

holy|trinity|richmond

a church with an open door

reaching out with God's love and power
helping one another live for Jesus

ANNUAL REPORT and FINANCIAL STATEMENTS

of the

PAROCHIAL CHURCH COUNCIL

of

Holy Trinity and Christ Church, Richmond, Surrey

for the year ended

31 DECEMBER 2018



LIVE FOR JESUS

Charity Registration Number 1129640

**Parochial Church Council of
Holy Trinity & Christ Church, Richmond**

Address	Holy Trinity Church Centre Sheen Park Richmond Surrey TW9 1UP
Web address	www.htrichmond.org.uk
Churchwardens	Mr Mark Lambert Mr David Ewart
Treasurer	Mr Mark Johnston, ACA
Principal Bankers	National Westminster Bank plc 22 George Street Richmond TW9 1JW
Independent Examiner	Mr John Helm ACA Simply Churches Limited 17 Heathville Road London N19 3AL
Registered Charity	The Parochial Church Council of the Ecclesiastical Parish of Holy Trinity and Christ Church, Richmond, Surrey
Charity Registration Number	1129640
Charity Commission website	www.charitycommission.gov.uk

**Parochial Church Council of
Holy Trinity & Christ Church, Richmond**

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Annual Report of the Parochial Church Council

for the year ended 31 December 2018

Introduction

The Parochial Church Council (PCC) of Holy Trinity and Christ Church Richmond submits its report and the financial statements of the PCC for the year ended 31 December 2018. The financial statements have been prepared in the format prescribed by the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP2015 (FRS102)) and the Financial Reporting Standard 102.

Administrative information

Holy Trinity is situated on Sheen Park, Richmond, Surrey. It is an Anglican (Church of England) Church which is part of the Kingston Episcopal Area of the Diocese of Southwark. The correspondence address is:

The Parish Office, Holy Trinity Church Centre, Sheen Park, Richmond, Surrey, TW9 1UP

Under the terms of Section 3 of the Parochial Church Council (Powers) Measure 1956 the PCC is a body corporate and as of 15 May 2009 has been a charity registered with the Charity Commission as required by the Charities Act 2011.

Structure, governance and management

Members of the PCC are either ex officio or elected by the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules. All regular Church attendees are encouraged to register to be on the Electoral Roll and stand for election to the PCC. The most recent APCM was held on 29 April 2018, referred to below as APCM 2018. During the period from 1 January 2018 to 28 April 2019, the following served as members of the PCC:

<i>Vicar:</i>	Dan Wells ^	Chairman, Standing Committee
<i>Curate:</i>	Alwyn Webb ^^	Standing Committee
<i>Wardens:</i>	David Ewart Mark Lambert	Standing Committee PCC Lay Vice Chair, Standing Committee
<i>Representatives on the Deanery Synod:</i>	Karin Boyton Judy Mathieson Sue Reed James Thornton	
<i>Elected members:</i>	Kate Bertaut * Karen Block Craig Brown ** Barnaby Chapman * Penny Cox * Mark Johnston Sara Kandiah Martin Phillips ** Smriti Prasad-Halls Tom Rutter ** Claude Scott * Claire Stansfield ** Catherin Tidmarsh	Standing Committee ^^ Treasurer, Standing Committee
<i>Also in attendance:</i>	Keith Nurse	Operations Manager & PCC Secretary

* to APCM 2018

** from APCM 2018

^ from 19 September 2018

^^ to 30 September 2018

^^ from 16 July 2018

Any member of the Church who is on the Electoral Roll can be nominated for election to the PCC in accordance with the Church Representation Rules. Normally a balance of new and established members is elected each year, and if necessary members are co-opted where they have a particular expertise. There are a number of established sub-committees and groups which meet between the full meetings of the PCC. These include:

- o the Standing Committee, which has power to transact business of the PCC between its meetings, subject to any directions given and within financial limits set by the PCC, and which oversees the financial direction of the church by monitoring income and expenditure;
- o the Mission Group, which oversees the church's mission involvement, and ensures that recommendations on giving are in accordance with the mission support policy;
- o the Buildings Committee, which is responsible for all matters relating to health and safety, maintenance and general upkeep of Holy Trinity Church Centre;
- o a number of other groups which have responsibility for various aspects of the church's pastoral work and other activities, and which report to the PCC on a periodic basis;
- o Key Management Personnel - those in charge of directing, controlling, running and operating the PCC (the Charity) on a day to day basis - are the members of the Standing Committee; they are the Vicar (Dan Wells, from 19 September 2018), two Churchwardens (Mark Lambert and David Ewart), Treasurer (Mark Johnston), Curate (Alwyn Webb, until 30 September 2018) and one other PCC member (Karen Block, from 16 July 2018), together with the Operations Manager (Keith Nurse) who, although not a member of the Standing Committee, attends its meetings. The only PCC employee to be considered a key manager is the Operations Manager.

Induction & Training

The induction process for any church member newly-appointed to the PCC currently comprises briefing by the Operations Manager (Secretary of the PCC) and receipt of copies of the minutes from the most recent meeting. The PCC Secretary also provides a copy of the most recent financial statements, and guidelines on the obligations of PCC members (the Charity Commission's guidance 'The Essential Trustee'). The PCC is committed to maintaining high standards of governance and financial management in accordance with current developments in church and charity regulation and good practice, and to this end aspires to provide training opportunities to PCC members as appropriate.

Risk Management

The PCC continues to consider and discuss the key risks facing the church, the controls in place to mitigate them and any action required. The PCC continues to review and develop the strategic direction of the church, and considers how its exposure to risk changes as a result. Members of the PCC are aware of the potential risks (both financial and otherwise) that might occur either in the church or in the Church Centre. They have taken appropriate action to control and minimise these risks.

Objectives

Holy Trinity and Christ Church PCC, Richmond has responsibility for co-operating with the Vicar, in promoting in the parish the whole mission of the church, evangelistic, pastoral, social and ecumenical. Holy Trinity is a church with an open door, reaching out with God's love and power and helping one another live for Jesus. The PCC also has maintenance responsibilities for Holy Trinity Church Centre.

The PCC met seven times during 2018. The issues it covered included the following:

- o our church's vision, including priorities for 2018, their financial consequences and plans for the longer term;
- o the condition and security of our church premises, including the need for repair and maintenance work to the structure of the building and its facilities;
- o further developing ministry within and beyond our church community;
- o managing finances, including both in-year monitoring and budgeting for the coming year;
- o filling gaps in the suite of policies and procedures that need to be in place to ensure good governance and operating practices;
- o the appointment of a new vicar, including drawing up a Parish Profile for the appointment process;
- o the appointment of new paid staff team members and interns;
- o a variety of other pastoral and practical issues affecting the life of the Church.

Vicar

Following the sudden and unexpected death of our previous vicar, Trevor Patterson, in October 2017, the formal process of appointing a new vicar began early in 2018. This led to the appointment of Dan Wells, whose institution and induction took place on 19 September 2018. Dan was previously Senior Associate Minister at All Souls' Church, Langham Place in central London, prior to which he served in parishes in Hampstead and Plymouth. His arrival has been a great encouragement following a year of much sadness and significant changes within our Staff Team.

Staff Team

A key factor in progressing the ministry and mission of the church is having a Staff Team that takes responsibility for particular aspects of this work, under the direction of the vicar. Many of the Team also regularly preach at and lead Services, and all are actively involved across the life of the church. Some of their roles are full time and others part time, with not all being employees of the PCC:

- o A Curate, Alwyn Webb, a member of Standing Committee, with responsibility for Men's Ministry and involved significantly with pastoral work. Alwyn became locum priest at the start of July 2018 and left the parish at the end of September 2018;
- o A Licensed Lay Minister, Kate Patterson, with responsibility for Women's Ministry and Life Groups. Kate, who was the wife of our previous Vicar Trevor, left the parish in July 2018;
- o A Pastoral Team Leader, Sheen Marx, who also carries out a significant amount of pastoral work and particularly supports the Wednesday Service community;
- o A Worship Pastor, Nico Marais, responsible for leading the team of musicians and singers involved in Sunday Services, and also for developing prayer and worship across the whole of church life;
- o A Youth and Children's Minister, Georges Kesrouani, responsible for leading youth and children's work across the church and with particular responsibility for young people from School Year 7 and upwards;
- o A Children's Worker, Sue Jackson, responsible for work with pre-school children and their parents, and with children up to School Year 6;
- o An Operations Manager, Keith Nurse, with responsibility for strategic issues and managing the business of PCC and Standing Committee. He also acts as HR Manager;
- o A Church Administrator, responsible for administration and running a very busy Office, including serving members of the public on Hall bookings and a wide range of other matters. Joao Paulo Henrich Tavares finished in this role in August 2018, and was replaced by Liz Morris in September 2018;
- o A Worship Intern, Hannah Helm, supporting ministry while receiving external and on the job training. Her appointment stemmed from the PCC's commitment to have interns to help with ministry, although when Hannah left in July 2018, the PCC was unable to recruit either a Worship Intern or a Youth and Children's Intern for 2018/19;
- o A Community Outreach Worker, who leads Riverbank Trust, a charity birthed through Holy Trinity and still closely associated with it, working to support vulnerable single mums and their families. Ellie Hughes finished in this role in October 2018, and was replaced by Michelle Rutter in November 2018.

Despite the large number of changes to the membership of the Team during the year, it continued to provide strong and committed leadership, and to maintain and further develop ministry in the absence of a vicar for much of the year.

Public Benefit and activities in 2018

The PCC has given due regard to the Charity Commission's guidance on public benefit:

- o Sunday morning and evening Worship Services, and a more traditional Wednesday morning Service more suited to the needs of our older members;
- o Children's groups on Sunday mornings during the Service;
- o Refresh, a weekly Monday morning group for parents and pre-school children, meeting with a vision for friendship and community;
- o Who Let The Dads Out?, a monthly Saturday morning group for Dads / male carers and children aged up to 8, with bouncy castles, toys and crafts for children, and bacon sandwiches and coffee for grown ups;
- o Glow, a fortnightly Friday evening group for children in School Years 4-6, attracting many from the local area;
- o The Crossing, a weekly Wednesday evening group for young people in School Years 10-13, focusing on community and fun;
- o The Bridge, a fortnightly Friday evening group for children in School Year 7 (with the aim of extending to Years 7-9), to support the transition from a children's group to a youth group;
- o Separate small midweek groups for both boys and girls, focused more on Christian discipleship;
- o The Alpha Course, run on Thursday evenings in autumn 2018, providing an introduction to the Christian life;
- o Life Groups, for Bible study, prayer, encouragement and mission, meeting weekly or fortnightly in homes in and beyond the parish. They include a Friday morning group for women and a Tuesday afternoon group for generally older people;
- o Special days, evenings and breakfasts designed to equip leaders specifically and church members generally to lead and
- o Clubs, groups, learning support and pastoral care at Holy Trinity School and Christ's School;
- o A wide variety of informal weekly and monthly gatherings for prayer and worship;
- o A wide variety of social activities designed to help build community among existing church members and encourage newcomers to feel more a part of the church;
- o Working alongside other churches through outreach, prayer and worship gatherings, and weekly meetings of leaders;
- o On-going financial support to local and overseas mission partners, including
 - Kick London (providing sport and life skills, underpinned by Christian values);
 - Wycliffe Bible Translators (Sarah Casson, formerly based at Shalom University in Bunia, DR Congo but based in the UK during much of 2018);
 - Karis Kids (a Christian charity based in Kampala, Uganda, supporting orphaned children). A group also visited Karis Kids and our link church of St Peter's Wandegeya during the year to offer encouragement and ministry;
 - Riverbank Trust (supporting vulnerable single mothers and their families in the Richmond area);
 - Richmond Street Pastors (late night practical care for people on the streets of the town);
 - Open Doors, serving persecuted Christians and churches across the world;

- o A group from Holy Trinity attended the annual Holy Trinity Brompton Network Churches' Focus Christian holiday / conference week (for adults and children) in summer 2018, alongside members of Holy Trinity Barnes (the church at which we initiated a church plant in 2012). Some of our Staff Team members also attended the HTB Leadership Conference in May 2018. Our link with the Network continues to provide training, encouragement, advice and practical support as we seek to continue to grow;
- o A November weekend away for young people, several of whom also attended Soul Survivor, a national youth event held in the summer. In particular we have strengthened links between our young people and those at Bless Community Church in Ealing;
- o A Community Outreach Worker and her team, closely linked to Holy Trinity Church, provided practical and spiritual support to vulnerable single mothers and their families through Riverbank Trust, in both the wider community and particularly through local schools;
- o Clergy, other Staff Team members and members of the congregation
 - undertook pastoral care through visits to the sick, bereaved, those to be baptised and those to be married;
 - took an active role in many aspects of Sunday and Wednesday Services;
 - carried out a vast range of tasks and activities behind the scenes that contributed to the smooth running of what is a significantly-sized charity;
 - served as governors of our church schools, mentored pupils and helped with assemblies and other activities;
 - served locally through the ministry of Kick London;
 - served as Street Pastors in Richmond Town Centre;
 - were encouraged to take an active and serving role in their local community;
- o We also run periodic marriage and parenting courses for the benefit of the local community as well as church members.

The Church Council recognises that so much of what takes place in the life of our church would not happen without the visionary, prayerful and selfless leadership provided by our Staff Team, who inspire and give direction to what we do week by week, lead significant areas of ministry, and work alongside a large number of volunteer church leaders and helpers. This is a demanding role, and on behalf of the whole congregation the Council would like to extend its heartfelt thanks to them for their work. Our church is an inspiring and supportive place to be as we journey together in our faith, and as we aim to be a church with an open door, reaching out with God's love and power, and helping one another live for Jesus.

Church Attendance & Community Services

There were 167 parishioners on the Church Electoral Roll as at 31 December 2018, of whom 47 were resident within the parish. The average weekly church attendance, counted during the October 2018 Congregational Count and including those who attended at least one Service during the week, was 186 (132 adults and 54 children and young people)

	2018	2017
Community Services		
Marriages	0	0
Baptisms	1	5
Funeral and Thanksgiving Services at the church	3	1
Funerals at the Cemetery Chapel	0	1
Cremation Services	2	4

Funerals at the church mostly take place nowadays where a member of the congregation dies. Baptisms include adults as well as children.

Financial review

Total income (including restricted giving) was almost £25,898 lower than in 2017 (a 5.8% decrease), with the reduction being primarily in one off and Gift Day giving.

Of the PCC's total income 88% (2017: 89%) comes directly from voluntary giving, primarily from church members - mostly as tax-efficient planned or one-off giving (Give As You Earn or Gift Aid donations). Without this level of giving the church could not support the current and planned level of activities.

Unrestricted Funds - Gross Income for the year decreased by 4.1% to £375,043 while Expenditure decreased by 6.4% to £358,004, resulting in Net Income of £17,039 (2017 £9,503).

Voluntary Income (encompassing planned and unplanned giving, and the associated tax reclaim) decreased by 4.4% in the year (from £339,671 to £324,765) .

Our Parish Support Fund contribution (payments to the Diocese of Southwark to cover the payroll and pension costs of the Vicar and Curate and the cost of the Vicarage) increased following a decision by the PCC, year on year by 2.7% to £114,500 (2017 £111,400). The Parish Support Fund is based on principles of proportionality, informed generosity, and an aspiration and encouragement to parishes to become self-financing

Restricted Funds - During 2018 the PCC received a £1,000 one off donation towards the costs of a prospective church plant and £13,000 towards the costs of the proposed building project.

Overall - The Statement of Financial Activities reflects overall net income for the year of £31,223. This primarily reflects both surpluses on restricted and unrestricted funds.

Outlook - 2019 promised to be another challenging year, with a continuing high level of activity and increasing costs. This led the PCC to budgeting for a break even in the Unrestricted General Fund in the year. However, the very positive response to our Giving Sunday appeal has meant that the income targets are likely to be exceeded in 2019.

In setting this budget the PCC has anticipated a 1.4% decrease in the overall levels of income, made up of a 10.7% increase in planned giving and a 26.6% decrease in one off giving (both reflecting the likely outturn for 2018).

As noted elsewhere, we are committed to addressing the remedial repairs required to the church roof and general stonework, (to this end the PCC agreed to transfer £15,000 to the Building Fund).

Reserves policy

The PCC continues to work to raise awareness of the funding requirements and encourage our congregation to respond accordingly. In the meantime we carry Free Reserves of £53,278 (see table below) from 2018 to help cover any future issues.

It is PCC policy to budget for our expenditure needs according to the amount of voluntary giving that the church expects to receive during the year. The PCC has examined the requirements for "free reserves", i.e. those unrestricted funds not invested in tangible fixed assets or set aside for known future commitments. The PCC considers that, as all income is used to further the ministry of the church, it is appropriate to keep free reserves, represented by the General Fund, at a minimum.

The PCC is of the opinion that proactive upfront fund raising and the provision for known future commitments provides sufficient flexibility to cover any temporary shortfalls in incoming resources and will allow the church to cope with and respond to unforeseen emergencies whilst specific action plans are implemented if required.

	2018	2017
	£	£
Total reserves	625,462	594,238
Less: restricted funds	(412,186)	(398,001)
Less: designated funds	(159,999)	(144,999)
Free reserves	53,278	51,238

Investments policy

Surplus funds are invested with the CCLA - CBF Church of England Deposit Fund which continues to offer security but very modest market rate of interest.

Grant making policy

On-going Outreach: The PCC's policy is to increase the outreach budget annually in support of local and overseas mission partners, subject to other commitments to invest in the growth of the church. This represents a long term commitment to several organisations.

Gift Day: The PCC decided that all of the Gift Day voluntary income, including the associated tax reclaims, should be given to the work of organisations separate from the PCC. This provides significant one-off support to a number of organisations.

Other: Alongside these commitments, the PCC supports ministry across the Diocese through the Parish Support Fund, and by providing free office and meeting room space to Kick London and Riverbank Trust. Outside the church accounts, church members provide support to Karis Kids' families of well over £15,000 a year. Outreach, Gift Day and these additional initiatives together total support of over £100,000 a year.

Plans For Future periods

The PCC's short to medium term strategy is to make progress in the following areas:

- o Building a Team where everyone serves actively, refreshing our Life Groups, and equipping our members to reach out to others.
- o The repairs to the church roof and other parts of the church and church centre structure and plant which are showing increasing signs of the need for such repairs, together with refreshing and further development to support existing and future needs
- o Continuing to plan for the process of a future church plant.
- o Strengthening our links with local schools, and with Kick London, Riverbank Trust and LVA Trust

We are also looking forward to celebrating our 150th anniversary in 2020

PCC Responsibilities in relation to the Financial Statements

The PCC is responsible for all parish finance, its management and control, including the appointment of a treasurer. While it may delegate some of its duties, this does not remove its legal responsibilities. Charity law requires the PCC as trustees of the Church to prepare an annual report and financial statements for each financial year that give a true and fair view of the Church's financial activities during the year and of its financial position at the end of the year. The PCC is also required to ensure that these are subjected to an annual independent examination or audit (as appropriate) and to present these to the Annual Parochial Church Meeting in accordance with the Church Representation Rules. In preparing these financial statements, the PCC is required to:

- o Select suitable accounting policies and then apply them consistently;
- o Make judgements and estimates that are reasonable and prudent;
- o State whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements; and
- o Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The PCC is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Church and enable them to ensure that the financial statements comply with the Charities Act 2011 and applicable accounting standards. They are also responsible for safeguarding the assets of the Church and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

These accounts were approved by the PCC on 11th March 2019.

The attached accounts on pages 11 to 20 were adopted by the Annual Parochial Church Meeting on 28 April 2019.

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Vicar and Chair of the PCC, for the PCC

Independent Examiner's Report to the Parochial Church Council

I report on the accounts of the PCC for the year ended 31st December 2018 set out on pages 11 to 20.

This report is made solely to the PCC in accordance with section 145 of the Charities Act 2011 (the Act). My independent examination has been undertaken so that I might state to the PCC those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by the law, I do not accept responsibility to anyone other than the PCC for my independent examination, for this report, or the opinions I have formed. The PCC's gross income exceeds £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Respective Responsibilities of the PCC and the Examiner

As the trustee of the Parish's property, the PCC is responsible for the preparation of the accounts. The PCC considers that an audit is not required for this year (under section 144(2) of the Charities Act 2011) and that an independent examination is needed.

It is my responsibility to:

- o Examine the accounts (under section 145 of the Act);
- o Follow the procedures laid down in the General Direction given by the Charity Commission (under section 145(5)(b) of the Act); and

- o To state whether particular matters have come to my attention.

Basis of my Report

My examination was carried out in accordance with General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity 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 the PCC 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 accounts.

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 which gives me reasonable cause to believe that in any material respect the requirements1. 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 have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Mr John Helm ACA
Simply Churches Limited
17 Heathville Road
London N19 3AL

Date April 2019

**Statement of Financial Activities
For the Year Ended 31st December 2018**

	Notes	Unrestricted Funds	Restricted Funds	Total Funds 2018	Unrestricted Funds	Restricted Funds	Total Funds 2017
		£	£	£	£	£	£
Income from:	2						
Donations and Legacies		326,183	46,874	373,057	339,671	56,757	396,428
Charitable activities		9,187	0	9,187	14,979	0	14,979
Other trading activities		38,059	0	38,059	34,427	0	34,427
Investments		759	0	759	438	0	438
Other		856	0	856	1,613	0	1,613
Total income		375,043	46,874	421,917	391,128	56,757	447,885
Expenditure on:							
Charitable activities	3,4&5	358,003	32,691	390,694	381,626	45,408	427,034
Total Expenditure		358,003	32,691	390,694	381,626	45,408	427,034
Net gains/(losses) on investments		0	0	0	0	0	0
Net Income		17,040	14,184	31,224	9,502	11,349	20,851
Transfers between funds				0	353	(353)	0
Other recognised gains and losses		0	0	0	0	0	0
Net movement in funds		17,040	14,184	31,224	9,855	10,996	20,851
Total funds brought forward	10&11	196,236	398,002	594,238	186,381	387,006	573,387
Total funds carried forward	10&11	213,276	412,186	625,462	196,236	398,002	594,238

The notes on pages 13 to 20 form part of these financial statements.

Balance Sheet
As at 31st December 2018

	Note	Unrestricted funds £	Restricted funds £	Total 2018 £	Total 2017 £
<u>Fixed Assets</u>					
Tangible Fixed Assets	6	0	375,000	375,000	375,000
<u>Current Assets</u>					
Debtors	7	10,543	1,357	11,900	16,432
Cash at bank on deposit		118,268	30,000	148,268	147,535
Cash at bank and in hand		96,279	5,829	102,108	61,454
		225,090	37,186	262,276	225,421
<u>Creditors: Amount falling due within one year</u>					
	8	(11,814)	0	(11,814)	(6,183)
Net Current Assets		213,276	37,186	250,462	219,238
Net Assets		213,276	412,186	625,462	594,238
<u>Parish Funds</u>					
Unrestricted	9	213,276	0	213,276	196,237
Restricted	10	0	412,186	412,186	398,001
Total Funds		213,276	412,186	625,462	594,238

Approved by the Parochial Church Council and signed on its behalf by:

.....

Rev Dan Wells, Vicar and Chair of the PCC

.....

Mark Johnston, ACA, Treasurer

11th March 2019

The notes on pages 13 to 20 form part of these financial statements.

Notes to the financial statements for the year ended 31st December 2018

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis Of Accounting

The financial statements have been prepared under the Charities Act 2011 and in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102). The financial statements are drawn up on the historical cost basis of accounting except for the revaluation of leasehold land and buildings which are shown at market value.

The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe an affiliation to another body or those that are informal gatherings of church members.

The PCC meets the definition of a public benefit entity under FRS 102.

Going Concern

There are no material uncertainties about the PCC's ability to continue as a going concern and accordingly the accounts have been drawn up on a going concern basis.

Income recognition

Voluntary income and donations (including legacies) are accounted for once the Charity has entitlement to the income, it is probable the income will be received and the amount of income receivable can be reliably measured. Income from the recovery of tax on gift aided donations is accounted for in the period to which the relevant donation is received. Grant income is recognised on a receivable basis.

The income from trading activities includes rental income from the letting of church premises and freehold land and buildings which is accounted for when earned. It is shown gross, with the associated costs included in fundraising costs.

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

Expenditure recognition

Expenditure is accrued as soon as a liability is considered probable, and the amount of obligation can be measured reliably. Longer term liabilities are discounted to present value.

Charitable expenditure includes those costs in fulfilling the PCC's principal objects, as outlined in the Report of the PCC. These include grants made and governance costs. Governance costs comprise all costs involving the public accountability of the PCC and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees.

The PCC is not registered for VAT and accordingly expenditure includes VAT incurred where appropriate.

The PCC contributes to certain employees' personal pension plans. These are defined contribution schemes, the assets of which are held separately from those of the PCC. The cost in the accounts is the amount of contributions paid and payable during the year.

Rentals under operating leases are charged as incurred over the term of the lease.

Tangible Fixed Assets

Consecrated Property and Moveable Church Furnishings

Consecrated land and benefice property such as the church building and vicarage is excluded from the accounts in accordance with s10 of the Charities Act 2011. Moveable church contents are held by the vicar and churchwardens on special trust for the PCC and require a faculty for disposal, and are accounted as inalienable property unless consecrated. All expenditure incurred on consecrated or benefice buildings and moveable church furnishings, whether maintenance or improvement, is expensed within the Statement of Financial Activities.

Leasehold buildings

The leasehold property was originally capitalised at cost. It is the church's policy to revalue the property on a 3 yearly basis. A revaluation took place as at 31 December 2017 and the next revaluation will take place on 31 December 2020. The PCC as trustees do not believe that the charging of annual depreciation on the revalued amount would add to the better understanding of the financial position of the PCC and accordingly no depreciation has been charged.

Other Fixtures, Fittings & Office Equipment

Historically the cost of furniture, fittings and equipment has been expensed.

Debtors

Debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

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

Creditors and provisions

Creditors and provisions are recognised where the PCC has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

Fund accounting

The funds held by the PCC are either:

Unrestricted general funds - these are funds which can be used in accordance with the PCC objects at the discretion of the PCC.

Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the PCC. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

A brief description of the different types of funds held by the church is detailed in notes 9 & 10. Where appropriate, the PCC will set up a designated fund in anticipation of future commitments and a transfer is made from the General Fund. Where the prospective commitments crystallise transfers are made from the designated fund to the General Fund.

2. Income

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Donations and legacies				
Planned Giving	224,080	13,000	237,080	201,792
One-off Giving	57,049	1,000	58,049	108,167
Tax on Planned and One-off Giving	43,637	0	43,637	41,910
Collections at services	1,417	0	1,417	1,334
Gift Day (including tax refund)	0	23,491	23,491	41,146
Missionary Collections	0	8,008	8,008	330
Grants received	0	0	0	0
Discretionary Fund	0	1,375	1,375	1,749
	326,183	46,874	373,057	396,428
Other trading activities				
Church Centre - Rental Income	38,059	0	38,059	34,427
	38,059	0	38,059	34,427
Charitable activities				
Church Clubs - Subs/contributions	1,022	0	1,022	1,497
Fees (net)	1,176	0	1,176	117
Other Activities (gross income from Church activities)	6,990	0	6,990	13,365
	9,187	0	9,187	14,979
Investments				
Bank deposit interest	759	0	759	438
Other				
Sundries	856	0	856	1,613
	856	0	856	1,613
Total income	375,043	46,874	421,917	447,885

3. Expenditure on Charitable Activities

	Note	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Missionary and charitable giving					
Outreach	4	17,155	0	17,155	18,315
Gift Day	4	0	23,491	23,491	37,646
Missionary Collections	4	0	8,008	8,008	330
Discretionary Fund (grants made)	4	0	1,192	1,192	6,432
		17,155	32,691	49,846	62,723
Ministry costs					
Staff costs	5	82,255	0	82,255	89,095
Parish Support Fund		114,500	0	114,500	111,400
Deanery Synod costs		80	0	80	106
Clergy/Staff :					
Intern expenses		3,558	0	3,558	8,295
Expenses		642	0	642	934
Housing		7,103	0	7,103	8,748
Conferences & training		771	0	771	955
		208,910	0	208,910	219,533
Church life					
Youth Work (gross)		6,821	0	6,821	7,051
Children's Work (gross)		4,955	0	4,955	4,704
HT School - leaver bibles		339	0	339	120
Expenses		10,071	0	10,071	16,708
Alpha courses (gross)		1,720	0	1,720	4,210
Men's/Women's events (gross)		602	0	602	5,706
Group conferences & Trips (including Focus) (gross)		915	0	915	8,359
		25,424	0	25,424	46,859
Property costs					
Utilities		11,153	0	11,153	8,828
Insurance		4,816	0	4,816	4,841
Cleaning		26,847	0	26,847	14,929
General		4,680	0	4,680	7,635
Repairs		1,616	0	1,616	2,437
		49,112	0	49,112	38,670
Administration & Support					
Staff costs	5	44,352	0	44,352	47,913
Office Expenses		7,909	0	7,909	7,082
Finance Administration Expenses		2,474	0	2,474	2,453
Website		894	0	894	939
Sundries		934	0	934	22
		56,563	0	56,563	58,409
Governance Costs					
Independent Examination		840	0	840	840
		840	0	840	840
Total Cost of Charitable Activities		358,003	32,691	390,694	427,034

4. Missionary & Charitable Giving

	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Giving to organisations:				
Wycliffe (Sarah Casson working in Bunia, DR Congo, with SIL International translating The Bible)	6,250	0	6,250	4,250
Karis Kids, (support for orphaned children in Kampala, Uganda).	2,950	0	2,950	2,950
Riverbank Trust (a Christian Ministry which seeks to love and support vulnerable and isolated single mums and their families in the community)	2,725	0	2,725	2,725
Kick London (a charity that aims to "Transform young people's lives with God's Love through sport", combining sport and life skills, underpinned by Christian values).	1,725	0	1,725	1,725
Street Pastors, Richmond (late night practical care for people on the streets of the town)	1,400	0	1,400	1,400
Open Doors (Mission for persecuted Christians)	1,350	0	1,350	1,000
Philo Trust - (Just one mission to London 2017)	0	0	0	500
Support for Mission Trips by Church Members	255	0	255	1,600
Lead Academy (working with local church leaders to teach about and support church growth).	500	0	500	0
Interserve (Jo & Denny Fleming, Christian Medical College in Vellore, India).	0	0	0	1,000
Urban Action Trust	0	0	0	1,000
Support for work of Christian Medical College in Vellore, India	0	0	0	90
Donation to Aitken Christian Services	0	0	0	75
Gift Day:				
Riverbank Trust	0	5,873	5,873	9,412
Karis Kids, Kampala, Uganda	0	0	0	9,412
LVA Trust (teaching young people in local schools about positive sexual health, self esteem and relationships).	0	5,873	5,873	9,412
Prison Fellowship (for running courses in Feltham Young Offender Institution)	0	5,873	5,873	0
Les Reslausion (enabling the local church in the Democratic Republic of Congo to support displaced people through providing food, other basic necessities and training in trauma healing)	0	5,873	5,873	0
Leprosy Mission	0	0	0	4,706
Tearfund	0	0	0	4,706
Other Outreach/Mission giving:				
Discretionary Fund (Grants made)	0	1,192	1,192	6,432
Bishop's Lent Call	0	74	74	87
Children's Society (Christmas Service)	0	205	205	83
South London Church Fund (collection at Induction Service)	0	307	307	90
Riverbank Trust	0	7,300	7,300	0
Tearfund	0	122	122	0
Church Mission Society	0	0	0	70
	17,155	32,691	49,846	62,723

More information on the regular recipients of our giving can be found in the section on Public Benefit and activities in 2018 (Page 6).

5. Trustee and Staff Costs

Trustee Remuneration and Expenses

None of the members of the PCC was remunerated or reimbursed for their expenses in their capacity as PCC members.

Staff Costs	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Salaries and wages (including allowances)	116,134	0	116,134	139,805
Social security costs	10,129	0	10,129	8,204
<u>Less</u> Employer's Allowance	(3,000)	0	(3,000)	(3,000)
Employers Pension Costs	3,344	0	3,344	3,159
	<u>126,607</u>	<u>0</u>	<u>126,607</u>	<u>148,168</u>

As at 31 December 2018 the PCC employed 6 staff (31 December 2017: 7). Some members of staff are part time, equating to about 4.42 full time equivalents (2017 4.66).

The PCC introduced a defined contribution pension arrangement in April 2015 for staff it employs. The PCC matches employee contributions up to a certain level, with arrangements that are slightly more generous than the statutory requirement. The PCC is using The People's Pension as its pension provider.

Key Management Personnel. No member of the Standing Committee received any expenses in this or their role as PCC members, although the Clergy members receive expenses as set out in the Diocese of Southwark's guidance. Salaries and Wages include payments totalling £16,800 (£16,775: 2017) to Keith Nurse, our Operations Manager & PCC Secretary (based on 0.56 Full time equivalent of a senior Staff team member).

No employee received remuneration in excess of £60,000 (2017: none)

6. Tangible Fixed Assets

	Leasehold Buildings £
Cost	
At 1 January 2018	309,950
Additions	<u>0</u>
At 31 December 2018	<u><u>309,950</u></u>
Impairment	
At 1 January 2018	0
Movement	<u>0</u>
At 31 December 2018	<u><u>0</u></u>
Revaluation	
At 1 January 2018	65,050
Movement	<u>0</u>
At 31 December 2018	<u><u>65,050</u></u>
Net book value	
At 1 January 2018	<u><u>375,000</u></u>
At 31 December 2018	<u><u>375,000</u></u>

Ownership of the leasehold property is vested in the PCC and title deeds are held by the Diocesan Board of Finance as custodian trustees. Based on the prevailing market value of similar properties in the same development the PCC estimated the residual value of the leasehold building at 31 December 2017 to be £375,000 (£375,000 - 2014).

Holy Trinity Church Centre, including the building complex attached to the church, is the base for all administrative and community activities carried out by the PCC. The clergy and staff offices are also located in the Church Centre.

7. Debtors

	2018 £	2017 £
Income tax recoverable	5,566	6,170
Other debtors	1,357	2,417
Prepayments and accrued income	4,977	7,845
	<u>11,900</u>	<u>16,432</u>

8. Creditors - amounts due within one year

	2018 £	2017 £
Taxation and social security	1,190	1,190
Accruals	10,624	4,993
	<u>11,814</u>	<u>6,183</u>

9. Unrestricted Fund

	As at	Movement in Resources			As at
	01-Jan-18 £	Income £	Expenditure £	Transfers In/(Out) £	31-Dec-18 £
General Fund	51,238	375,043	(358,003)	(15,000)	53,278
Designated Funds:					
Designated Building Fund	143,359	0	0	15,000	158,359
Mission Fund	1,640	0	0		1,640
	196,236	375,043	(358,003)	0	213,276

Designated building fund: This fund was set up to allow for periodic repair and maintenance work to the fabric of the Church and Church Centre. Following the 2005 Quinquennial Review the PCC decided to put aside a sum each year to help cover the likely cost of replacing the main roof, in 2018 the PCC has agreed to transfer £15,000 to the fund. The 2015 Quinquennial Review confirmed the need to carry out work on our main roof, guttering and stonework within the next five years, and we will schedule this alongside other refurbishment work and further development of our building.

Designated Mission Fund: This fund was set up to support Church members gain experience of mission work overseas.

10. Restricted Funds

	As at	Movement in Resources			As at
	01-Jan-18 £	Income £	Expenditure £	Transfers In & Other Recognised Gains £	31-Dec-18 £
Youth & Children's Minister's Housing Fund	375,000	0	0	0	375,000
Discretionary Fund	5,555	1,375	(1,192)	0	5,738
Church Plant Fund	5,000	1,000		0	6,000
Gift Day Fund	835	23,491	(23,491)	0	835
Mission Collections Fund	0	8,008	(8,008)	0	0
Building Fund (Restricted)	11,613	13,000	0	0	24,613
Total	398,002	46,874	(32,691)	0	412,186

Youth & Children's Minister's Housing Fund: Was created In 2007 as the result of a fund raising campaign, the Sparrow Project, with a view to purchasing a residential property for the Youth & Children's Minister. The purchase was funded by a mix of one off donations, donations made over a number of years and some interest free loans. The leasehold flat, purchased on 3 August 2007, is conveniently located near to the Church. By December 2012 all loans were repaid. In accordance with our Accounting Policy, any adjustment to the carrying value of the PCC's leasehold property as a result of the tri-annual impairment review is shown as a recognised gain or loss against this Fund.

Discretionary Fund: The Discretionary Fund is managed confidentially, in cases of hardship within the congregation and the local community, by the vicar (Dan Wells), one of the Wardens (currently Mark Lambert) and Keith Nurse (Operations Manager). It is currently administered by Keith Nurse, Operations Manager. The figures included in the accounts include the value of loans made by the fund and yet to be repaid.

Church Plant Fund: During 2018, an additional £1,000 was received towards the next Church Plant proposed by the Church.

Gift Day Fund: This represents the balance of funds collected by the Gift Day collection, over and above the amounts given to the various recipients of the collection.

Building Fund: This fund has been created from contributions received towards the costs of funding a new building project.

11. Operating Lease Commitments

The total future minimum lease payments under non-cancellable operating leases payable are set out below

	2018 £	2017 £
Not later than one year	720	720
later than one year and not later than five years	720	1,440
	<u>1,440</u>	<u>2,160</u>

12. Related Parties

Holy Trinity Richmond continues to support Riverbank Trust through regular donations of £2,725 (2017 £2,725) and a one off Gift Day payment of £5,873 (2017 £9,412). Dan Wells, our Vicar, and Mark Johnston, our Treasurer, are Trustees of Riverbank Trust, Karen Block, a PCC member, is employed by the Trust, and Tom Rutter, a PCC member, is the husband of the Trust's Director.

Holy Trinity Richmond supported Kick London with regular donations of £1,725 (2017 £1,725). Our Curate until September 2018, Alwyn Webb, who was also a member of the PCC is a trustee and Tom Rutter, a PCC member, is employed by Kick London.

For a number of years the Church arranged for the hosted interns, who have served in the Church, the hosting is provided by a member of the Church, who receive a payment towards the costs of this hosting. Up to August 2018 the hosting was provided by Karin Boyton, who is a PCC member, who received £1,935 by way of such expenses.

In total the members of the PCC donated £34,419 (2017 £45,719) to the PCC for the work of the Church during the period they were members of the PCC, net of any tax reclaims.

The expenses of 21 (2017: 22) members of the PCC (and their relatives) amounting to £6,989 (2017: £14,410) in relation to travel, housing, training, and the costs of intern hosting incurred on church business, were met by the PCC during the year. The main items of expenditure were the cost of housing provided to Clergy, plus expenses paid in accordance with the Diocese of Southwark's guidance for clergy.