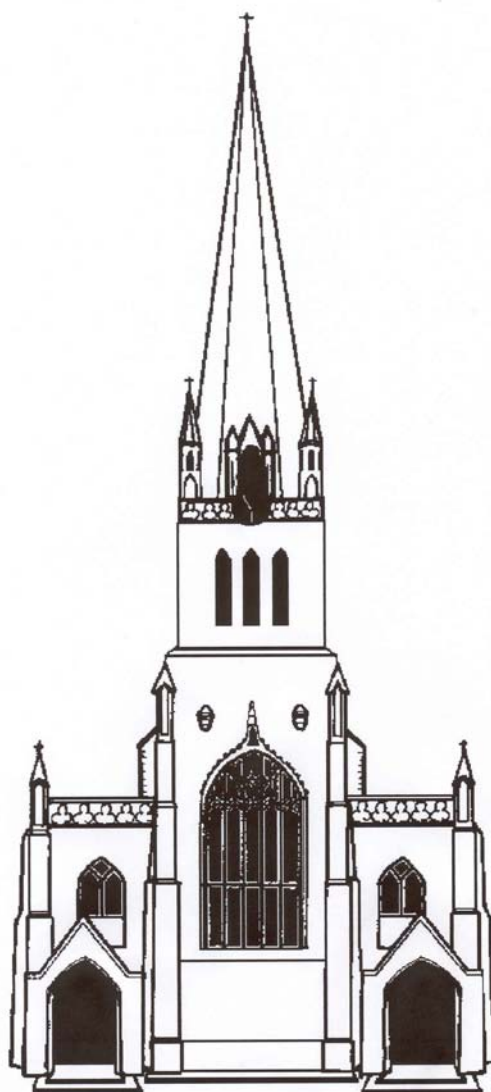


ST JAMES'S CHURCH, PADDINGTON

PAROCHIAL CHURCH COUNCIL



Annual financial report and accounts

for the year ended

31st December 2008

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ST JAMES'S CHURCH, PADDINGTON

PAROCHIAL CHURCH COUNCIL

Annual Meetings

26th April 2009

AGENDA

Annual Meeting of Parishioners

1. Apologies for absence
2. Minutes of the 2008 meeting
3. Election of the Churchwardens

Annual Parochial Church Meeting

1. Apologies for absence
2. Minutes of the 2008 meeting (see page 4)
3. Matters arising
4. Declaration of 'Any Other Business'
5. Election of four PCC Representatives & two Deanery Synod Representatives
6. Appointments of Sidespeople:
List to be read out
7. Presidential Address
8. Results of PCC Election (if applicable)
9. Churchwardens' Report on the Fabric of the church
10. Finance:
 - i. The APCM will be invited to receive the PCC's examined accounts
 - ii. The APCM will resolve to appoint Baker Tilly Tax and Accounting Ltd as independent examiners
 - iii. Any questions on the 2008 accounts
 - iv. The APCM will vote on accepting the accounts
11. Electoral Roll Officer's Report
12. Deanery Synod Report (none received)
13. Any other business – declared under item 4

ST JAMES'S CHURCH, PADDINGTON

PAROCHIAL CHURCH COUNCIL

Minutes of the Annual Meeting of Parishioners' held on Sunday 20 April 2008

1. Apologies for absence were received from Monica Sims, Elizabeth Whitmore and Fr Reji Raj-Singh
2. Minutes of 2007 meeting were approved and signed nem con.
3. Election of the Churchwardens. John Moss and Alex Whiting were re-elected nem con.

Minutes of the Annual Parochial Church Meeting

1. Apologies for absence were received from Monica Sims, Elizabeth Whitmore and Fr Reji Raj-Singh
2. Minutes of the 2007 meeting were approved and signed nem con.
3. Matters arising. None
4. Declaration of 'Any Other Business'
 - i. Charitable giving – Auriol Blandy
5. Election of four PCC Representatives & two Deanery Synod Representatives
 - i. The two nominations for the Deanery Synod, Carl Emilien and Auriol Blandy were duly elected.
 - ii. Mary Lambert, David Whiting, Kate Moss and Patricia Kishler were nominated for the 4 vacancies on the PCC
6. Appointments of Sidespeople. The Nominations were accepted.
7. Presidential Address was distributed with the Minutes
8. Results of PCC Election. There were none.
9. Churchwardens' Report on the Fabric of the church was accepted nem con.
10. Finance:
 - i. The APCM received the PCC's 2007 accounts and were accepted nem con.
 - ii. The APCM resolved to appoint Baker Tilly as Examining Accountants. Proposed by Alex Whiting, seconded by Auriol Blandy and carried nem con.
 - iii. Fr Bill Wilson questioned the Accountancy fees and Auditors remuneration under Governance Costs. DM explained that these costs referred to 2 years.
 - iv. The APCM accepted the accounts. Proposed by Kate Moss and seconded by Alex Whiting.
11. Electoral Roll Officer's Report. The written report was accepted. There has been a small increase from 102 to 114.
12. Deanery Synod Report. A written report was presented and accepted. Auriol Blandy drew the attention of the APCM to the section referring to the draft Anglican Covenant.
13. Any other business – declared under Item 4. While accepting the present financial constraints on the church finances Auriol Blandy wished charitable giving to be kept in mind. BW said the PCC would reflect on this but charities are still supported through the Greenfield Trust.

The Meeting closed.

ST JAMES'S CHURCH, PADDINGTON

PAROCHIAL CHURCH COUNCIL

Officers and advisers

Vicar

The Revd Bill Wilson

Church Wardens

Mrs Alexandra Whiting
Mr John Moss

Administrator

Mr Donald MacKenzie

Principal Address

St James's Parish Office
Sussex Gardens
London
W2 3UD

Bankers

National Westminster Bank plc
P O Box 2795
26 Spring Street
London
W2 1WE

Accountants

Baker Tilly Tax and Accounting Limited
Hanover House
18 Mount Ephraim Road
Tunbridge Wells
Kent
TN1 1ED

Solicitors

Winkwood Sherwood
Registry Chambers
The Old Deanery
Deans Court
London
EC4V 4AA

Main Office

The Parish Office, St James's Church, Sussex Gardens, London W2 3UD.

ST JAMES'S CHURCH, PADDINGTON**PAROCHIAL CHURCH COUNCIL****ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 31ST DECEMBER 2008****The Parochial Church Council**

The Parochial Church Council, which is a charity, excepted from registration with the Charity Commission, present their report for the year ended 31st December 2008 which complies with the current statutory requirements and should be read in conjunction with the PCC Annual Report. The members of the Parochial Church Council during the year were:

Nine elected PCC members:

Patricia Boothman

Jacqueline Hetherington

Gabrielle Higgins

Patricia Kishler

Kate Moss

Mary Lambert

Chris Rao

Santosh Varghese

David Whiting

Deanery Synod Reps:

Auriol Blandy

Carl Emilien

Clergy:

Fr Graham Miller (Associate Vicar)

Fr Will Baynes (NSM)

Fr Regi Rag-Singh (NSM)

Structure, Governance and Management

The method of appointment of PCC members is set out in the Church Representation Rules. All Church attendees are encouraged to register on the electoral Roll and if they wish to stand for election to the PCC.

Appointment and induction of PCC members

PCC members are appointed by the Council and at each Annual Parochial Church Meeting three of the Board Members will retire from office. On retirement PCC members are eligible for re-election.

New PCC members undergo an induction to brief them on their legal obligations under charity and church law, the content of the constitution, the Council and the decision making processes and the recent performance of the church. They meet key employees and the other PCC members.

Risk assessment policy

This is to be formulated and reviewed by the Standing Committee.

ST JAMES'S CHURCH, PADDINGTON**PAROCHIAL CHURCH COUNCIL****ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 31ST DECEMBER 2008****Organisational policy**

The PCC members meet four times per annum. There is one Standing Committee which consists of the Vicar, Churchwardens and two elected members from the PCC. Other sub committees are formed as and when required. The administrator is appointed to manage the day to day operations of the charity. To facilitate elective operations, the administrator has delegated authority, within the terms of delegation approved by the PCC members, for operational matters including finance, employment and production and management of policies.

Objective, organisation and activities

The objective of the Parochial Church Council is to provide day to day management of the Church, to generate funding necessary for its ongoing ministerial commitments, and to safeguard its assets.

The method of appointment of PCC members is set out in the Church Representation Rules.

The Church is engaged in a range of activities and supports a number of groups. For a full description of these references should be made to the Annual Report of the PCC.

St James's PCC has the responsibility of co-operating with the incumbent, The Revd Bill Wilson, in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. It also has the maintenance responsibilities of the Church Centre complex of St James's Paddington and Holy Trinity Hall, Paddington.

Vicar's Annual Report

Every year in the life of St James's is eventful, and 2008 was no exception. We continued our role as an international church – a gathering point for people from all over the globe. As ever, we seldom see many of these people again, but hope that they will go away with their feeling of belonging in the universal Church enhanced and their hearts uplifted by a consciousness of the presence of God in the world. We live in strange and challenging times, and with financial systems in turmoil and flux it is necessary for us to reassess where our 'treasure' really ought to be. Greed has long been fêted as a virtue and it is time to recognise that the love of money is responsible for at least some of the world's ills. Surely the quest for justice and a concern for fair distribution of the world's goods should be at the heart of the Gospel message as it is proclaimed and lived at St James's. The people who attend more or less regularly or who come here as visitors should be able to take heart from the quality and direction of our worship and the tenor of our common life, which ought to speak of the undying love of God for the world, manifested in Jesus of Nazareth.

A church like ours, which is affected by the transience of much of metropolitan life, relies on the commitment of its core worshippers. This commitment is enormous, and based on the centrality of the Church's eucharistic life. More and more, the weekly assembly of the Christian community here forms the focus of our life and is the centre from which everything else flows. The core has grown and this is in no small measure due to the quality of our life and the warmth of the welcome new people receive. We do, however, need to maintain a positive attitude towards children among us, and perhaps further develop the facilities we have for them. Children are not just the Church of the future, they are the Church of today; some of them are now communicants and make a significant contribution to our communal life. I hope that all of us will continue to have a positive and helpful attitude towards them and towards their parents, who have often struggled to bring them to worship.

I hesitate to say much about finance, but this is a reality of the business of being the Church in the modern world. Each one of us has to contribute a fair share of the cost of running St James's, and although we are still blessed with investment (shrinking) and property income there is a considerable burden that falls on all of us. I am pleased to say that our giving income increased in 2008 by a significant amount, and that Gift Aid is an increasingly important method of income generation. Please don't forget that even when we are living in straitened circumstances the Church's housekeeping expenses do not diminish.

ST JAMES'S CHURCH, PADDINGTON**PAROCHIAL CHURCH COUNCIL**

During 2008 we at last made a start on the replacement of the church lighting system. An imaginative scheme was produced by our architect in collaboration with the lighting contractor. This was submitted to the Diocesan Advisory Committee for the Care of Churches (DAC) and approved, with the proviso that the design for the pendant fittings should be submitted for approval once the Parochial Church Council had agreed it. The arrival of the prototype left a less than felicitous impression: the sample fitting was reddish rather than brown and was suspended from a scaffolding tower in the nave to demonstrate its properties. I have to confess that I was doubtful both of its suitability and its chances of being approved by the DAC. However, after a colour change that brought it as near as possible to the shade of the existing woodwork, the design was submitted to the DAC and eventually approved 'on the nod'. The rest of us were convinced when the pendants were eventually manufactured and fitted. The system was commissioned in the middle of March 2009 and blessed on the feast of the Annunciation. The effect is stunning: there has been a great deal of positive feedback and people seem to be delighted with the effect, proving that the protracted period of discussion (about ten years!) enabled us to get it right. The cost of the lighting has made a considerable dent in our capital, which had already shrunk because of the fall in the markets. This underlines the importance of the need to find ways of increasing our income. It is gratifying that there have been some generous donations, one very significant, towards the cost of the lighting.

Many regular worshippers at St James's will not be aware that we still have a church hall – Holy Trinity Hall – which is a basement beneath a block of flats in Gloucester Terrace. This came to us as part of the package when the parish of Holy Trinity ceased to exist at the end of the 1970s. Numerous attempts have been made to let it – it has been occupied and useful for some of the time – but the terms of the underlease to us from the eponymous Housing Association made it virtually impossible for us to let it in a realistic way. It is good to know that the Association has become more relaxed about the terms of such a letting and it is hoped that in the near future a tenant will be found and so provide service to the locality and a realistic rental income.

Our programme of educational and other events has continued to expand, thanks to the initiatives taken by Fr Graham Miller, who has ensured that we also have a flow of visiting preachers. Fr David Emmott preached for us in Holy Week, and we also had visits from Professor Keith Ward and the Revd Lord Leslie Griffiths, amongst others.

Our music continues to be an important aspect of worship at St James's. We have the services of a committed and talented group of singers and of a Director of Music whose skills have been available to us for many years. Among the churches that have professional music in central London St James's is acknowledged to be outstanding, considering the size of its musical establishment (5 singers usually). I am grateful to them all for their contribution to the quality of the worship offered here.

This brings me on to all those others who perform various functions within the liturgy, from clerical colleagues, servers, readers, intercessors, sacristans, eucharistic ministers, sidespeople etc. They all work together to make the worship at St James's an outstanding offering to almighty God. Worship here is always offered with dignity, precision and with due regard for the customs which have informed our tradition over many centuries. Many thanks to them all. I also need to draw attention to some other individuals and groups of people. First, the churchwardens, whose commitment and support have helped things to run smoothly and harmoniously over the past year. Secondly, those who have served on the Parochial Church Council. Decision-making in the Church's life has never been easy, but the wisdom, patience and commitment of the members have made the past year one of happiness. Thirdly, those who have organised and served refreshments on various occasions and especially on Sundays have been an important outpost of the Church's mission, providing hospitality to visitors and encouraging the regulars both to stay behind and to help welcome visitors. Fourthly, Donald MacKenzie, the church administrator, shoulders an immense burden in running what is in effect a sizeable business, managing the finances, attending meetings, advising colleagues and often defending the vicar from some of the more predatory callers. I feel privileged to be part of a team with him along with Frs Graham Miller, Will Baynes and Reji Raj-Singh on the staff, whose commitment and support for St James's is unfailing.

In September I celebrated the fortieth anniversary of my ordination to the priesthood. It was a marvellous occasion, when Bishop Jack Nicholls came to preach and I was surrounded at the altar by a crowd of former colleagues both from here and my previous parish. I was so pleased to be able to have this celebration at St James's, where I have been privileged to serve for the past fifteen years, and where together we have achieved so much to forward the proclamation and living of the Gospel in this place.

Yours in Christ,

Fr Bill Wilson

Second Sunday of Easter 2009

ST JAMES'S CHURCH, PADDINGTON

PAROCHIAL CHURCH COUNCIL

ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 31ST DECEMBER 2008

Results for the year

During the year ended 31st December 2008 the Parochial Church Council made a deficit of £258,546 (2007 deficit of £13,779).

Financial review

The charity is dependent on incoming resources from investment and the continued support of its worshippers in donation via the envelope system and standing orders, making use of the Gift Aid scheme.

Investment policy

After a review early in 2007, the PCC decided to keep the investment funds with the CCLA (CBF) accounts.

Reserves policy

The policy is linked to the investments and is reviewed from time to time, ensuring adequate provision is made. The reserves at 31st December 2008 were £1,407,930.

Independent examiner

A resolution to re-appoint Baker Tilly Tax and Accounting Ltd as the independent examiner will be proposed at the APCM.

FR BILL WILSON

Vicar

For and on behalf of the Parochial Church Council on:

ST JAMES'S CHURCH, PADDINGTON**PAROCHIAL CHURCH COUNCIL****Statement of the Parochial Church Council's responsibilities**

Law applicable to charities in England and Wales and guidance issued by the Central Board of Finance of the Church of England require the members of the Parochial Church Council to prepare financial statements which give a true and fair view of the Parochial Church Council's financial activities during the year.

In preparing financial statements giving a true and fair view, the members of the Parochial Church Council should follow best practice and:

- i) select suitable accounting policies and then apply them consistently;
- ii) make judgments and estimates that are reasonable and prudent;
- iii) state whether the Church guidance, applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- iv) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Parochial Church Council will continue in operation.

The Members of the Parochial Church Council are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the Parochial Church Council and enable them to ensure that the financial statements comply with the Church Accounting Regulations 2006 and the Charities Act 1993. They are also responsible for safeguarding the assets of the Parochial Church Council and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ST JAMES'S CHURCH, PADDINGTON

PAROCHIAL CHURCH COUNCIL

INDEPENDENT EXAMINER'S REPORT

I report on the accounts of the PCC for the year ended 31 December 2008, which are set out on pages 12 to 23.

Respective responsibilities of the PCC and Independent examiner

As members of the PCC you are responsible for the preparation of the accounts; you consider that the audit requirement of section 43(2) of the Charities Act 1993 (the Act) does not apply. It is my responsibility to state, on the basis of procedures specified in the General Directions given by the Charity Commissioners under section 43 (7)(b) of the Act, whether particular matters have come to my attention.

Basis of this report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the PCC and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as PCC members concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements

- to keep accounting records in accordance with section 41 of the Act; and
- to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Act.

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

N P Sladden FCA DChA
Dated:

ON BEHALF OF BAKER TILLY TAX AND ACCOUNTING LIMITED
Hanover House, 18 Mount Ephraim Rd.
Tunbridge Wells, TN1 1ED

ST JAMES'S CHURCH, PADDINGTON

PAROCHIAL CHURCH COUNCIL

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST DECEMBER 2008

	Notes	Unrestricted Funds £	Restricted funds £	Endowment Funds £	Total 2008 £	Total 2007 £
Incoming resources						
Incoming resources from generated funds						
Voluntary income	2(a)	96,075	-	-	96,075	88,130
Activities for generating funds	2(b)	91,683	-	-	91,683	78,887
Income from investments	2(c)	41,407	16,508	-	57,915	55,338
Incoming resources from charitable activities						
Church activities	2(d)	<u>3,082</u>	<u>-</u>	<u>-</u>	<u>3,082</u>	<u>2,622</u>
Total incoming resources		<u>232,247</u>	<u>16,508</u>	<u>-</u>	<u>248,755</u>	<u>220,664</u>
Resources expended						
Cost of generating voluntary income	3(a)	6,581	-	-	6,581	7,454
Cost of charitable activities						
Church activities	3(b)	239,302	-	-	239,302	227,832
Governance costs	3(c)	<u>4,671</u>	<u>-</u>	<u>-</u>	<u>4,671</u>	<u>8,118</u>
Total resources expended		<u>250,554</u>	<u>-</u>	<u>-</u>	<u>250,554</u>	<u>243,404</u>
Net incoming resources before other recognised gains and losses		(18,307)	16,508	-	(1,799)	(18,427)
Gains and losses on investments						
Realised		-	-	-	-	-
Unrealised		<u>(188,171)</u>	<u>(72,133)</u>	<u>3,557</u>	<u>(256,747)</u>	<u>4,648</u>
Net movement in funds		(206,478)	(55,625)	3,557	(258,546)	(13,779)
Funds balances b/f 1 January		<u>1,320,725</u>	<u>232,293</u>	<u>113,458</u>	<u>1,666,476</u>	<u>1,680,255</u>
Funds balances c/f 31 December		<u>1,114,247</u>	<u>176,668</u>	<u>117,015</u>	<u>1,407,930</u>	<u>1,666,476</u>

ST JAMES'S CHURCH, PADDINGTON

PAROCHIAL CHURCH COUNCIL

BALANCE SHEET AS AT 31ST DECEMBER 2008

	Notes	£	2008 £	£	2007 £
FIXED ASSETS					
Tangible assets	5		296,032		251,570
Investments	6		<u>1,052,045</u>		<u>1,308,792</u>
			1,348,077		1,560,362
CURRENT ASSETS					
Debtors	7	37,773		29,213	
Short term deposits		20,913		65,669	
Cash at bank and in hand		<u>8,612</u>		<u>15,763</u>	
			<u>67,298</u>	<u>110,645</u>	
LIABILITIES					
Creditors due within one year	8	<u>7,445</u>		<u>4,531</u>	
			<u>59,853</u>		<u>106,114</u>
NET ASSETS			<u>1,407,930</u>		<u>1,666,476</u>
INCOME FUNDS					
Funds:					
Unrestricted	9	1,114,247		1,320,725	
Restricted	10	176,668		232,293	
Unrestricted Designated Funds	10	<u>117,015</u>		<u>113,458</u>	
			<u>1,407,930</u>		<u>1,666,476</u>

JOHN MOSS
Churchwarden
For and on behalf of the Parochial Church Council on:

ALEXANDRA WHITING
Churchwarden

ST JAMES'S CHURCH, PADDINGTON**PAROCHIAL CHURCH COUNCIL****NOTES TO THE ACCOUNTS
31ST DECEMBER 2008****1. Accounting policies****(i) Basis of preparation**

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with applicable accounting standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP) 2005.

These financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at market value.

(ii) Land and buildings

The Church and the site on which the vicarage and offices sit are consecrated and are excluded from accountability under the S.96(2)a of the Charities Act 1993. Maintenance and improvements are written off in the year in which they are incurred.

(iii) Incoming resources

Income is recognised when the PCC is legally entitled to the income. No amounts are included for services donated by volunteers. Planned giving, collections and donations are recognised when received. Indirect giving: tax refunds are recognised as soon as the amounts are claimable. Grants and legacies are accounted for when the PCC is legally entitled to the amounts due. Investment income: dividends are accounted for when received; interest and tax recoverable are accrued. The PCC does not usually invest separately for each fund. Where there is no separate investment, interest is apportioned to individual funds on a proportionate basis.

(iv) Outgoing resources

Payments to the Common Fund are paid regularly and are included in expenditure for the year to which they relate. Grants from unrestricted funds (including donations to missions) are recognised when determined by the PCC. Amounts received specifically for missions are dealt with as restricted funds and the liability for payment is recognised when the amounts are received. All other expenditure is generally recognised when it is incurred.

(v) Fund accounting

General purposes funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for application on the general purposes of the PCC. Funds designated for a particular purpose by the PCC are also unrestricted.

ST JAMES'S CHURCH, PADDINGTON**PAROCHIAL CHURCH COUNCIL****31ST DECEMBER 2008****1. Accounting policies (continued)****Accounting convention**

The accounts include transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body nor those that are informal gatherings of church members.

Funds

Restricted capital (endowment) funds are those where the interest may be spent in accordance with the donor's wishes or the Trust Deed, but where the capital may not be spent.

Restricted income funds are those where the capital and interest may be spent in accordance with the donor's wishes or the trust Deed. Donations for a specific purpose are also restricted income funds.

Unrestricted funds are those which are not subject to any restriction as to their use. Such funds are available for application on the general purpose of the PCC. Funds designated for a particular purpose by the PCC are also unrestricted, since the PCC may reverse such decisions at any time prior to expenditure taking place.

Incoming resources

Collections are recognised when received by or on behalf of the PCC.

- Planned giving by bankers order (or regular donations) is recognised only when received.
- Income tax recoverable on Gift Aid donations is recognised when the income is recognised, except for that recoverable on stewardship giving, which is recognised when the annual Gift Aid is received.
- Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement; the amount is quantifiable, and its ultimate receipt by the PCC is relatively certain.
- Income from church lettings and fee income is recognised when the rental or fee is due.
- Dividends and interest are accounted for when receivable.
- All other income is recognised gross, and on a receivable basis.

ST JAMES'S CHURCH, PADDINGTON

PAROCHIAL CHURCH COUNCIL

NOTES TO THE ACCOUNTS (CONTINUED)

31ST DECEMBER 2008

1. Accounting policies (continued)

Resources expended

- Cost of generating funds represents the cost of advertising, and the cost of maintaining properties that currently generate income from the PCC.
- Grants and donations are accounted for when paid over, or when awarded, if that reward creates a binding obligation on the PCC.
- The Diocesan Common Fund is accounted for when payable. Any amount unpaid at 31 December is provided in the accounts as a liability.
- Support costs comprises costs incurred or payments made which are an integral part of expenditure on the PCC's objects.
- Governance costs include the cost of compliance with constitutional and statutory requirements.

Fixed assets

Consecrated land and buildings and movable church furnishings

Consecrated or beneficial property is excluded from the accounts by Section 96(2)(a) of the Charities Act 1993.

Movable church furnishings held by the churchwardens on special trust for the PCC, and which require a faculty for disposal, are accounted for as inalienable property unless consecrated. They are listed in the church's inventory, which can be inspected (at any reasonable time). For inalienable property acquired prior to 2000 there is insufficient cost information available and therefore such assets are not valued in the accounts. Items acquired since 1st January 2000 have been capitalised and depreciated on a straight line basis in the accounts over their currently anticipated useful economic life. All expenditure incurred during the year on consecrated or benefice buildings, individual item under £1,000 or on repair of movable church furnishings acquired before 1st January 2000 is written off.

Other buildings

Properties are included in the accounts at valuation. The PCC reviews the valuation annually, and any permanent impairment in value is transferred to the SOFA. No depreciation is charged on these buildings as, in the view of the PCC, the estimated useful life is so long that any charge would be immaterial.

Other assets

Equipment used within the church premises with a purchase price exceeding £1,000 is capitalised. Individual items of equipment with a purchase price of £1,000 or less are written off when the asset is acquired.

Depreciation is provided at the following rates to write off fixed assets over the useful lives:

Church furnishings	- Straight line over 20 years
Furniture, fittings and equipment	- Straight line over 5 years

Investments

Investments are valued at market value at 31 December, the figures being provided by the Fund Managers. Movements in the value of investments, and gains or losses realised on disposal are accounted for through the SOFA.

ST JAMES'S CHURCH, PADDINGTON**PAROCHIAL CHURCH COUNCIL****NOTES TO THE ACCOUNTS (CONTINUED)****31ST DECEMBER 2008****1. Accounting policies (continued)****Current assets**

Amounts owing to the PCC in respect of fees, rent or other income are shown as debtors less provision for amounts that may prove irrecoverable.

Short term deposits include cash held on deposit either with the CBF Church of England Funds or at the bank.

(vii) Investments

Investments are included in the balance sheet at market value.

(viii) Operating leases

Rentals payable under operating leases are charged to resources expended on a straight line basis over the period of the lease.

(ix) Pension scheme

The PCC operates a stakeholder pension scheme for the benefit of the employees. Contributions to the scheme are charged to the Statement of Financial Activities in the accounting period to which they relate.

(x) Reserves policy

Monies are set aside for specific purposes into restricted and designated funds. The general purpose fund is intended to provide for the costs of church management and administration for the year ahead.

ST JAMES'S CHURCH, PADDINGTON

PAROCHIAL CHURCH COUNCIL

NOTES TO THE ACCOUNTS (CONTINUED)

31ST DECEMBER 2008

2. Incoming resources

	Unrestricted Funds £	Restricted funds £	Total 2008 £	Funds 2007 £
2a Voluntary income				
Stewardship	58,419	-	58,419	50,163
Income tax recoverable	21,035	-	21,035	20,129
Church collections	5,175	-	5,175	4,570
Unrestricted donations	5,289	-	5,289	6,630
Other income resources	<u>6,157</u>	<u>-</u>	<u>6,157</u>	<u>6,638</u>
	<u>96,075</u>	<u>-</u>	<u>96,075</u>	<u>88,130</u>
2b Activities for generating funds				
Holy Trinity Hall	-	-	-	720
Ground rent receivable	17,821	-	17,821	9,315
Pilgrimage	1,145	-	1,145	
Car park	7,320	-	7,320	8,160
Crypt rentals	<u>65,397</u>	<u>-</u>	<u>65,397</u>	<u>60,692</u>
	<u>91,683</u>	<u>-</u>	<u>91,683</u>	<u>78,887</u>
2c Income from investments:				
Interest receivable	41,407	16,508	57,915	55,338
2d Income from church activities				
Fees	3,082	-	3,082	2,622
Total incoming resources	<u>232,247</u>	<u>16,508</u>	<u>248,755</u>	<u>224,977</u>

ST JAMES'S CHURCH, PADDINGTON

PAROCHIAL CHURCH COUNCIL

NOTES TO THE ACCOUNTS (CONTINUED)

31ST DECEMBER 2008

3. ANALYSIS OF RESOURCES EXPENDED

3a Cost of generating funds	2008		Total 2008	Funds 2007
	Unrestricted	Restricted		
	£	£	£	£
Advertising	4,251	-	4,251	3,150
Holy Trinity Hall	<u>2,330</u>	<u>-</u>	<u>2,330</u>	<u>4,304</u>
	<u>6,581</u>	<u>-</u>	<u>6,581</u>	<u>7,454</u>
3b Church activities				
Ecclesiastical expenses	2,387	-	2,387	2,258
Music	33,578	-	33,578	33,985
Clergy expenses	3,215	-	3,215	2,937
Diocesan Common Fund	65,000	-	65,000	60,000
Vestry and office works	1,328	-	1,328	4,530
Repairs and maintenance	10,271	-	10,271	12,406
Insurance	14,647	-	14,647	13,866
Curates flat	1,894	-	1,894	5,452
Heat, light and power	17,442	-	17,442	16,488
Cleaning	6,329	-	6,329	5,172
Depreciation	15,131	-	15,131	3,212
Salaries and social security	55,209	-	55,209	52,847
Parish office administration	5,857	-	5,857	8,452
Legal and professional fees	540	-	540	862
Loan interest	(63)	-	(63)	63
Other expenditure	<u>6,537</u>	<u>-</u>	<u>6,537</u>	<u>5,302</u>
	<u>239,302</u>	<u>-</u>	<u>239,302</u>	<u>227,832</u>
3c Governance costs				
Accountancy fees	2,996	-	2,996	4,171
Independent examiners fees	1,675	-	1,675	-
Auditors remuneration	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,947</u>
	<u>4,671</u>	<u>-</u>	<u>4,671</u>	<u>8,118</u>
TOTAL RESOURCES EXPENDED	<u>250,554</u>	<u>-</u>	<u>250,554</u>	<u>243,404</u>

ST JAMES'S CHURCH, PADDINGTON

PAROCHIAL CHURCH COUNCIL

NOTES TO THE ACCOUNTS (CONTINUED)

31ST DECEMBER 2008

4. Staff costs	2008	2007
	£	£
Wages and salaries	52,110	50,643
Pension contributions	-	-
Social security costs	<u>2,331</u>	<u>2,204</u>

The average number of staff members during the year was 2 (2007 – 2). No employee was paid at a rate of more than £60,000 in the year.

5. **Fixed assets for use by the PCC****Tangible fixed assets**

	Long Leasehold Property £	Church furnishings £	Furniture fittings and equipment £	Total £
Cost or valuation				
Cost:				
At 1st January 2008	240,617	9,601	13,661	263,879
Additions	-	-	59,593	59,593
Disposal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31st December 2008	240,617	9,601	73,254	323,472
Depreciation				
At 1st January 2008	-	1,696	10,613	12,309
Charge for the year	-	480	14,651	15,131
Disposal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31st December 2008	-	2,176	25,264	27,440
Net book value:				
At 31st December 2008	<u>240,617</u>	<u>7,425</u>	<u>47,990</u>	<u>296,032</u>
At 31st December 2007	<u>240,617</u>	<u>7,905</u>	<u>3,048</u>	<u>251,570</u>

6. **Fixed assets investments**

	2008	2007
	£	£
Movements in the year		
Market value at 1st January 2008	1,308,792	1,304,144
Purchases at cost, less disposals at market value	-	-
Net gains on disposal and annual revaluation	<u>(256,747)</u>	<u>4,648</u>
Market value at 31st December 2008	<u>1,052,045</u>	<u>1,308,792</u>

ST JAMES'S CHURCH, PADDINGTON

PAROCHIAL CHURCH COUNCIL

NOTES TO THE ACCOUNTS (CONTINUED)

31ST DECEMBER 2008

7. Debtors

	2008 £	2007 £
Income tax recoverable	16,459	11,493
Other debtors	14,761	11,166
Prepayments and accrued interest	<u>6,553</u>	<u>6,554</u>
	<u>37,773</u>	<u>29,213</u>

8. Liabilities: amounts falling due within one year

	2008 £	2007 £
Other creditors including taxation and social security	<u>7,445</u>	<u>4,531</u>

9. Unrestricted funds

	Balance brought forward £	Incoming resources £	Resources expended £	Transfers £	Gains/ (losses) £	Balance carried forward £
General fund	121,230	232,247	(234,095)	(14,593)	-	104,789
<i>Designated funds:</i>						
Church House fund	61,356	-	-	(45,000)	-	16,356
Church fund	886,569	-	(1,328)	-	(188,171)	697,070
61 Pembroke House	240,617	-	-	-	-	240,617
Fixed asset fund	10,953	-	(15,131)	59,593	-	55,415
	<u>1,320,725</u>	<u>232,247</u>	<u>(250,554)</u>	<u>-</u>	<u>(188,171)</u>	<u>1,114,247</u>

The Designated Funds represent sums which have been set aside out of unrestricted funds by the Parochial Church Council to fund special projects and ministries and for the purpose of replacing the church's assets, and for future building repairs and at 31st December 2008 comprised:

The Church House fund represents the proceeds from the grant of a long lease on Joanne House, and the sale of the freehold in the same property in 2003. The amount has been invested in the Deposit Fund of the Central Board of Finance. An amount of £45,000 was transferred to general funds during the year.

The transfers between other designated funds represent the reorganisation of investments held with the central Board of Finance. The balance of these funds has been set aside by the PCC towards Phase II of the Church renovation.

The Fixed Asset fund is a designated fund, the balance of which is maintained at a level equal to the net book value of tangible fixed assets (other than property) held for use by the PCC.

ST JAMES'S CHURCH, PADDINGTON

PAROCHIAL CHURCH COUNCIL

NOTES TO THE ACCOUNTS (CONTINUED)

31ST DECEMBER 2008

10. Restricted funds	Balance brought forward £	Incoming resources £	Resources expended £	Transfers £	Gains/ (losses) £	Balance carried forward £
Church renovation fund	231,613	10,119	-	-	(65,744)	175,988
Interest on endowments	-	6,389	-	-	(6,389)	-
Other restricted funds	680	-	-	-	-	680
	<u>232,293</u>	<u>16,508</u>	<u>-</u>	<u>-</u>	<u>(72,133)</u>	<u>176,668</u>

The Church Renovation fund represents amounts given by donors towards the continuing renovation of the Church.

The interest on endowment fund represents the interest received on endowed assets (see below) whose use is restricted. The transfer represents amounts spent in general funds that have been spent in accordance with the restrictions.

Other restricted funds

This fund represented various amounts received by the PCC for specific purposes, and expended thereon during the year. Any balance not expended by the year-end is carried forward for expenditure in the following year.

Restricted capital (endowment) funds

	Balance brought forward £	Incoming resources £	Resources expended £	Transfers £	Gains/ (losses) £	Balance carried forward £
Ralli Trust	40,173	-	-	-	1,259	41,432
Barber Trust	73,285	-	-	-	2,298	75,583
	<u>113,458</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,557</u>	<u>117,015</u>

The Ralli Trust is an endowment whose income is to be expended half as to the maintenance of the fabric and furnishings of St James's, and half as to general purposes.

The Barber Trust represents a moiety, being half of the original legacy (the other half being left to the London Diocesan Fund). The income is to be expended as to the upkeep of St James's.

ST JAMES'S CHURCH, PADDINGTON
PAROCHIAL CHURCH COUNCIL
NOTES TO THE ACCOUNTS (CONTINUED)
31ST DECEMBER 2008

Analysis of net assets by fund	Unrestricted Funds £	Restricted funds £	Endowment funds £	Total 2008 £
Tangible fixed assets	296,032	-	-	296,032
Investments	724,749	210,281	117,015	1,052,045
Net current assets	<u>93,466</u>	<u>(33,613)</u>	<u>-</u>	<u>59,853</u>
	<u>1,114,247</u>	<u>176,668</u>	<u>117,015</u>	<u>1,407,930</u>

11. Related parties

No material expenses were reimbursed or remuneration paid to any member of the PCC during the current or previous year.

ST JAMES'S CHURCH, PADDINGTON**PAROCHIAL CHURCH COUNCIL****CHURCH WARDENS FABRIC REPORT****31ST DECEMBER 2008**

While there has been no major works carried out in the last financial year, the groundwork for on-going projects has been started.

Of the principal items listed to be started or carried out during 2008:

- 1) The Lady Chapel floor has now been made good, and thanks are to Mike Ibsen for his work in achieving as good a match with the existing floor as could be hoped for. The old floor is worn, discoloured and warped in places due to age and use.
- 2) The marble around the aumbry, in the Lady Chapel has been repaired.
- 3) The design of the lighting system for the chancel and nave is now complete except for the choice of fittings. The arrangement of and routes for the associated wiring have been discussed with a contractor. The estimated cost remains at about £90,000.
- 4) The *Easter & Christmas* signs have been made and used. They were mentioned by several new-comers and tourists as providing a "first contact". Thanks are due to Donald MacKenzie for work in arranging the signs.

Repairs carried out during the year:

- 1) The automatic bell ringing system control failed and has been replaced. The angelus can now be set to ring at the appropriate time and the control of the tolling before services is much simpler. The system has been arranged to strike the hour, and operates completely independently of the clock.
- 2) The Fire Risk Assessment document is complete and during a recent inspection we received a favourable report from the Fire Service.
- 3) Rainwater from a blocked gutter fell into the organ. The silver lining to this episode is that while cleaning up the mess we revealed the location of the bad leaks in the organ's winding system.

Works proposed to be carried out and investigated during the coming year include:

- i) The coping stone and cross on the east end gable requires work and this is estimated to cost about £10,000.
- ii) Work is required to repair splits around the edge of the organ's bellows, estimated to cost £5000.
- iii) The new lighting scheme, cost estimated at £90, 000.
- iv) The internal decoration of the church, to follow the lighting, estimated to cost £40,000.
- v) The quotation for the front door gates is £4000, and a decision whether to go ahead now or later will be made soon.
- vi) A decision on an auto-clock mechanism will be made soon. Now that the hour strikes correctly it is perhaps more necessary for the dial to show the correct time.

John Moss & Alex Whiting (Churchwardens)

ST JAMES'S CHURCH, PADDINGTON

PAROCHIAL CHURCH COUNCIL

ELECTORAL ROLL REPORT 2008

This time last year there were 114 people on the Electoral Roll. Now there are 121, which is very encouraging.

The following 7 people have died or left the parish during the past year:

Dorothy Nicholson
Martine Moussongo
Rachel Nicholls
Edward O'Reilly
Susan O'Reilly
Richard A. Wagner
Jehan-Philippe Wood

The following 14 people have been welcomed to St James's during the past year:

Tiamiyu Ademola
Grace Chinnappa
James Daniels
Sofia Daniels
John Grobmeier
Maureen Grobmeier
Peter Hartwell
Michael Minett
Mylie Minett
Motlhale Motlhale
James Steven Mulraney
Papa Kwabene Hiengo Okoh
Olivia Oryem
Sally Westerman

I am most grateful to Donald for all the help he provides in keeping the computer list in the office up-to-date.

Mary Lambert
Electoral Roll Officer
10 April 2009