

ST JOHNS CHURCH, UPPER NORWOOD

**THE PAROCHIAL CHURCH COUNCIL OF THE CHURCH OF
ST JOHN THE EVANGELIST, UPPER NORWOOD**

REPORT OF THE TRUSTEES

AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2018

REGISTERED CHARITY NUMBER 1144047

ST JOHNS CHURCH, UPPER NORWOOD

REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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ST JOHNS CHURCH, UPPER NORWOOD

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2018

The trustees present their report with the financial statements of the charity for the year ended 31 December 2018

The members of the Parochial Church Council (the trustees) confirm that the annual report and financial statements of the charity have been prepared in accordance with the accounting policies set out in note 1 and comply with the Charities Act 2011, the requirements of the charity's governing body and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial reporting Standard 102.

AIM AND PURPOSES

St. John's Parochial Church Council (the PCC) has the responsibility of co-operating with the incumbent, The Reverend John Pritchard, in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. The PCC is also responsible for the maintenance and upkeep of the buildings associated with St. John's Church, Upper Norwood

OBJECTIVES AND ACTIVITIES

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

Public benefit

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. In particular we try to enable ordinary people to live out their faith as part of our parish community through:

- Worship and prayer, learning about the Gospel and developing their knowledge and trust in Jesus.
- Provision of pastoral care for people living in the parish.
- Missionary and outreach work.

ACHIEVEMENTS AND PERFORMANCE

Concurrent with this trustees' annual report, we are publishing under separate cover detailed reports concerning church activities both new and ongoing during 2018 from the incumbent, Father John Pritchard, the churchwardens and individual members of the PCC and the congregation responsible for particular activities and events. These provide a full account of all activities that have taken place in the parish during the year, explain how the objectives of the PCC have been achieved, and how members of the parish have been helped thereby.

FINANCIAL REVIEW

Reserves policy The PCC seeks to maintain a sufficient level of reserves to support the day to day operations of St John's and to meet such contingencies as might be reasonably foreseen.

The PCC's policy over a number of years has been to designate all its reserves to help pay for the urgent maintenance and repair projects which regularly can be expected to arise on the grade 2* listed church building, now listed as at risk by English Heritage, with the aim to keep the building safe for continued public use.

Overall financial position

Details of the income and expenditure for the year are set out in the Statement of Financial Activities (SOFA) and in the notes to the accounts which show a surplus for the year of £2,540 on unrestricted funds to be added to the balance of £176,584 brought forward from prior years increasing the unrestricted fund to be carried forward to £179,124.

There was a deficit of £139 on the Margaret Riches Memorial Fund giving a balance of £6,146 carried forward.

Final payments for professional fees and of retentions monies to the building contractors in relation to the underpinning of the south wall of the church, repairing major cracks in the south side of the wall and expenditure to restore the church grounds were made in 2018, totalling £35,296 (after recovery of VAT). A final instalment of grant from the Heritage Lottery Fund of £13,055 was received. Expenditure totalling £9,647 was incurred on replacing, repairing and sanding the woodblock flooring in the church nave and north and south aisles. Professional fees of £5,580 were incurred on preparing feasibility schemes for possible future developments. Income from donations and fund raising activities amounted to £6,225 and there remained a balance of £72,181 on the Restricted Fund for Church Restoration carried forward at 31st December 2018.

Each restricted or designated fund at 31st December 2018 is shown separately on the Balance Sheet.

ST JOHNS CHURCH, UPPER NORWOOD

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2018

Vicar	The Reverend John Pritchard
Assistant Curate	The Reverend Dr. Daniel Trott
Churchwardens	John Stephens (until 8 th May 2018) Sheri Johnson (until 8 th May 2018) Rebecca Hall (from 8 th May 2018) David West (from 8 th May 2018)
Deputy Churchwarden	Robert Atkinson (until 15 th April 2018)
Members of the Parochial Church Council and Trustees: Members throughout the year:	The Reverend John Pritchard The Reverend Dr. Daniel Trott Christina Barber Robert Barber Miranda Munday Terence Roberts Daniel Simpson John Stephens Margaret Stephens Bridget West Bernadette Williams
Members appointed on 15 th April 2018:	Jacqueline Fraser Rebecca Hall Sarah Ikediashi Kay Murray Allan Stirland David West
Members retiring during the year:	Robert Atkinson (until 15 April 2018) Andrew Gaitskell (until 15 April 2018) Ann Graham (until 15 April 2018) Sheri Johnson (until 8 th May 2018) Patricia Younger (until 15 April 2018)
Church Officers:	
Hon. Treasurer	Terence Roberts
PCC Secretary	Bridget West
Electoral Roll Officer	Beatrice Pelling
Sacristan	David Riches
Gift Aid Secretary	Rachel Rae
Church and Hall Bookings	Rachel Rae and Gary Hay
Site Manager	Trevor Wheble
Head Verger	Matthew Pryor
Safeguarding Children and Vulnerable Adults	Rachel Rae and Rebecca Hall
Deanery Synod Representatives	Robert Barber John Stephens Christina Barber Margaret Stephens

ST JOHNS CHURCH, UPPER NORWOOD

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The PCC is a body corporate (PCC Powers Measure 1956, Church Representation Rules 2011) and a registered charity.

Recruitment and appointment of new trustees

The method of appointment of PCC members is set out in the Church Representation Rules. At St John's the membership of the PCC consists of the Vicar, The Reverend John Pritchard, the Assistant Curate, The Reverend Dr. Daniel Trott, churchwardens, the Treasurer, Deanery Synod representatives and members elected by those members of the congregation who are on the electoral roll of the parish.

The PCC members are responsible for making decisions on all matters of general concern and importance to the parish including deciding on how the funds of the PCC are to be spent. New members receive initial training into the workings of the PCC.

The full PCC met 5 times during the year with an average level of attendance of almost 85%.

Risk Management

The trustees have a duty to identify and review the risks to which the Parochial Church Council (PCC) is exposed and to ensure appropriate controls are in place to safeguard the assets and to provide reasonable assurance against fraud and error.

REFERENCE AND ADMINISTRATIVE DETAILS

Name: The Parochial Church Council of St John the Evangelist, Upper Norwood

Part of the Diocese of Southwark within the Church of England

Registered Charity number 1144047

Principal address

2 Sylvan Road
Upper Norwood
London
SE19 2RX

Independent Examiner

Mr Jonathan Askew FCA
Hartley Fowler LLP
Chartered Accountants
4th Floor Tuition House
27/37 St Georges Road
Wimbledon
London
SW19 4EU

ON BEHALF OF THE BOARD

Rebecca Hall

Trustee and Churchwarden

**ST JOHNS CHURCH, UPPER NORWOOD
INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF THE PAROCHIAL
CHURCH COUNCIL OF ST JOHN'S CHURCH, UPPER NORWOOD**

Independent examiner's report to the trustees of St Johns Church, Upper Norwood

I report to the Parochial Church Council (PCC) members (the charity trustees) on my examination of the accounts for the year ended 31 December 2018 set out on pages 5 to 11.

Responsibilities and basis of report

As the charity trustees you are responsible for the preparation of the accounts for the Parochial Church Council (the PCC) in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 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 Trust 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 (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.

I confirm that there are no other matters to which your attention should be drawn to enable a proper understanding of the accounts to be reached.

Jonathan Askew
FCA
Hartley Fowler LLP
Chartered Accountants
4th Floor Tuition House
27/37 St George's Road
Wimbledon
London
SW19 4EU

Date:

ST JOHNS CHURCH, UPPER NORWOOD

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Unrestricted			Restricted Funds		2018	2017
		General Fund	Church Restoration Fund	Margaret Riches Memorial Fund	Total Funds	Total Funds		
		£	£	£	£	£	£	
INCOME								
Donations and legacies	3(a)	133,198	3,240	128	136,566	126,314		
Activities for generating funds	3(b)	8,411	2,985		11,396	5,616		
Income from church activities	3(c)	48,904			48,904	41,477		
Investment income	3(d)	7,989		228	8,217	7,991		
Other income	3(e)		<u>13,055</u>		<u>13,055</u>	<u>288,196</u>		
Total income		<u>198,502</u>	<u>19,280</u>	<u>356</u>	<u>218,138</u>	<u>469,594</u>		
EXPENDITURE								
Church activities	4(a)	187,772	50,523	340	238,635	533,828		
Raising funds	4(b)	1,050			1,050	0		
Depreciation of fixed assets	4(c), 5	5,859			5,859	5,785		
Total expenditure		<u>194,681</u>	<u>50,523</u>	<u>340</u>	<u>245,544</u>	<u>539,613</u>		
NET INCOME/(EXPENDITURE) BEFORE INVESTMENT LOSSES		3,821	(31,243)	16	(27,406)	(70,019)		
Gains/(losses) on investments		<u>(1,281)</u>		<u>(155)</u>	<u>(1,436)</u>	<u>3,629</u>		
Net income/(expenditure)		2,540	(31,243)	(139)	(28,842)	(66,390)		
Total funds brought forward		<u>176,584</u>	<u>103,424</u>	<u>6,285</u>	<u>286,293</u>	<u>352,683</u>		
TOTAL FUNDS CARRIED FORWARD		<u><u>179,124</u></u>	<u><u>72,181</u></u>	<u><u>6,146</u></u>	<u><u>257,451</u></u>	<u><u>286,293</u></u>		

CONTINUING OPERATIONS

All incoming resources and resources expended arise from continuing activities

ST JOHNS CHURCH, UPPER NORWOOD

BALANCE SHEET AT 31 DECEMBER 2018

	Notes	General Fund £	Church Restoration Fund £	Margaret Riches Memorial Fund £	2018 Total Funds £	2017 Total Funds £
FIXED ASSETS						
Tangible assets	5.	132,921			132,921	114,530
Investments	6.	50,871	37,451	6,258	94,580	96,016
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<i>Total fixed assets</i>		183,792	37,451	6,258	227,501	210,546
CURRENT ASSETS						
Stocks and work in progress	7.	1,000			1,000	23,790
Debtors	8.	6,787	905		7,692	14,869
Cash at bank		<u> </u>	<u>33,825</u>	<u> </u>	<u>33,825</u>	<u>50,808</u>
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<i>Total current assets</i>		7,787	34,730		42,517	89,467
LIABILITIES						
Creditors: Amounts falling due within one year	9.	(12,455)		(112)	(12,567)	(13,386)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<i>Net current assets or liabilities</i>		(4,668)	34,730	(112)	29,950	76,081
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<i>Total assets less current liabilities</i>		179,124	72,181	6,146	257,451	286,627
Creditors: Amounts falling due after more than one year	10.					(334)
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
TOTAL NET ASSETS		<u>179,124</u>	<u>72,181</u>	<u>6,146</u>	<u>257,451</u>	<u>286,293</u>
		=====	=====	=====	=====	=====
THE FUNDS OF THE CHARITY:						
Unrestricted Funds					179,124	176,584
Restricted Funds:						
Church Restoration Fund					72,181	103,424
Margaret Riches Fund					6,146	6,285
					<u> </u>	<u> </u>
TOTAL CHARITY FUNDS					<u>257,451</u>	<u>286,293</u>
					=====	=====

The financial statements were approved by the Trustees on 21st February 2019 and were signed on its behalf by:

Rebecca Hall
Trustee and Churchwarden

The notes form part of these financial statements

ST JOHNS CHURCH, UPPER NORWOOD

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

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared under the Church Accounting Regulations 2006, in accordance with applicable accounting standards (FRS 102) and the current (2015) Statement of Recommended Practice, Accounting and Reporting by Charities (FRS 102) and also in accordance with the Charities Act 2011.

Accounting convention

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets such as investment which are carried at market value.

Incoming resources

All incoming resources are included on the Statement of Financial Activities 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.

Resources expended

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.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible Fixed Assets

Consecrated Land and Buildings

Consecrated land and buildings are not included in the accounts of the PCC in accordance with s.10(2)(a) and (c) of the Charities Act 2011 as these are vested in the incumbent.

Parish Hall

The parish hall was valued in 1998 by Messrs Stuart Edwards Fullermoon (Chartered Surveyors) at £115,000 of which £20,000 was attributed to the land. The Trustees decided that the portion of the valuation attributable to the buildings and any subsequent improvements thereto would be depreciated based upon a 30 year life.

Other Fixed Assets

Other fixed assets are capitalised where their cost exceeds £1,000 are depreciated over their estimated useful life on a straight line basis. Liturgical Furnishings are to be depreciated over an estimated life of 20 years.

Heritage Assets

Heritage assets are tangible assets with historical or artistic qualities that are held and maintained principally for their contribution to knowledge and culture. Such assets are recorded at cost where this can be identified and are not depreciated.

Stocks and Work in Progress

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Work in progress comprises the cost to date of the restoration of a liturgical cope.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds are income funds which are to be spent on the PCC's general purposes and can be used in accordance with the charitable objectives at the discretion of the trustees. Restricted funds can only be used for particular restricted purpose within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

The notes form part of these financial statements

ST JOHNS CHURCH, UPPER NORWOOD

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

2. TRUSTEES' REMUNERATION AND EXPENSES

a) Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits paid or provided for the year ended 31 December 2018, nor for the year ended 31 December 2017.

b) Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2018, nor for the year ended 31 December 2017.

3. INCOME

	Unrestricted Funds £	Restricted Funds £	TOTAL 2018 £	Unrestricted Funds £	Restricted Funds £	TOTAL 2017 £
3(a) Voluntary income						
Planned giving	72,467		72,467	63,448		63,448
Collections at Services	12,765		12,765	12,810		12,810
Donations for specific purpose	1,500	3,368	4,868	5,822	4,881	10,703
Sundry donations	3,595		3,595	3,025		3,025
Gift Aid recovered	17,985		17,985	15,947		15,947
Charitable appeals	301		301	281		281
General grants	24,585		24,585	20,100		20,100
	<u>133,198</u>	<u>3,368</u>	<u>136,566</u>	<u>121,433</u>	<u>4,881</u>	<u>126,314</u>
3(b) Activities for generating funds						
Fund raising events	7,881	2,985	10,866	1,112	3,688	4,800
Sale of votive candles	530		530	816		816
	<u>8,411</u>	<u>2,985</u>	<u>11,396</u>	<u>1,928</u>	<u>3,688</u>	<u>5,616</u>
3(c) Income from Church Activities						
Hire of church and parish hall	34,392		34,392	25,016		25,016
Fees for weddings and funerals	4,493		4,493	4,590		4,590
Organ recitals	3,419		3,419	2,221		2,221
Office rent	6,600		6,600	9,650		9,650
	<u>48,904</u>		<u>48,904</u>	<u>41,477</u>		<u>41,477</u>
3(d) Investment Income						
Interest and Dividends	7,989	228	8,217	7,766	225	7,991
3(e) Other Income						
Grants received		13,055	13,055		288,196	288,196
Total Income	198,502	19,636	218,138	172,604	296,990	469,594

The notes form part of these financial statements

ST JOHNS CHURCH, UPPER NORWOOD

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

4. EXPENDITURE

	Funds £	Funds £	2018 £	Funds £	Funds £	2017 £
4(a) Church Activities						
Missionary and charitable giving	8,271		8,271	6,900		6,900
Ministry-			71,006			70,478
Diocesan parish share	46,042			44,702		
Office salary	7,200			7,200		
Cost of curate's flat	4,436			4,425		
Other ministry costs	13,328			14,151		
Mission and Outreach	10,112		10,112	10,637		10,637
ABCD Project	14,377		14,377	15,272		15,272
Church running costs –			63,092			75,660
Insurance	12,187			12,330		
Lighting, heating and water	16,573			18,390		
Repairs and maintenance	11,108			8,888		
Maintenance of church grounds and meadow project	4,700					
Landscaping North Garden Area				22,821		
Other church running costs	8,839			7,143		
Management and administration	9,685			6,088		
Music -			13,700			11,966
Remuneration of organist and assistant	8,448			7,700		
Tuning and maintenance of organ and pianos	1,755			1,674		
Choir, etc	547			992		
Recitalists' fees	2,950			1,600		
Altar requisites	1,805	340	2,145	1,711	334	2,045
Independent examiner's fees	3,120		3,120	2,640		2,640
Sundry costs	2,289		2,289	2,928		2,928
Church underpinning costs, etc		50,523	50,523		335,302	335,302
	187,772	50,863	238,635	198,192	335,636	533,828
4(b) Raising Funds						
Costs of putting on events	1,050	-	1,050			
4(c) Depreciation						
Depreciation of fixed assets	5,859		5,859	5,785		5,785
TOTAL EXPENDITURE	194,681	50,863	245,544	203,977	335,636	539,613

The notes form part of these financial statements

ST JOHNS CHURCH, UPPER NORWOOD

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

5. TANGIBLE FIXED ASSETS

	Freehold Property £	Improvements to property £	Liturgical Furnishings £	Comper Cope	Totals £
COST OR VALUATION (see Note 1)					
At 1 January 2018	115,000	53,061	16,994		185,055
Additions at cost	-	-	1,460	22,790	24,250
	-----	-----	-----	-----	-----
At 31 December 2018	115,000	53,061	18,454	22,790	209,305
	-----	-----	-----	-----	-----
DEPRECIATION					
At 1 January 2018	60,837	7,869	1,819		70,525
Charge for year	3,167	1,769	923		5,859
	-----	-----	-----	-----	-----
At 31 December 2018	64,004	9,638	2,742		76,384
	-----	-----	-----	-----	-----
NET BOOK VALUE					
At 31 December 2018	50,996	43,423	15,712	22,790	132,921
	=====	=====	=====	=====	=====
At 31 December 2017	54,163	45,192	15,175	-	114,530
	=====	=====	=====	=====	=====

The Comper Cope is considered to be a heritage asset after having been restored over a period of several years. The value included in the accounts is the cost of those restoration works. The cope is not considered to have a finite useful life and hence is not depreciated.

6. FIXED ASSET INVESTMENTS

	Listed Investments £
MARKET VALUE	
At 1 January 2018	96,016
Unrealised (Loss) in year	(1,436)

Market value at 31 December 2018	94,580
	=====
There were no investment assets outside the UK	

7. STOCKS AND WORK IN PROGRESS

	2018 £	2017 £
Stocks	1,000	1,000
Work in progress – restoration of cope	-	22,790
	-----	-----
	1,000	23,790
	=====	=====

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Tax and VAT recoverable	3,097	12,968
Other debtors	4,595	1,901
	-----	-----
	7,692	14,869
	=====	=====
General Fund	6,787	8,550
Restricted Funds	905	6,319

The notes form part of these financial statements

ST JOHNS CHURCH, UPPER NORWOOD

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

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Bank loans and overdrafts	-	-
Other creditors	12,567	13,386
	=====	=====
General Fund	12,455	11,258
Restricted Funds	112	2,128

10. LOANS

	2018	2017
	£	£
Loan interest free repayable in monthly instalments Over 5 years commencing February 2014 - South London Church Fund	0	334
	=====	=====

11. SUMMARY OF FUND MOVEMENTS

	Unrestricted General Fund	Restricted Church Restoration Fund	Endowment Margaret Riches Memorial Fund	Total
Balance at 1 st January 2018	176,584	103,424	6,285	286,293
Incoming resources	198,502	19,280	356	218,138
Resources expended	(194,681)	(50,523)	(340)	(245,544)
Unrealised losses on investments	(1,281)		(155)	(1,436)
	-----	-----	-----	-----
Balance at 31 st December 2018	179,124	72,181	6,146	257,451

12. CONTINGENT LIABILITIES

Since 2010 fees for the potential redevelopment of part of the site including the construction of a new vicarage have been shared with the Diocese of Southwark. By agreement these fees have been settled by the Diocese with the intention of the parish repaying the Diocese from their share from the income received from the redevelopment project. If the project does not go ahead or there are insufficient funds then the Diocese will give the Parish an interest free loan for a number of years to be agreed.

The notes form part of these financial statements