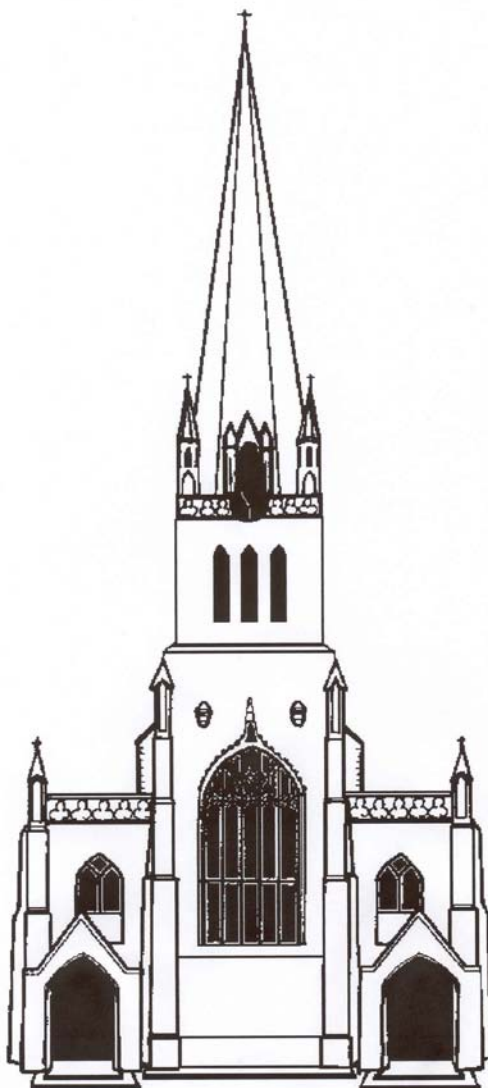


ST JAMES'S CHURCH, PADDINGTON

PAROCHIAL CHURCH COUNCIL



ANNUAL FINANCIAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31ST DECEMBER 2009

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ST JAMES'S CHURCH, PADDINGTON

PAROCHIAL CHURCH COUNCIL

Annual Meetings

25th April 2010

AGENDA

Annual Meeting of Parishioners

1. Apologies for absence
2. Minutes of the 2009 meeting
3. Election of the Churchwardens

Annual Parochial Church Meeting

1. Apologies for absence
2. Minutes of the 2009 meeting (see page 4)
3. Matters arising
4. Declaration of 'Any Other Business'
5. Election of four PCC Representatives
6. Appointments of the following Sidespeople:
Edward Gray, John Grobmeier, Gabrielle Higgins, Coco Huntman, Michael Ibsen,
Mary Lambert, John Moss, Eleanor Robbins, Jane Royle, Mariano Sanchez,
Matthew Semmence, Wim van der Lee, Alex Whiting, David Whiting
7. Presidential Address
8. Results of PCC Election (if applicable)
9. Churchwardens' Report
 - i) Fabric of the church
 - ii) Interregnum
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 2009 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 26 April 2009

1. Apologies for absence were received from Monica Sims, George Sulker-Hutson, Adonica Geiger and Eleanor Robbins, Donald MacKenzie
2. Minutes of 2008 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, George Sulker-Hutson, Adonica Geiger, Eleanor Robbins, Donald MacKenzie
2. Minutes of the 2008 meeting were approved and signed nem con.
3. Matters arising. None
4. Declaration of 'Any Other Business'
Auriol Blandy to give oral report of Deanery Synod under Item 12
5. Election of four PCC Representatives

David Whiting, George Sulker-Hutson, Matthew Semmence and Gabrielle Higgins were elected to fill the 4 vacancies on the PCC

6. Appointments of Sidespeople. Natalie Delpino, Barbara Gammon, Edward Gray, Gabrielle Higgins, Dimitri Horne, Coco Huntman, Mike Ibsen, Mary Lambert, John Moss, Kate Moss, Eleanor Robbins, Jane Royle, Mariano Sanchez, Wim van der Lee, Alex Whiting, David Whiting
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 Page 24, Para iv - the estimated cost of the lighting for the church should read £24,000 not £40,000. The report was accepted nem con.
10. Finance:
 - i. The APCM received the PCC's 2008 accounts, proposed by Jackie Hetherington, seconded by David Whiting and were accepted nem con.
 - ii. The APCM resolved to appoint Baker Tilly as Examining Accountants. Proposed by Alex Whiting, seconded by John Moss and carried nem con.
 - iii. Questions on the 2008 accounts - Auriol Bland questioned the reference to the Charities Act 1993 in the 1st paragraph on P. 11. Fr Bill Wilson suggested this query should be taken up with Donald McKenzie who has since confirmed that an audit is only required for charities holding in excess of £500,000.
 - iv. The APCM accepted the accounts. Proposed by Alex Whiting and seconded by Mary Lambert.
11. Electoral Roll Officer's Report. The written report was accepted. The roll has increased from 114 to 121.
12. Deanery Synod Report. An oral report was given by Auriol Blandy. Two meetings had been attended, one highlighting saving energy and carbon emissions, the other on the subject of church development with Maggie Durran. Carl Emilien attended the third meeting.
13. Any other business – There was none.

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 2009****The Parochial Church Council**

The Parochial Church Council, which is a Registered Charity No. 1134640, with the Charity Commission. This report for the year ended 31st December 2009 complies with the current statutory requirements and should be read in conjunction with the PCC Annual Report.

The nine members of the Parochial Church Council during the year were:

Patricia Boothman

Jacqueline Hetherington

Gabrielle Higgins

Patricia Kishler

Kate Moss

Mary Lambert

Chris Rao

George Sulker-Hutson (*stood down at the first meeting*)

David Whiting

Deanery Synod Reps:

Auriol Blandy

Carl Emilien

Clergy:

Fr Graham Miller (Associate Vicar)

Fr Will Baynes (NSM)

Fr Regi Rag-Singh (NSM) (*left during the year*)

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

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 for the public benefit

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

I always seem to begin these reports with the observation that the year has been eventful. The past year is no exception: we have continued in our rôle as a church in a capital city, meeting with many people from all over the world and from this country as well. We hope that all of them will go away with positive feelings both about the Church in London and about the universal Church in general. It is true that we will never usually know what impression we have created, but when there is feedback it is always positive. We shall never reap the direct benefits of these encounters and have to be content with the fact that simply being here in central London makes us – and the churches that surround us – crucial pieces in the jigsaw of evangelism. That is why we are committed to keeping the church open: St James's forms an oasis of stillness in a busy world and enables the many people who visit to catch their breath under our roof and then move on. There are disadvantages of course, and during the past year we have suffered the theft of the head of the Victorian eagle lectern, unused for many years, but nevertheless a fine piece. The theft was only discovered by accident, and so we have no idea when it took place. However, a successful insurance claim should enable us to obtain a new lectern for regular Sunday use.

As ever, turnover in the congregation is constant, but it is heartening to see new people joining us and often bringing vision and talents from other parts of the world. We still struggle a bit with the issue of children, but they are clearly integrated in to the pattern of life here and have a designated space near the entrance where they can play and have their own activities. What is important is that we should continue to recognise them as part of the Church and to applaud their presence in our midst. It is also important to recognise the determination and commitment of parents, who try to make regular worship an important element of their children's lives by persisting with the effort to get them to church each Sunday.

Running a church in central London is an expensive business. Others may observe that we have a high income from property and investments; our income from giving is also significant. However, in this part of the world many sums we have to pay out have a nought on the end when compared with what parishes in outer transport zones will have to find. Our insurance premium, for example, is over £15,000, and that is with a £1,000 excess. Effective management of property and investments is critically important, and all of us need to be aware of the need for personal financial commitment, both as a sign of our gratitude to God and as a responsible contribution towards the Church's housekeeping. Giving is three times what it was when I first arrived in the parish and it is now the largest of the three elements of our income. However, it is clear that we should always be aware of the need to encourage commitment from new worshippers and to remind people who have been around for a while that giving needs to be reviewed annually. The Church is affected by inflation as we all are, and the cost of fuel, pension contributions etc constantly rises.

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

ST JAMES'S CHURCH, PADDINGTON

PAROCHIAL CHURCH COUNCIL

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. Canon Martin Draper preached for us in Holy Week, and we also had visits from Canon Lucy Winkett, precentor of St Paul's, and the Dean Lichfield, 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.

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 out 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 (who left us in September) on the staff, whose commitment and support for St James's is unflinching.

I shall be retiring from St James's at the end of May this year after sixteen and a half years as vicar. It would be an understatement to say that they have been entirely easy. There has been much joy and we have achieved a great deal, but the whole process of persuading the parish that it needed to rationalise and develop its buildings was difficult to say the least. The efforts of some, both within the Church and outside it to ensure that nothing happened, were unrelenting, and it was only the support and vision of most of the Parochial Church Council that enabled us to go on with the project. The church hall in Gloucester Terrace is a dim memory for those around at the time, and for those who have arrived since its disappearance the fact that it was ever there comes as a shock.

I have been immensely encouraged by the resilience of the community at St James's and by its willingness to embrace change as an act of faith. This I believe is largely due to the fact that people recognise what is at the heart of our common life as Christian people. It is the worship of God, offered through the ages everywhere, and in our own time here, that has sustained the Church in times of trial and provided its lifeblood. To let go of that and of the communal life that flows from it, is to jettison one of the fundamentals of our faith. I hope then, that my legacy will be that of putting worship first and encouraging the Church to offer the Eucharist together and regularly in union with Christ as an offering to our Father, his Father, in the communion of the Holy Spirit.

I feel privileged to have been among you all these years and I offer thanks for that and every blessing to my successor.

Yours in Christ
Bill Wilson
Holy Week 2010

ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 31ST DECEMBER 2009

Results for the year

ST JAMES'S CHURCH, PADDINGTON

PAROCHIAL CHURCH COUNCIL

During the year ended 31st December 2009 the Parochial Church Council made a deficit of £757 (2008 deficit of £258,546).

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 2009 were £1,407,173

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: 25 April 2010

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 2009, which are set out on pages 12 to 23.

Respective responsibilities of trustees and examiner

As members of the PCC you are responsible for the preparation of the accounts; you consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 43 of the 1993 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 43 (7)(b) of the 1993 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. 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 members concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out below.

Independent examiner's statements

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 comply with the accounting requirements of the 1993 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.

Nicholas Paul Sladden FCA DChA
ON BEHALF OF BAKER TILLY TAX AND ACCOUNTING LIMITED
Chartered Accountants
Hanover House
18 Mount Ephraim Road
Tunbridge Wells
Kent
TN1 1ED

Date:

ST JAMES'S CHURCH, PADDINGTON
PAROCHIAL CHURCH COUNCIL
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2009

	Notes	Unrestricted Funds £	Restricted funds £	Endowment Funds £	Total 2009 £	Total 2008 £
Incoming resources						
Incoming resources from generated funds						
Voluntary income	2(a)	92,908	-	-	92,908	96,075
Activities for generating funds	2(b)	84,993	-	-	84,993	91,683
Income from investments	2(c)	35,289	10,434	6,389	52,112	57,915
Incoming resources from charitable activities						
Church activities	2(d)	<u>4,515</u>	<u>-</u>	<u>-</u>	<u>4,515</u>	<u>3,082</u>
Total incoming resources		<u>217,705</u>	<u>10,434</u>	<u>6,389</u>	<u>234,528</u>	<u>248,755</u>
Resources expended						
Cost of generating voluntary income	3(a)	10,924	-	-	10,924	6,581
Cost of charitable activities						
Church activities	3(b)	265,562	-	-	265,562	239,302
Governance costs	3(c)	<u>4,111</u>	<u>-</u>	<u>-</u>	<u>4,111</u>	<u>4,671</u>
Total resources expended		<u>280,597</u>	<u>-</u>	<u>-</u>	<u>280,597</u>	<u>250,554</u>
Net (outgoing) / incoming resources before transfers		(62,892)	10,434	6,389	(46,069)	(1,799)
Transfers		<u>-</u>	<u>6,389</u>	<u>(6,389)</u>	<u>-</u>	<u>-</u>
Net (outgoing) / incoming resources before other recognised gains and losses		(62,892)	16,823	-	(46,069)	(1,799)
Gains and (losses) on investments						
Unrealised		<u>30,420</u>	<u>19,625</u>	<u>(4,733)</u>	<u>45,312</u>	<u>(256,747)</u>
Net movement in funds		(32,472)	36,448	(4,733)	(757)	(258,546)
Funds balances b/f 1 January		<u>1,114,247</u>	<u>176,668</u>	<u>117,015</u>	<u>1,407,930</u>	<u>1,666,476</u>
Funds balances c/f 31 December		<u>1,081,775</u>	<u>213,116</u>	<u>112,282</u>	<u>1,407,173</u>	<u>1,407,930</u>

All activities are classified as continuing.

ST JAMES'S CHURCH, PADDINGTON

PAROCHIAL CHURCH COUNCIL

BALANCE SHEET AS AT 31ST DECEMBER 2009

	Notes	£	2009 £	£	2008 £
FIXED ASSETS					
Tangible assets	5		316,820		296,032
Investments	6		<u>1,027,357</u>		<u>1,052,045</u>
			1,344,177		1,348,077
CURRENT ASSETS					
Debtors	7	34,404		37,773	
Short term deposits		10,982		20,913	
Cash at bank and in hand		<u>27,058</u>		<u>8,612</u>	
		<u>72,444</u>		<u>67,298</u>	
LIABILITIES					
Creditors due within one year	8	<u>9,448</u>		<u>7,445</u>	
			<u>62,996</u>		<u>59,853</u>
NET ASSETS			<u>1,407,173</u>		<u>1,407,930</u>
INCOME FUNDS					
Funds:					
Unrestricted	9	1,081,775		1,114,247	
Restricted	10	213,116		176,668	
Unrestricted Designated Funds	10	<u>112,282</u>		<u>117,015</u>	
			<u>1,407,173</u>		<u>1,407,930</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 2009****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
NOTES TO THE ACCOUNTS (CONTINUED)
31ST DECEMBER 2009

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 2009

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 2009****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.

(vi) Investments

Investments are included in the balance sheet at market value.

(vii) Operating leases

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

(viii) 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.

(ix) 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 2009

2. Incoming resources

	Unrestricted Funds £	Restricted Funds £	Endowment funds £	Total 2009 £	Funds 2008 £
2a Voluntary income					
Stewardship	57,843	-	-	57,843	58,419
Income tax recoverable	16,605	-	-	16,605	21,035
Church collections	4,567	-	-	4,567	5,175
Unrestricted donations	7,444	-	-	7,444	5,289
Other income resources	<u>6,449</u>	<u>-</u>	<u>-</u>	<u>6,449</u>	<u>6,157</u>
	<u>92,908</u>	<u>-</u>	<u>-</u>	<u>92,908</u>	<u>96,075</u>
2b Activities for generating funds					
Ground rent receivable	14,800	-	-	14,800	17,821
Pilgrimage	770	-	-	770	1,145
Car park	7,829	-	-	7,829	7,320
Crypt rentals	<u>61,594</u>	<u>-</u>	<u>-</u>	<u>61,594</u>	<u>65,397</u>
	<u>84,993</u>	<u>-</u>	<u>-</u>	<u>84,993</u>	<u>91,683</u>
2c Income from investments:					
Interest receivable	35,289	10,434	6,389	52,112	57,915
2d Income from church activities					
Fees	4,515	-	-	4,515	3,082
Total incoming resources	<u>217,705</u>	<u>10,434</u>	<u>6,389</u>	<u>234,528</u>	<u>248,755</u>

ST JAMES'S CHURCH, PADDINGTON
PAROCHIAL CHURCH COUNCIL
NOTES TO THE ACCOUNTS (CONTINUED)
31ST DECEMBER 2009

3. ANALYSIS OF RESOURCES EXPENDED

3a Cost of generating funds	2009		Total 2009 £	Funds 2008 £
	Unrestricted £	Restricted £		
Advertising	4,740	-	4,740	4,251
Holy Trinity Hall	<u>6,184</u>	-	<u>6,184</u>	<u>2,330</u>
	<u>10,924</u>	-	<u>10,924</u>	<u>6,581</u>
3b Church activities				
Ecclesiastical expenses	6,785	-	6,785	2,387
Music	35,746	-	35,746	33,578
Clergy expenses	3,554	-	3,554	3,215
Diocesan Common Fund	65,000	-	65,000	65,000
Vestry and office works	-	-	-	1,328
Repairs and maintenance	10,863	-	10,863	10,271
Insurance	15,793	-	15,793	14,647
Curates flat	1,876	-	1,876	1,894
Heat, light and power	18,511	-	18,511	17,442
Cleaning	3,502	-	3,502	6,329
Depreciation	24,111	-	24,111	15,131
Salaries and social security	57,345	-	57,345	55,209
Parish office administration	4,221	-	4,221	5,857
Legal and professional fees	9,775	-	9,775	540
Loan interest	-	-	-	(63)
Other expenditure	<u>8,480</u>	-	<u>8,480</u>	<u>6,537</u>
	<u>265,562</u>	-	<u>265,562</u>	<u>239,302</u>
3c Governance costs				
Accountancy fees	2,486	-	2,486	2,996
Independent examiner's fees	<u>1,625</u>	-	<u>1,625</u>	<u>1,675</u>
	<u>4,111</u>	-	<u>4,111</u>	<u>4,671</u>
TOTAL RESOURCES EXPENDED	<u>280,597</u>	-	<u>280,597</u>	<u>250,554</u>

ST JAMES'S CHURCH, PADDINGTON

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31ST DECEMBER 2009

4. Staff costs	2009	2008
	£	£
Wages and salaries	54,351	52,110
Pension contributions	-	-
Social security costs	<u>2,382</u>	<u>2,331</u>

The average number of staff members during the year was 2 (2008 – 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 2009	240,617	9,601	73,254	323,472
Additions	-	-	44,899	44,899
Disposal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31st December 2009	240,617	9,601	118,153	368,371
Depreciation				
At 1st January 2009	-	2,176	25,264	27,440
Charge for the year	-	480	23,631	24,111
Disposal	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31st December 2009	-	2,656	48,895	51,551
Net book value:				
At 31st December 2009	<u>240,617</u>	<u>6,945</u>	<u>69,258</u>	<u>316,820</u>
At 31st December 2008	<u>240,617</u>	<u>7,425</u>	<u>47,990</u>	<u>296,032</u>

6. **Fixed assets investments**

	2009	2008
	£	£
Movements in the year		
Market value at 1st January 2009	1,052,045	1,308,792
Purchases at cost, less disposals at market value	(70,000)	-
Net gains / (losses) on disposal and annual revaluation	<u>45,312</u>	<u>(256,747)</u>
Market value at 31st December 2009	<u>1,027,357</u>	<u>1,052,045</u>

ST JAMES'S CHURCH, PADDINGTON
PAROCHIAL CHURCH COUNCIL
NOTES TO THE ACCOUNTS (CONTINUED)
31ST DECEMBER 2009

7. Debtors

	2009 £	2008 £
Income tax recoverable	16,636	16,459
Other debtors	10,866	14,761
Prepayments and accrued interest	<u>6,902</u>	<u>6,553</u>
	<u>34,404</u>	<u>37,773</u>

8. Liabilities: amounts falling due within one year

	2009 £	2008 £
Other creditors including taxation and social security	<u>9,448</u>	<u>7,445</u>

9. Unrestricted funds

	Balance brought forward £	Incoming resources £	Resources expended £	Transfers £	Gains/ (losses) £	Balance carried forward £
General fund	104,789	217,705	(280,597)	-	-	41,897
<i>Designated funds:</i>						
Church House fund	16,356	-	-	-	-	16,356
Church fund	697,070	-	-	-	30,420	727,490
61 Pembroke House	240,617	-	-	-	-	240,617
Fixed asset fund	55,415	-	-	-	-	55,415
	<u>1,114,247</u>	<u>217,705</u>	<u>(280,597)</u>	<u>-</u>	<u>30,420</u>	<u>1,081,775</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 2009 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.

The Fixed Asset fund and 61 Pembroke House fund are designated funds, 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 2009

10. Restricted funds	Balance brought forward £	Incoming resources £	Resources expended £	Transfers £	Gains/ (losses) £	Balance carried forward £
Church renovation fund	175,988	10,434	-	6,389	19,625	212,436
Other restricted funds	680	-	-	-	-	680
	<u>176,668</u>	<u>10,434</u>	<u>-</u>	<u>6,389</u>	<u>19,625</u>	<u>213,116</u>

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

The transfer represents the interest received on endowed assets (see below) whose use is restricted.

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	41,432	2,262	-	(2,262)	(1,676)	39,756
Barber Trust	75,583	4,127	-	(4,127)	(3,057)	72,526
	<u>117,015</u>	<u>6,389</u>	<u>-</u>	<u>(6,389)</u>	<u>(4,733)</u>	<u>112,282</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

31ST DECEMBER 2009

Analysis of net assets by fund	Unrestricted Funds £	Restricted funds £	Endowment funds £	Total 2009 £
Tangible fixed assets	316,820	-	-	316,820
Investments	685,169	229,906	112,282	1,027,357
Net current assets / (liabilities)	<u>79,786</u>	<u>(16,790)</u>	<u>-</u>	<u>62,996</u>
	<u>1,081,775</u>	<u>213,116</u>	<u>112,282</u>	<u>1,407,173</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 2009

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 2009:

- i) The coping stone and cross on the east end gable still requires work, we are awaiting action from the architect to invite tenders.
- ii) The organ continues to deteriorate and at some time in the near future the parish needs to decide a course of action. Currently it is estimated that a full overhaul and rebuild of the current instrument would be in the region of £500,000.
- iii) The new lighting was completed at the beginning of the year.
- iv) The internal decoration of the church is now set as a priority (post-lighting scheme) and the current estimated cost is about £30,000 – this work is for the side aisles and porches. We are awaiting the architect to action this.
- v) The PCC is looking at obtaining an estimate for new front doors for the church and repairing or replacing the iron gates.
- vi) The new electric clock movement has been fitted and is working well
- vii) Floor tiles and marble slabs have been refixed
- viii) The repair to the wall and the installation of new wall safe, due to vandalism has been completed.

Works proposed to be carried out and investigated during the coming year (2010) include:

- i) Redecoration of church together with kitchen and toilets
- ii) Any critical repairs which are revealed from the recent quinquennial inspection. The architect's detailed report has not been submitted at the time of writing this report.
- iii) The resignation of Fr Bill Wilson and the consequent approaching interregnum will result in few if any development works during this financial year.

John Moss & Alex Whiting (Churchwardens)

ELECTORAL ROLL REPORT 2009

This time last year there were 121 people on the Electoral Roll. Now there are 129 which is very encouraging.

The following 4 people's names have been taken off the roll during the parish during the past year:

Christine Cargill Chantal Debreuil Eleanor Murray Audrey Thompson

The following 12 people have been welcomed to St James's during the past year:

Giulio Baratta	Jennifer Boland	Sara Chiappara
Aretha Lagard	Jane Low	Owen Thomas Lowry
Eleanor Margaret Susan Major	Eliza Silk	Tom Robert William Silk
Anjana Mary Titus	Nalin Wijeratne	Sonali Wijeratne

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)