal and the classical Anglican tradition of reverent worship, including the public use of the Authorised Version of the Bible of 1611.

In addition to the parish activities, St James Garlickhythe also plays an important role as church to a large number of city livery companies and the church is grateful for their generous support. These connections are an important aspect to St James, being seen as a church which is at the heart of the community of the City of London.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

St James is also the regimental chapel of 3MI Battalion of the Intelligence Corps. The turning of the page in the Book of Remembrance takes place at Sunday worship each month. We are delighted that our relationship with the Corps continues to deepen and we thank Lester Hillman for his support.

Deanery Synod

A member of the PCC sits on the City Deanery Synod. This provides the PCC with an important link between the parish and the wider structure of the church.

Church fabric & fabric committee

The PCC continues with its programme of repairs and maintenance to the historic building of St James Garlickhythe to safeguard the assets and the future mission of the church.

Work on a replacement statue of St James for the top of the restored clock continues, with a number of iterations being necessary with the contracted firm to ensure an appropriate representation of the figure of St James. We are most grateful for a generous donation to pay for this.

We are continuing to plan for our major programme of works, the church's *Big Project*, i.e. the complete refurbishment of the church's interior, with the first phase being the updating the back rooms, and, by March, 2024, the first phase of work had been completed. This included works on the Parish Room and former Vestry, with a new Vesting area created inside a small space outside the old Vestry, in the body of the church. These rooms were refurbished and reconfigured to be more appropriate for commercial use, for meetings and other activities, to be suitable for letting to City clients. The church is now gearing up for the later phases of work, with the appointment of an architect and fundraising for this will be a priority in the coming months. Among the work carried out have been a full 3D scan and a thermodynamic survey. Work will begin soon to evaluate the latter and see where we can make energy savings before next winter.

Pastoral care and reaching the community

Some members of our parish are unable to attend church due to sickness or age – however the live streaming allows them to still be part of our worship. Prayers are said on Sunday for those who are ill or in distress and we have a Chantry list which remembers the departed. Every morning a prayer mail is sent to our mailing list – which includes people from across the globe.

Missions

The PCC authorised the payment of 100% of the full cost of Common Fund for 2023 amounting to £87,775 (2022 - £85,200).

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

Financial result

The PCC made an overall deficit of £37,044 in 2023 compared to a surplus of £35,924 in 2022. The PCC are satisfied with the result.

In more detail, there was a surplus of £53,585 on the General Fund relating to the normal activities of the church including a gain on investments of £16,751, and there were outflows of funds totalling £3,089 on the restricted funds and an inflow of £6,030 on the endowment funds.

A transfer of £65,212 was required from the General Fund to further fund St James Big Project with £64,490 along with £222 to the Fabric Fund and £500 for Rectory redecoration.

In 2023, the income from hire fees and parish rates continued to perform well despite some disruptions during the building work on the two function rooms at St James. As for parish rates, the PCC managed to collect the most this year compared to previous years since the exercise was initiated by a past member of St James, the late John Hitch (may he rest in peace). The general running costs remain high due to increased cost of living. The PCC continued to make the 25% reduction in its payment to Common Fund but were able to pay the remaining 25% in two parts in July 2023 and January 2024, which are included in these accounts.

Our investments with CCLA and funds on deposit saw income of £4,513, a return of around 2.6% for the investments, with a total gain in their value of £20,867. This represented a total gain on investment of 13.5% compared to their value at the start of the year. Sadly, the high capital gains enjoyed over the last few years were unusual and this year it shows otherwise.

Looking to 2024, we will continue to expect a considerable deficit due to the major renovation planned to renew the church. A CCGC grant application has been submitted in March 2024, to fund part of the church renovation.

At 31st December 2023, the Church has total net assets of £594,373 of which £278,045 relates to the depreciated cost of the parish room and associated fittings and £1,127 restricted in cash for the Parish Room; £18,758 is restricted to the organ and music fund, £12,902 is restricted to the maintenance of the Royal Jubilee Bells and £3,000 is restricted to Technology fund.

Therefore, the church has free reserves of £280,541 (2022 - £311,488), down 9.9%. The free reserves include the St Mary Somerset endowment fund, as this is effectively unrestricted and include the amounts set aside for future costs associated with rectory redecoration and technology.

The PCC noted the result for the year and is satisfied with the level of reserves held at 31st December 2023.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

Investment policy

The PCC decided to invest some of the church funds with CCLA investment management in 2018 and the principal reason is to maintain the capital value of part of the General Fund while providing a little income. The investments at CCLA are either in dedicated funds for the Church of England or in the CCLA's highly ethical, managed fund for charities. Both funds provide annual income returns around 3% and have, so far, provided us with exceptional capital growth. £15,000 is invested in a 2% London Missional Housing Bond, which facilitates housing for church workers, and this investment forms part of our home mission strategy.

Reserves policy

Due to the historic nature of the Church building, the PCC is committed to ensuring that the Church has free reserves of a base minimum of 12 months of the recurring annual running costs, which are budgeted at around £175,000. At 31st December 2023, the free reserves covered costs for around 19 months (2022 – 21 months). Some of this cover depends on the value of investments, which will vary according to the health of the financial markets. However, the PCC believes that the level of reserves held are sufficient and reasonable to maintain the mission and safeguard the fabric of the historic church of St James Garlickhythe in the short and longer term.

Major risks

The PCC believes that it has identified and reviewed all major risks that might affect the mission and have sufficient systems and procedures in place to mitigate those risks. Identification and management of investment risk is addressed in the Investment Policy of the Church. The Fabric Committee meets regularly to identify risks and set building maintenance in progress.

Trustee Remuneration

No members of the PCC received any remuneration. Reasonable clergy expenses were met. Any other trustee expenses were gifted back to the church. There were no other related party transactions.

Volunteers

St James would like to thank Sir Andrew Parmley for maintaining such a rich musical tradition at St James.; to Ellis Pike for his duties as Verger and for documenting the parish plate, to Gavin Stevens for operating the live streaming and for helping, with Sarah Tidman and Steve Riu, with the refreshments after services; to Dickon Love, Tower Captain. To Gavin Stevens for all his support with the live streaming and assisting in the church. To Johanne Moss for acting as secretary and parish administrator. To Francis Barber and Lynette Stone for authorising banking transactions. To Malcolm Brown for compiling and sending out the Parish Rate requests. To Philip Grant for completing the gift aid returns. Finally, we would like to thank the churchwardens and the other trustees for their work welcoming visitors and attending to the livery companies and others at their services.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2023

Plans for the future

The PCC and the congregation at St James are dedicated to reaching out to the wider community to spread the word of Jesus. We would draw readers' attention to our website: www.stjamesgarlickhythe.org for further details of our mission, worship and pastoral care.

Responsibilities of the trustees and the PCC

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011 and the applicable Charities (Accounts and Reports) Regulations 2008.

They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the PCC on 27th March 2024 and signed on its behalf by:

Philip Grant
Churchwarden & Trustee

Paul Farmiloe
Churchwarden & Trustee

**REPORT OF THE INDEPENDENT EXAMINER TO THE TRUSTEES OF THE
PARISH OF ST JAMES GARLICKHYTHE WITH ST MICHAEL QUEENHITHE
AND HOLY TRINITY-THE-LESS**

I report to the Charity Trustees on my examination of the accounts of the Parochial Church Council of St James Garlickhythe with St Michael Queenhithe and Holy Trinity-the-Less (“the PCC”) for the year ended 31 December 2023, which are set out on pages 10 to 19.

This report is made to the Charity Trustees, as a body, in accordance with the terms of my engagement. My work has been undertaken so that I might carry out an Independent Examination of the financial statements in accordance with the General Directions given by the Charity Commissioners. 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 Charity Trustees of the PCC, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (“the Act”).

I report in respect of my examination of the PCC’s accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent Examiner's statement

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

1. accounting records were not kept in respect of the PCC as required by section 130 of the 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 (Account 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.

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.

Keith Raffan
Chartered Accountant
Raffan & Golding Ltd
17 Short’s Garden
Covent Garden,
London, WC2H 9AT

Dated: 18 April 2024

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2023

		2023	2023	2023	2023	2022
	NOTES	UNRESTRICTED	RESTRICTED	ENDOWMENT	TOTAL	TOTAL
		FUNDS	FUNDS	FUNDS	FUNDS	FUNDS
		GB £	GB £	GB £	GB £	GB £
Income						
Donations and legacies	2	104,910	5,142	-	110,052	94,435
Income from charitable activities	3	597	-	-	597	969
Income from other activities	4	115,254	-	-	115,254	128,160
Income from investments	5	6,246	79	1,316	7,641	5,292
Total income		227,007	5,221	1,316	233,544	228,856
Expenditure						
Costs of raising funds						
Costs of generating activity income	6	(1,131)	-	-	(1,131)	(2,085)
Expenditure on charitable activities	7	(278,784)	(8,310)	(3,230)	(290,324)	(166,555)
Total expenditure		(279,915)	(8,310)	(3,230)	(291,455)	(168,640)
Net income/(expenditure) for the year		(52,908)	(3,089)	(1,914)	(57,911)	60,216
Gains/(Loss) on investments	11	16,751	-	4,116	20,867	(24,292)
Net income/(expenditure) after gains/(losses)		(36,157)	(3,089)	2,202	(37,044)	35,924
Transfers between funds	15	(222)	222	-	-	-
Net movement in funds		(36,379)	(2,867)	2,202	(37,044)	35,924
Reconciliation of funds:						
Total funds brought forward	16	264,504	37,527	329,386	631,417	595,493
Total funds carried forward	16	228,125	34,660	331,588	594,373	631,417

† The notes on pages 13 to 19 form an integral part of these accounts

STATEMENT OF CASH FLOWS: YEAR ENDED 31 DECEMBER 2023

		2023	2022
		GB £	GB £
Cash flows from operating activities:			
Reconciliation of net movement in funds to net cash flow from operating activities			
Net movement in funds		(37,044)	35,924
Add: Depreciation		3,230	3,230
Deduct: interest and dividend income		(7,641)	(5,292)
Deduct (gain)/ add loss on revaluation of investments		(20,867)	24,292
(Increase)/ decrease in debtors		(1,068)	(6,661)
(Decrease)/ increase in creditors		27,412	(23,910)
(Decrease)/ increase in provisions		(10,000)	10,480
Cash used in operating activities	A	<u>(45,978)</u>	<u>38,063</u>
Cash flows from investing activities			
Income from interest and dividends		7,641	5,292
(Additions) to investment assets		-	-
Disposal of investment assets		-	-
Cash provided by/ (used in) investing activities	B	<u>7,641</u>	<u>5,292</u>
Cash flows from financing activities	C	<u>-</u>	<u>-</u>
(Decrease)/Increase in cash and cash equivalents in the year (A+B+C)		(38,337)	43,355
Total cash & cash equivalents brought forward		<u>183,243</u>	<u>139,888</u>
Total cash & cash equivalents carried forward †		<u>144,906</u>	<u>183,243</u>

† See balance sheet, page 12

STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2023 (BALANCE SHEET)

	NOTES	31 December 2023		31 December 2022	
		GB £	GB £	GB £	GB £
FIXED ASSETS					
TANGIBLE ASSETS	10		278,045		281,275
INVESTMENT ASSETS					
Managed Investment Funds	11	175,163		154,296	
London Missional Housing Bond		15,000		15,000	
Total Investment Assets			190,163		169,296
Total Fixed Assets			468,208		450,571
CURRENT ASSETS					
Debtors	12	33,636		32,568	
Cash at bank & on deposit		144,906		183,243	
Total Current Assets			178,542		215,811
CREDITORS, amounts falling due within one year	13	(41,897)		(14,485)	
NET CURRENT ASSETS			136,645		201,326
PROVISIONS FOR LIABILITIES	14		(10,480)		(20,480)
TOTAL NET ASSETS			594,373		631,417
CHURCH FUNDS:					
Endowment Funds					
New Parish Room Fund	15 & 16	279,172		282,402	
St Mary Somerset Fund	15 & 16	52,416		46,984	
			331,588		329,386
Restricted Funds					
Organ & Music Fund	15 & 16	18,758		19,261	
Church Fabric Fund	15 & 16	-		283	
Technology Fund	15 & 16	3,000		3,000	
Royal Jubilee Bells Fund	15 & 16	12,902		14,983	
			34,660		37,527
Unrestricted funds					
General Fund	15 & 16	208,803		220,429	
Rectory Redecoration - designated fund	15 & 16	4,575		4,075	
St James Big Project Fund	15 & 16	-		20,000	
Technology - Designated Fund	15 & 16	14,747		20,000	
			228,125		264,504
TOTAL CHURCH FUNDS			594,373		631,417

The accounts were approved by the Parochial Church Council on 27th March 2024 and signed on its behalf by:

Philip Grant (Churchwarden)

Paul Farmiloe (Churchwarden)

✠ The notes on pages 13 to 19 form an integral part of these accounts

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 ACCOUNTING POLICIES**Basis of accounting and assessment of going concern**

The accounts have been prepared under the historical cost convention and on the going concern basis. The effect of events relating to the year ended 31st December 2023 before the date of approval to the financial statements by the PCC, have been included in the statements to the extent required to show a true and fair view of the state of affairs at 31st December 2023 and of the results for the year ended on that date. The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts under FRS102. St James Garlickhythe meets the definition of a public benefit entity under FRS102.

Funds structure

All funds are available for application on the general purposes of the PCC unless they are shown as endowment funds or restricted funds. The income and capital of the St Mary Somerset fund however can be used for any ecclesiastical purpose. A list of the separate funds and details of any restriction of use are shown at note 15 to these accounts.

Income recognition

All income is recognised once the charity has entitlement to the income; there is sufficient certainty of receipt and so it is probable that the income will be received; and the amount of income receivable can be measured reliably. Donations and grants are recognised when received, unless the grant is pledged and quantifiable at the year-end or where there is a condition that requires a level of performance before the charity is entitled to the funds. In the latter case, income is deferred and not recognised until the condition is fully met. Applicable income tax recoverable is recognised when receivable. Legacies are recognised on a case-by-case basis following the granting of probate when the administrator/ executor for the estate has communicated in writing both the amount and the settlement date. In the event that a gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset has been transferred to the charity. Income from the use of church premises is recognised at the point the church facilities are used. A voluntary church rate is levied on certain business property in the parish and the income is recognised when received like a donation. Income from investments is recognised when due and receivable. Income from the telecoms mast has been accounted as invoiced.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs (which are separately analysed at note 8 and 9), are allocated or apportioned to the applicable expenditure headings in the statement of financial activities. Expenditure includes irrecoverable value added tax.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

Fixed assets

Heritage, consecrated and beneficed property is excluded from the accounts by virtue of section 10(2)(a)-(c) of the Charities Act 2011. Moveable church furnishings, religious artefacts and plate are vested in the churchwardens and held on special trust for the PCC. They require a faculty for disposal and have been accounted for as inalienable property. They are recorded in the Church Terrier log and stated at nil value in the accounts. Many are of historical importance for which no reliable cost basis exists. They are not recognised in the balance sheet. All expenditure incurred on such property is written off in the accounting period as resources.

Modern additions to freehold property are capitalised at historic cost and depreciated at the rate of 1% per annum.

Equipment used within the church premises is written off when acquired, unless of a material amount, over £1000, in which case it is capitalised in fixed assets and depreciated on a straight-line basis at 20% per annum.

Investments

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year. Investments held as fixed assets are stated at market value at the close of the accounting period.

Debtors & prepayments

Amounts receivable but not paid at the balance sheet date are included in current assets as debtors less any provision applicable for potential bad debts. Minor stocks of unsold books and cards are not recognised as an asset. Prepayments are recognised, where material to the accounts. Debtors are valued individually less any provisions applicable for potential bad debts. Prepaid expenditure is recognized if material to the accounts.

Creditors & accruals

Creditors are recognized where the church has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount to settle the obligation can be measured or estimated reliably.

Pensions

The church assesses each employee for eligibility as a jobholder under the auto-enrolment system. Any eligible jobholders are auto-enrolled to a group money purchase defined contribution pension scheme. The assets of the scheme are held separately from those of the church in an independently administered fund. The pension cost represents the contributions payable under the scheme by the church and the church has no further liability other than the payment of those contributions and the jobholder is responsible for their own pension fund with the pension administrators.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

INCOME	Unrestricted	Restricted	Endowment	Total 2023	Total 2022
	GB £	GB £	GB £	GB £	GB £
2 DONATIONS AND LEGACIES					
Tax efficient regular giving (net donations)	6,014	-	-	6,014	5,467
Other donations, including Charities Aid Fund	33,552	1,655	-	35,207	23,433
Collections at services	14,110	-	-	14,110	14,838
Livery grants & donations	32,558	-	-	32,558	30,137
City Churches' Grants Committee	-	-	-	-	-
Friends of City Churches	-	-	-	-	-
All Churches Trust	-	-	-	-	-
Trust for London	1,117	-	-	1,117	1,117
City Burial Ground Fund	2,600	-	-	2,600	2,500
Dept for Digital, Culture, Media & Sport (LPOW)	5,529	3,108	-	8,637	3,168
Income Tax recoverable on gift aided donations	9,430	379	-	9,809	13,775
Total	104,910	5,142	-	110,052	94,435
3 INCOME FROM CHARITABLE ACTIVITIES					
Parochial fees & service fees recoverable	597	-	-	597	969
4 INCOME FROM OTHER ACTIVITIES					
Telecoms mast fees	12,516	-	-	12,516	36,070
Hire of churches and meeting rooms	71,913	-	-	71,913	67,830
Celebrations & sales of goods	4,690	-	-	4,690	1,141
Voluntary parish rate	26,135	-	-	26,135	23,119
Insurance claim	-	-	-	-	-
Total	115,254	-	-	115,254	128,160
5 INCOME FROM INVESTMENTS					
Bank deposit interest	2,750	79	-	2,829	519
Bond interest	300	-	-	300	300
Dividends from investments	3,196	-	1,316	4,512	4,473
Total	6,246	79	1,316	7,641	5,292
6 COST OF GENERATING ACTIVITY INCOME					
Fundraising costs incl. hire agents & marketing	831	-	-	831	2,085
Telecoms consultancy	300	-	-	300	-
Celebratory events & goods for sale	-	-	-	-	-
Total	1,131	-	-	1,131	2,085

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

	Unrestricted GB £	Restricted GB £	Endowment GB £	Total 2023 GB £	Total 2022 GB £
7.1 EXPENDITURE ON CHARITABLE ACTIVITIES					
Diocesan contribution	87,775	-	-	87,775	85,200
Charitable giving - home missions	310	-	-	310	-
Ministry costs - visiting clergy & clergy outreach	2,242	-	-	2,242	1,163
Freelance choirs & participants	13,156	-	-	13,156	13,169
Candles, decorations & sacraments	794	-	-	794	1,321
Bibles, hymn books, prayer books, sheet music	529	88	-	617	981
Refreshments, events & hospitality	1,068	-	-	1,068	2,684
Office costs	8,070	303	-	8,373	2,969
Premises costs (<i>note 7.2</i>)	131,436	7,919	3,230	142,585	32,592
Bank charges	89	-	-	89	98
Support costs (<i>note 8</i>)	32,115	-	-	32,115	25,178
Governance costs (<i>note 9</i>)	1,200	-	-	1,200	1,200
Total	278,784	8,310	3,230	290,324	166,555
7.2 PREMISES COSTS					
Utilities	5,377	-	-	5,377	5,294
Repair, maintenance & fire protection	121,377	7,901	-	129,278	20,308
Other Expenses	1,419	-	-	1,419	893
Cleaning & window cleaning	3,263	18	-	3,281	2,867
Depreciation of modern equipment (<i>note 11</i>)	-	-	3,230	3,230	3,230
Total	131,436	7,919	3,230	142,585	32,592

In addition to the service costs recorded above, a further £18,560 (£18,362 in 2022) was paid to freelance singers, choirs and other participants in services organised for livery companies and others. These costs are collected on trust for these professionals and not regarded as costs or income of the church.

8 SUPPORT COSTS	2023	2022
	GB £	GB £
Accountancy fees	7,675	7,827
Administration	24,440	17,351
	32,115	25,178
EMPLOYMENT COSTS		
Wages & salaries	29,748	23,313
Social security costs	-	-
Pension costs	2,367	1,865
Outsourced services	-	-
Total	32,115	25,178
No employee earned £60,000 or more.		
9 GOVERNANCE COSTS	2023	2022
	GB £	GB £
Independent examiner's honorarium	1,200	1,200
Trustee expenses	-	-
	1,200	1,200

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

10 FIXED ASSETS	CONSECRATED & BENEFICIAL PROPERTY †	MODERN FREEHOLD PROPERTY	FURNITURE EQUIPMENT PARISH RM	FURNITURE EQUIPMENT OTHER	TOTAL
COST	GB £	GB £	GB £	GB £	GB £
Balance brought forward	-	323,265	11,677	728	335,670
Additions/disposals in year	-	-	-	-	-
Balance carried forward	-	323,265	11,677	728	335,670
DEPRECIATION					
Balance brought forward	-	41,990	11,677	728	54,395
Charge for year	-	3,230	-	-	3,230
Balance carried forward	-	45,220	11,677	728	57,625
NET BOOK VALUE					
AS AT 31 DECEMBER 2023	-	278,045	-	-	278,045
AS AT 31 DECEMBER 2022	-	281,275	-	-	281,275

† Heritage, consecrated and beneficial property of any kind is excluded from the accounts by virtue of section 10(2)(a)-(c) of the Charities Act 2011. The church of St James Garlickhythe is regarded as such. It was built by Sir Christopher Wren in 1683 at an historical cost of £5,357 after the previous church was destroyed in the Great Fire of London. Known as ‘Wren’s Lantern’, St James is of significant religious and historical importance. Similarly, no attempt has been made to value the church organ, which dates from 1718, nor various religious artefacts associated with the historic Church of St James, Garlickhythe (see policy at note 1). The £173,535 cost of the Royal Jubilee Bells were expensed within the 2012 accounts as they are also considered to be heritage, consecrated and beneficial property of the church. The Church and contents are insured for £17 million.

11 MANAGED INVESTMENT FUNDS	GENERAL FUND	ST MARY SOMERSET FUND	TOTAL FUNDS 2023	TOTAL FUNDS 2022
	GB £	GB £	GB £	GB £
CBF Church of England Global Equity Income Fund	112,389	-	112,389	130,736
COIF Charities Ethical Fund Income Fund	-	41,907	41,907	47,852
Unrealised gain/(loss) in the year	16,751	4,116	20,867	(24,292)
Value at 31st December 2023	129,140	46,023	175,163	154,296

12 DEBTORS	2023	2022
	GB £	GB £
Service & other fees recoverable	17,640	13,037
Donations & grants pledged	-	-
Other debtors & prepayments	6,673	-
Gift Aid reclaimable from HMRC	9,239	19,447
Accrued interest on bonds & investments	84	84
	33,636	32,568

13 CREDITORS, amounts falling due within one year	2023	2022
	GB £	GB £
Creditors	6,043	4,714
Deferred income	23,554	-
Other creditors & accruals	12,300	9,771
	41,897	14,485

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

14 PROVISIONS FOR LIABILITIES

	2023	2022
	GB £	GB £
Provision for contracted work on St James Statue Repair	10,480	20,480
	<u>10,480</u>	<u>20,480</u>

15 FUNDS DESCRIPTIONS & TRANSFERS

The **New Parish Room Fund** was established by the Parochial Church Council to hold the asset of the new parish room. The room will be depreciated over the useful life of the building. Any income generated from this endowment fund will be applied to the general fund for the general use of the church. The new parish room fund arose from the old parish hall endowment fund that provided some of the finance for the project. It is regarded as a *non-permanent endowment* fund.

The **St Mary Somerset Fund** is regarded by the Parochial Church Council as a *non-permanent endowment* fund and therefore both income and capital are expendable. It is to be used for general ecclesiastical use.

The **Organ & Music Fund** is a *restricted* fund and represents money received for the restoration and on-going maintenance of the 1718 Father Smith church organ and other associated projects connected with music at St James.

The **Church Fabric Fund** is a *restricted* fund which has been established initially to fund various repairs and improvements to the exterior of the church as well as interior redecoration.

The **Technology Fund** was a *restricted* fund which has been established with grants and donations to fund items of information technology and communications for the church as well as funds for website development, software and other social media. The fund closed during 2021, but the PCC is *designating* some funds generally to telecoms, media and technology.

The **Royal Jubilee Bells Fund** is a *restricted* fund and represents money received and expensed by the Royal Jubilee Bellringers, which is regarded as an integral part of the charity of St James Garlickhythe. This restricted fund will be used for the ongoing, upkeep and maintenance of the Royal Jubilee Bells, the belfry, tower and any associated costs and repairs.

The **Rectory Re-decoration Fund** has been established by the PCC to be used for future redecoration and associated works at a parish rectory. An amount is transferred annually from the general fund. The Rectory Redecoration fund is a *designated* fund and, as such, is unrestricted.

The **General Fund** is an *unrestricted* fund and can be used by the Parochial Church Council for any purpose in the furtherance of the church's objectives.

A restricted fund is only shown in deficit where there the trustees have an expectation that the deficit will be cleared over the following 12 months. Otherwise, the balance is transferred to the General Fund.

TRANSFERS BETWEEN FUNDS

The transfer between funds in the current accounting period of £500 from the General Fund to the Rectory Redecoration Fund represents an annual amount transferred towards future periodic redecoration and minor works at the residence of the priest. The transfer does not show on the face of the Statement of Financial Activities as both funds are unrestricted, but can be seen at note 16 on page 19. There was a transfer of £64,490 from the General Fund to St James Big Project Fund that started at the end of 2022. There was also another transfer of £222 from the General Fund to the Fabric Fund.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

16 MOVEMENT ON FUNDS IN YEAR

	Opening Balance at 1/1/23 GB £	Incoming Resources GB £	Outgoing Resources GB £	Gain/ (loss) on investments GB £	Transfers between funds † GB £	Closing Balance at 31/12/23 GB £
Endowment Funds						
New Parish Room Fund	282,402	-	(3,230)	-	-	279,172
St Mary Somerset Fund	46,984	1,316	-	4,116	-	52,416
Total Endowment Funds	329,386	1,316	(3,230)	4,116	-	331,588
Restricted Funds						
Organ & Music Fund	19,261	-	(503)	-	-	18,758
Church Fabric fund	283	2,314	(2,819)	-	222	-
Technology Fund	3,000	-	-	-	-	3,000
Royal Jubilee Bells Fund	14,983	2,907	(4,988)	-	-	12,902
Total Restricted Funds	37,527	5,221	(8,310)	-	222	34,660
Unrestricted Funds						
General Fund	220,429	192,331	(155,496)	16,751	(65,212)	208,803
Rectory Redecoration designated	4,075	-	-	-	500	4,575
St James Big Project Fund	20,000	34,676	(119,166)	-	64,490	-
Technology Designated Fund	20,000	-	(5,253)	-	-	14,747
Total Unrestricted Funds	264,504	227,007	(279,915)	16,751	(222)	228,125
Total Funds	631,417	233,544	(291,455)	20,867	-	594,373

† Note 15 provides a description of each fund and an explanation of transfers between funds.

17 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	<u>Endowment</u>		<u>Restricted</u>	<u>Unrestricted</u>		TOTAL FUNDS GB £
	New Parish Room Fund	St Mary Somerset	Fabric, Bells Organ Funds	Designated Funds	General Funds	
	GB £	GB £	GB £	GB £	GB £	
Fixed assets	278,045	-	-	-	-	278,045
Investments	-	46,023	-	-	144,140	190,163
Bank accounts	1,127	6,393	41,649	19,322	76,415	144,906
Debtors & prepayments	-	-	3,619	-	30,017	33,636
Current liabilities	-	-	(128)	-	(41,769)	(41,897)
Provisions	-	-	(10,480)	-	-	(10,480)
Net assets at 31 DECEMBER 2023	279,172	52,416	34,660	19,322	208,803	594,373

18 TAXATION

No corporation tax was payable on the surplus or investment income in 2023 because the Parochial Church Council is regarded as a charitable organisation and is not engaged in trading activities as defined by the Income & Corporation Taxes Act 1988.

19 PAYMENTS TO TRUSTEES

No member of the PCC, who are also the trustees under the Charities Act, received any remuneration this year or the preceding year. No out-of-pocket expenses (2022 - £nil) were paid to the lay members of the PCC. The priest was reimbursed with £631 towards ministry costs and consumables in 2023 (2022 - £1,163).

