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Part 2 Statutory annual report and accounts *(for the year ended 31 December 2010)*

**ST JAMES'S CHURCH, PICCADILLY
PAROCHIAL CHURCH COUNCIL
Statutory annual report and accounts
for the year ended 31 December 2010**

Contents

annual report from PCC Hon Treasurer	43 - 44
legal and administrative	45
annual report	46 - 47
statement of PCC's financial responsibilities	48
auditor's report	49
statement of financial activities	50
balance sheet	51
notes to the accounts	52 - 60

**ST JAMES'S CHURCH, PICCADILLY
PAROCHIAL CHURCH COUNCIL
Statutory annual report and accounts
for the year ended 31 December 2010**

Annual report from the PCC Hon Treasurer

The financial results of the Parochial Church Council (PCC) are presented here in the *Statutory Annual Report and Accounts* for 2010. This is our official annual report for the year ended 31 December 2010 that includes our audited accounts and will be lodged as an independent document with the Charities Commission (and Diocese) and thus be open for public inspection. These accounts are presented for approval at the APCM.

The results for 2010 record that:

- the total of *all funds* have fallen by £215,982 from £638,145 to £422,163. This overall deficit of £215,982 is in contrast to a deficit of £79,425 in 2009.
- there is a surplus of £5,238, in *unrestricted funds* (unrestricted income over unrestricted expenditure) compared to a deficit of £66,593 in 2009.
- there is a deficit of £221,220 in the *restricted funds* (restricted income over restricted expenditure) compared to deficit of £12,832 in 2009 - but do bear in mind that this deficit resulted from
 - a £363,047 being spent on the roof renovation,
 - b £23,339 on repairs to the Rectory, and
 - c net receipts into the Funds after expenses of £165,166.

If we now look at our incoming resources, we see that our *voluntary* income from our service collections, donations and visitor giving has increased slightly; and we encourage donations to be given under Gift Aid so that tax can be reclaimed on these. *Planned giving* is critical to our financial stability, and a campaign is being started to encourage more regular giving. Without a predictable and stable income it remains difficult for us to plan ahead.

We continue to use our premises as best we can to generate income.

The market under the management of Gary Thomas has again provided us with our main source of income of £273,985. This is less than the previous year's figure of £ 282,856, mainly because the market was closed due to scaffolding being put up in the churchyard for the roof repairs, and because the catalpa tree needed to be cut down and disposed of. During the year Gary was joined by Dalia Zermón as assistant manager. Gary also managed the lettings of the church hall and meeting room, for meetings and rehearsal space for television and West End shows. For 2011 Dalia will manage the lettings of these rooms, and more effort will be put into encouraging their use.

Sarah Baxter has worked hard to ensure that the church has been let successfully throughout the year to evening concert performers. Concert income has risen to £116,139 from £104,823 in 2009, largely through holding more concerts in the church. Our thanks go to Sarah and her team of stewards for encouraging the audiences at the lunchtime concerts to give generous donations.

The licensing of parts of the church property (fire escape access, Caffé Nero and the Wren flat above it) produce a steady income stream. The licenses for the café and the flat have increased during 2010.

In terms of our *running costs and expenditures*:

Our *Diocesan common fund* contribution rose from £74,837 in 2009 to £76,877 in 2010, and as you can appreciate, the running costs of St James's are very high.

All our expenses are scrutinised and we warmly thank our staff for their understanding and support in helping to keep costs as low as possible in far from easy circumstances. We will be implementing a new system of budgetary control during 2011 through budget holders being more closely involved with their respective budgets.

Finally, the *balance sheet* shows that most of our assets are held in the form of a deposit with the *CBF Church of England Deposit Fund*. At the end of 2010 the PCC held £250,250 in *unrestricted funds* of which £ 240,662 were held for general purposes in accordance with our *reserves policy*.

The remaining £9,588 of the unrestricted funds was held in designated funds set aside out of the unrestricted funds by the PCC to fund special projects. These have all been combined into the *asset replacement fund*.

Restricted funds were £171,913 against £393,133 in 2009. These include £121,883 for church renovation and £41,838 for building repairs. There are also smaller restricted funds including the organ appeal, garden replanting, creative liturgies, the diversity project and debates.

The PCC's funds are reviewed regularly throughout the year, and I would like to thank Chris Rogers, our finance manager, very warmly for his thoroughness and unwavering commitment to accounting efficiency. I also thank members of the *finance task group* who help with additional financial monitoring and advice.

Your continued support through regular financial giving and through your time and assistance with fundraising activities is greatly appreciated - and the *grand draw*, which was a splendid community effort, deserves special mention.

The reappointment of the auditors Kingston Smith LLP is proposed to the APCM for approval.

Dr Mercedes Pavlicevic
(PCC Hon Treasurer)

**St James Church, Piccadilly
Parochial Church Council
Legal and Administrative Information**

Status:	The PCC is a registered charity, number 1133048
Governing Document:	The Church Representation Rules and The PCC Power Measure
Operational address:	St James's Church Piccadilly 197 Piccadilly London W1J 9LL
Bankers:	Barclays Bank plc HSBC Bank plc
Solicitors:	Winkworth Sherwood
Auditors:	Kingston Smith LLP

St James's Church, Piccadilly Parochial Church Council Annual Report for the Year Ended 31st December 2010

The Parochial Church Council

The Parochial Church Council, formerly excepted from registration, registered with the Charity Commission as of 1st December 2009, presents its report for the year ended 31st December 2010, 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, who are trustees of the charity, during the year were:

The Reverend Lucy Winkett	(Clergy, Rector from October 2010)
The Reverend Lindsay Meader	(Clergy, Priest in Charge until October 2010)
The Reverend Hugh Valentine	(Clergy)
Joanna Hines	(Churchwarden, elected April 2010)
Tony Sanchez	(Churchwarden, re-elected April 2010)
Mercedes Pavlicevic	(Honorary Treasurer, co-opted to PCC, April 2009)
Neil Lamont	(Honorary Secretary, appointed by PCC, April 2009)
Caroline Clark	(Deanery Synod representative, elected April 2010)
Puck de Raadt	(Deanery Synod representative, elected April 2008)
Shirley Dixon	(Deanery Synod representative, elected April 2008)
Andrew Chew	(elected April 2010)
Tom Cook	(re-elected to PCC April 2010)
Roy Holland	(elected April 2008)
Jane Gray	(co-opted to PCC elected April 2010)
Leah Hoskin	(elected April 2009)
Duncan Kasasa	(elected April 2008)
Frank Kihere	(elected April 2009)
Fiona Markey	(Lay Chairperson, from April 2007, and re-elected to PCC April 2009)
Elizabeth McQuaid	(resigned April 2010)
Fiona Notman	(elected April 2009)
George Peretz	(elected April 2009)
Richard Pullin	(until April 2010)
Wilson Wong	(elected April 2010)
Tim Wright	(elected April 2009, resigned August 2010)

The PCC advises new members of their responsibilities, and representatives are invited to attend training sessions arranged by the Diocese of London to keep them up to date with their responsibilities. Standing Committee members receive copies of Charity Governance. Professionals are invited to advise at PCC meetings.

Structure, Governance and Management

The Parish of St James's Piccadilly is a parish within the Church of England as defined by canon law. Individual parishes within the Church of England do not have a separate constitution. They work within the framework of Church of England ecclesiastical law.

The PCC consists of fourteen elected members in accordance with Church of England representation rules together with three Deanery Synod representatives, two Churchwardens and clergy.

The Parochial Church council has reviewed the operational and financial risks faced by the organisation and is satisfied that appropriate procedures and controls are in place to mitigate the impact of those risks.

Objectives and Activities

The objective of the PCC is to promote and encourage the life of the church, as part of the worldwide Anglican Communion, and as the parish of St James's in Piccadilly. By consulting with the parish on pastoral, social, ecumenical and common life it provides focus for the church community as it plans for the future. The PCC generates funding for the ongoing commitments of the church, and employs staff to manage and maintain its seven days a week ministry. It is responsible for safeguarding the assets of the church and generates income by voluntary collections, donations, organising concerts, running a market, leasing space for a café, flat and fire escape. In addition, it is undertaking an appeal for funds to restore the church building.

St James's Church, Piccadilly
Parochial Church Council
Annual Report for the Year Ended 31st December 2010 (continued)

Objectives and Activities (continued)

During most of 2010, the parish was going through a vacancy which ended when the new Rector was inducted on 14 October 2010. During the vacancy, a large number of community activities were maintained and developed, both liturgical and pastoral, and funds were raised for the restoration of the church roof which was completed in the summer of 2010. A parish consultation will take place in the coming year to formulate plans for the future, including the development of a fund raising strategy and review of activities.

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

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

To facilitate this work it is important that we maintain the fabric of St James's Church.

Achievements and performance

Over the past year, the parish has been in a vacancy during which the services and pastoral work were maintained and developed. Staffing levels were maintained in challenging economic circumstances and sufficient funds were raised in addition to replace the roof of the church. Decorations to the Rector's lodgings were carried out and while the catalpa tree (one of London's great trees) had to be felled in the courtyard, plans are in place for its replacement, probably during 2012 and when the wider development scheme is known.

Financial Review

A small surplus was achieved at the end of 2010 owing to the fact that some projected building repairs were not in the end carried out, combined with a number of donations to general funds. Concert income increased and was up on budget while market income, although rising steadily over the past 4 years, did not increase during 2010. The replacement of the roof affected this particular income stream as the market had to be closed to allow for scaffolding.

Plans for the Future

A new boiler has been ordered and will be in place for 2011. It is projected that this will reduce the heating bill for the church and Rectory going forward. A new community fund raising group has been formed which has several events planned for 2011 to raise funds for the restoration. The market management structure has been adjusted to place more resources in hiring out basement rooms thus further diversifying the income stream. A PCC awayday during 2011 will begin to scope out a process of congregational consultation in liaison with the new Rector, to plan for the next 3 to 5 years, set a direction for the church community and develop a fund raising strategy in order to achieve these plans.

Reserves Policy

Monies are set aside for specific purposes into restricted and designated funds. The purpose of holding a reserve as the General Purposes Fund is to enable the Church to cope with variations in its cash flow and to provide a fund of money if its income drops unexpectedly.

Currently the Church receives income from its services, charitable activities, and the use of its premises for letting out, a market and for concerts. There are expenses relating to these activities and the net income is taken into the General Purposes Fund.

It has been considered that a reasonable amount to be held in the General Purposes Fund is at least £ 220,000, which equates approximately to four months of expenditure, and meets Charity Commission recommendations.

Results for the year

During the year ended 31st December 2010 the Parochial Church Council made a surplus of £ 5,238 (2009 a deficit of £ 66,593) in the General Purposes Fund, and a deficit of £ 221,220 (2009 a deficit of £ 12,832) in the Restricted Funds. Further details are given in the Treasurer's Report.

Auditors

The Auditors, Kingston Smith LLP have indicated their willingness to be re-appointed and a resolution proposing their re-appointment will be put to the Annual Parochial Church Meeting.



Dr Mercedes Pavlicevic
Honorary Treasurer

For and on behalf of the Parochial Church Council on: 13th March 2011

St James's Church, Piccadilly
Parochial Church Council
Statement of Financial Responsibilities
For the Year ended 31st December 2010

Statement of the Parochial Church Council's financial 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 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 their 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.

Independent Auditors' Report to the Members of St. James's Church, Piccadilly Parochial Church Council

We have audited the financial statements of St James's Church, Piccadilly, for the year ended 31 December 2010 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with regulations made under section 43 of the Charities Act 1993. Our audit work has been undertaken for no purpose other than to draw to the attention of the charity's trustees those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Respective Responsibilities of Trustees and Auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 4 the trustees are responsible for the preparation of financial statements which provide a true and fair view.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Charities Act 1993.

Scope of the audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

Opinion on the Financial Statements

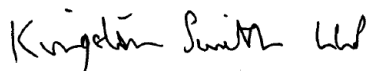
In our opinion the financial statements:

- give a true and fair view of the state of the Parochial Church Council's affairs as at 31 December 2010 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Charities Act 1993.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities act 1993 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



Kingston Smith LLP
Chartered Accountants and Registered Auditors

Devonshire House
60 Goswell Road
London EC1M 7AD

Date: 16th March 2011

St James Church, Piccadilly
Parochial Church Council
Statement of Financial Activities
For the year ended 31st December 2010

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2010 £	Total 2009 £
Income and Expenditure					
Incoming Resources					
<i>Incoming resources from generated funds</i>					
Voluntary income	2a	121,971	170,763	292,734	146,704
Activities for generating funds	2b	-	5,992	5,992	16,818
Income from investments	2c	1,093	620	1,713	8,050
Income from the use of premises	2d	532,238	-	532,238	514,185
<i>Incoming resources from charitable activities</i>					
Church activities	2e	8,248	-	8,248	10,892
Total Incoming Resources		663,550	177,375	840,925	696,649
Resources Expended					
<i>Costs of generating funds</i>					
Cost of generating voluntary income	3b	-	440	440	6,055
Fund-raising costs	3c	-	11,769	11,769	15,448
Costs of generating funds from the Market, Café, Concerts, Basement & Wren Flat	3c	186,430	-	186,430	180,829
<i>Cost of charitable activities</i>					
Church activities	3a	453,166	386,386	839,552	556,959
<i>Governance Costs</i>	3d	19,241	-	19,241	17,406
Total Resources Expended	4	658,837	398,595	1,057,432	776,697
Net Incoming/(Outgoing) resources before other recognised gains and losses		4,713	(221,220)	(216,507)	(80,048)
Gain on investments - unrealised		525	-	525	623
Net Movement in Funds		5,238	(221,220)	(215,982)	(79,425)
Total funds brought forward		245,012	393,133	638,145	717,570
Total funds carried forward		250,250	171,913	422,163	638,145

St James Church, Piccadilly
Parochial Church Council
Balance Sheet as at 31st December 2010

	Notes	2010		2009	
		£	£	£	£
FIXED ASSETS					
Tangible assets	4		26,142		41,273
Investments	5		<u>7,825</u>		<u>7,300</u>
			33,967		48,573
CURRENT ASSETS					
Stock		416		416	
Trade debtors		30,420		9,618	
Other debtors		1,350		5,582	
Tax recoverable		15,489		9,508	
Prepayments		7,441		29,541	
CBF Church of England Deposit Fund		323,805		572,190	
Cash at bank and in hand		<u>59,090</u>		<u>89,246</u>	
		<u>438,011</u>		<u>716,101</u>	
CURRENT LIABILITIES					
Loan	6	-		12,000	
Trade creditors		25,786		21,558	
Other creditors		5,408		19,005	
Accruals		<u>18,621</u>		<u>21,966</u>	
		<u>49,815</u>		<u>74,529</u>	
NET CURRENT ASSETS			<u>388,196</u>		<u>641,572</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			422,163		690,145
LIABILITIES: amounts due after more than one year	6		-		<u>52,000</u>
NET ASSETS	7		<u><u>422,163</u></u>		<u><u>638,145</u></u>
Unrestricted Income funds:					
General purpose fund		240,662		235,424	
Designated funds		<u>9,588</u>		<u>9,588</u>	
			250,250		245,012
Restricted funds:					
Restricted income funds					
Building repair fund		41,838		34,735	
Church restoration fund		121,883		350,206	
Organ appeal fund		5,822		5,822	
Garden Replanting		927		927	
Other projects		<u>1,443</u>		<u>1,443</u>	
			<u>171,913</u>		<u>393,133</u>
			<u><u>422,163</u></u>		<u><u>638,145</u></u>

Approved and authorised for issue by the Parochial Church Council on: 13th March 2011



.....
Honorary Treasurer
Dr Mercedes Pavlicevic



.....
Incumbent
The Reverend Lucy Winkett

**St James Church, Piccadilly
Parochial Church Council
Notes to the Accounts
For the year ended 31st December 2010**

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 for 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 Rectory and offices sit are consecrated and are excluded from accountability under 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. 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.

All income and gains falling within Section 505 Income and Corporation Taxes Act 1988 or Section 256 of Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to the entity's charitable objectives.

(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.

Costs of generating funds are those costs incurred in attracting voluntary income.

Charitable activities include expenditure associated with the day-to-day management of the Church and include both the direct costs and support costs relating to these activities.

Governance costs include those incurred in the governance of the PCC and its assets and are primarily associated with constitutional and statutory requirements. Governance costs comprise all costs involving the public accountability of the PCC and its compliance with regulation and good practice. These costs include the audit fee.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

(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.

(vi) Fixed Assets and Depreciation

Fixtures, fittings and equipment are depreciated in equal annual instalments over their estimated useful lives of between 2 and 5 years. Items of a capital nature are reviewed for their purpose and are capitalised where their cost is in excess of £500 and they are considered to provide an ongoing use to the PCC.

The Rector, Priest in Charge and Churchwardens hold on special trust for the PCC silver and plate gifted to the church for ecclesiastical use. They date from the 17th Century and therefore, there is insufficient cost information available. Due to the unique nature of these assets and their historic association with worship at the church over hundreds of years, conventional valuation techniques are not applicable and therefore they have not been valued in the financial statements. The silver and plate, 53 items in total are listed in the church's inventory and are regarded by law as inalienable assets which the PCC would require a faculty for disposal. Inspection can be arranged at reasonable times where they are located currently at St James's Church, Barclays Bank, The Victoria and Albert Museum, The Museum of London and St Paul's Cathedral.

(vii) Investments

Investments are included in the balance sheet at market value.

St James Church, Piccadilly
Parochial Church Council
Notes to the Accounts
For the year ended 31 December 2010 (Continued)

1 Accounting Policies (continued)

(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.

2 Incoming resources	Unrestricted Funds	Restricted Funds	Total 2010	Funds 2009
	£	£	£	£
2a Voluntary income				
Planned giving:				
Gift aid - stewardship	31,365	-	31,365	33,039
Other stewardship	-	-	-	3,532
Tax recoverable	10,723	231	10,954	9,866
Church collections	16,363	-	16,363	10,888
Collection boxes, sundry donations	44,315	24,921	69,236	36,560
Trusts	7,120	70,100	77,220	7,133
Insurance claims	-	20,442	20,442	-
Listed Places of Worship Grant for VAT	-	55,069	55,069	-
Cards 4 Good Causes	12,085	-	12,085	11,600
Heart of Piccadilly appeal	-	-	-	34,086
	<u>121,971</u>	<u>170,763</u>	<u>292,734</u>	<u>146,704</u>
2b Activities for generating funds				
Heart of Piccadilly Appeal:				
Book stall	-	16	16	183
Bazaar	-	-	-	228
Grand Draw	-	3,689	3,689	-
Christmas puddings	-	859	859	719
Marmalade	-	129	129	155
Concerts	-	1,299	1,299	15,533
	<u>-</u>	<u>5,992</u>	<u>5,992</u>	<u>16,818</u>
2c Income from investments:				
Interest	752	620	1,372	7,718
Dividends	341	-	341	332
	<u>1,093</u>	<u>620</u>	<u>1,713</u>	<u>8,050</u>
2d Income from use of premises				
Market rents	273,985	-	273,985	282,856
Café	66,488	-	66,488	61,836
Concerts	116,139	-	116,139	104,823
Church, church hall & rectory	48,933	-	48,933	39,430
Wren flat licence	21,343	-	21,343	19,890
Fire escape licence	5,350	-	5,350	5,350
	<u>532,238</u>	<u>-</u>	<u>532,238</u>	<u>514,185</u>

St James Church, Piccadilly
Parochial Church Council
Notes to the Accounts
For the year ended 31 December 2010 (Continued)

2e Income from church activities				
Publications	436	-	436	450
Fees	7,812	-	7,812	10,142
	<u>8,248</u>	<u>-</u>	<u>8,248</u>	<u>10,892</u>
TOTAL INCOMING RESOURCES	<u>663,550</u>	<u>177,375</u>	<u>840,925</u>	<u>696,649</u>
3 Analysis of resources expended				
	Unrestricted Funds	Restricted Funds	Total 2010	Funds 2009
3a Church activities	£	£	£	£
<i>Grants (note 10)</i>				
Away-giving	11,700	-	11,700	13,850
St Martin's Day Care Centre	1,824	-	1,824	1,824
	<u>13,524</u>	<u>-</u>	<u>13,524</u>	<u>15,674</u>
<i>Ministry</i>				
Common fund	76,877	-	76,877	74,837
Clergy expenses	50	-	50	1,200
Other ministry	49,535	-	49,535	44,741
Other verger fees	261	-	261	2,748
Organist and choir costs	6,532	-	6,532	5,572
Salary of the animateur	3,875	-	3,875	4,124
Altar requisites	4,245	-	4,245	3,043
Officers, volunteers, visitors and staff expenses	3,696	-	3,696	3,424
Friends diary and other publications	1,812	-	1,812	4,076
Social events	3,196	-	3,196	1,119
Other projects	-	-	-	605
Salaries	168,502	-	168,502	158,475
Pension contributions	183	-	183	726
Telephone	5,656	-	5,656	4,666
Printing and stationary	9,315	-	9,315	7,161
Legal and professional fees	8,680	-	8,680	3,493
Advertising	1,046	-	1,046	1,484
Depreciation	15,131	-	15,131	20,295
Fixed asset transfer	-	-	-	1,375
Bank charges	3,984	-	3,984	5,637
Sundry expenses	3,255	-	3,255	4,889
Cleaning	3,234	-	3,234	4,722
Repairs and maintenance	14,503	23,339	37,842	22,240
Hire of equipment	5,181	-	5,181	1,619
Utilities	21,821	-	21,821	25,652
Insurance	23,947	-	23,947	25,453
Payroll and accountancy services	1,727	-	1,727	1,462
Bad debt written off	-	-	-	10
	<u>436,244</u>	<u>23,339</u>	<u>459,583</u>	<u>434,848</u>
<i>Projects</i>				
Renovation project	-	363,047	363,047	47,301
Site redevelopment	3,398	-	3,398	59,136
	<u>3,398</u>	<u>363,047</u>	<u>366,445</u>	<u>106,437</u>
TOTAL	<u>453,166</u>	<u>386,386</u>	<u>839,552</u>	<u>556,959</u>
3b Generation of voluntary income				
Christmas puddings	-	440	440	405
Concerts	-	-	-	5,650
TOTAL	<u>-</u>	<u>440</u>	<u>440</u>	<u>6,055</u>

St James Church, Piccadilly
Parochial Church Council
Notes to the Accounts
For the year ended 31 December 2010 (Continued)

	Unrestricted Funds £	Restricted Funds £	Total 2010 £	Funds 2009 £
3c Fundraising costs - Appeal	-	11,769	11,769	15,448
Costs of generating funds from				
Market	131,303	-	131,303	110,355
Café	1,219	-	1,219	804
Concert	52,681	-	52,681	53,325
Basement	617	-	617	15,422
Wren flat	610	-	610	923
TOTAL	186,430	-	186,430	180,829
3d Governance costs				
PCC Induction	-	-	-	198
PCC Meetings	334	-	334	550
PCC Secretary	10,838	-	10,838	8,960
Printing annual report	689	-	689	648
Auditors	7,380	-	7,380	7,050
TOTAL	19,241	-	19,241	17,406
TOTAL RESOURCES EXPENDED	658,837	398,595	1,057,432	776,697

4 Fixed assets

	Fixtures, fittings & Equipment £
Cost:	
At 1st January 2010	220,783
Additions	-
Disposals	-
At 31 December 2010	220,783
Depreciation:	
At 1st January 2010	179,510
Charge for the year	15,131
Disposal	-
At 31 December 2010	194,641
Net book value:	
At 31st December 2010	26,142
At 31st December 2009	41,273

**St James Church, Piccadilly
Parochial Church Council
Notes to the Accounts
For the year ended 31 December 2010 (Continued)**

5 Investments

	Accumulated Fund	Legacy Fund	Total
	£	£	£
Market value at 1st January 2010	5,766	1,534	7,300
Unrealised gains on revaluation	415	110	525
Market value at 31st December 2010	<u>6,181</u>	<u>1,644</u>	<u>7,825</u>

The investments are managed by The Central Board of Finance of the Church of England. The cost is as follows:

	2010	2009
	£	£
The Central Board of Finance of the Church of England: Investment Fund		
150 shares (Legacy fund)	141	141
564 shares (Accumulated fund)	562	562
	<u>703</u>	<u>703</u>

The market values of the investments are as quoted by The Central Board of Finance of the Church of England

6 Loan

The London Diocesan Fund agreed a loan facility of £100,000 in 2002 in respect of anticipated preliminary expenditure for site redevelopment. In 2007 the London Diocesan Fund agreed the PCC's request to extend the repayment terms of the loan subject to the following:

- (a) a standing order of £1,000 per month to repay the capital amount
- (b) Interest continues to be paid on a quarterly basis
- (c) If the redevelopment is completed prior to the loan having been fully repaid the outstanding balance will be repaid from the redevelopment proceeds.

The balance payable at 31st December is as follows:

	2010	2009
	£	£
Due within one year	-	12,000
Due after one year	-	52,000
	<u>-</u>	<u>64,000</u>

In light of the Site Redevelopment project not going ahead, the PCC discussed and agreed to pay the remaining balance of the loan in 2010.

St James Church, Piccadilly
Parochial Church Council
Notes to the Accounts
For the year ended 31 December 2010 (Continued)

7 Analysis of net assets by fund

	<u>Unrestricted Funds</u>			<u>Restricted Funds</u>			Total £	
	General purposes £	Designated funds £	Building repairs £	Church restoration £	Garden replanting £	Organ Appeal £		Other projects £
Fixed assets	33,967	-	-	-	-	-	-	33,967
Current assets	256,510	9,588	41,838	121,883	927	5,822	1,443	438,011
Total liabilities	(49,815)	-	-	-	-	-	-	(49,815)
	<u>240,662</u>	<u>9,588</u>	<u>41,838</u>	<u>121,883</u>	<u>927</u>	<u>5,822</u>	<u>1,443</u>	<u>422,163</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. It was agreed by the PCC that the three funds should be combined into the Asset Replacement Fund. The Fund at 31st December 2010 comprised:

	2010 £	2009 £
Designated Funds		
Asset replacement	9,588	3,570
Legacy	-	3,000
Stewardship distribution	-	3,018
	<u>9,588</u>	<u>9,588</u>

The Restricted Funds comprised:

The Buildings Repairs Fund which comprises funds specifically gifted for the upkeep of the buildings.
The Church Restoration Fund which was set up in 2001 from a donation from the Garfield Weston Foundation, for the restoration of the church.
The Garden Replanting Fund which was set up from a donation received specifically for that purpose.
The Organ Appeal Fund which was established in 1982 to provide for repair and renovation costs of the organ.

Other projects comprised:

The Diversity Project which was set up from a donation received in 2002 specifically for that purpose.	£ 864
The Creative Liturgies which was set up from a donation received in 2003 specifically for that purpose.	287
A donation which was made towards the costs of debates/lectures and events	292
	<u>1,443</u>

**St James Church, Piccadilly
Parochial Church Council
Notes to the Accounts
For the year ended 31 December 2010 (Continued)**

8 Reconciliation of movement in funds

	<u>Unrestricted Funds</u>			<u>Restricted Funds</u>				Total £
	General purposes £	Designated funds £	Building repairs £	Church restoration £	Garden replanting £	Organ Appeal £	Other projects £	
Brought forward	235,424	9,588	34,735	350,206	927	5,822	1,443	638,145
Income	663,550	-	30,442	146,933	-	-	-	840,925
Expenditure	(658,837)	-	(23,339)	(375,256)	-	-	-	(1,057,432)
Unrealised gain on investments	525	-	-	-	-	-	-	525
Carried forward	<u>240,662</u>	<u>9,588</u>	<u>41,838</u>	<u>121,883</u>	<u>927</u>	<u>5,822</u>	<u>1,443</u>	<u>422,163</u>

There is an allocation of 10% of covenanted donations plus 2% of total unrestricted income net of covenanted donations (Stewardship Distribution) to the Away-Giving Scheme. Funds not distributed in the year are carried forward.

St James Church, Piccadilly
Parochial Church Council
Notes to the Accounts
For the year ended 31 December 2010 (Continued)

9 Income from café licence

The Parochial Church Council has a licence agreement with Caffe Nero for the use of the former church room as a cafe.

10 Grants

St Martin's Day Care Centre

10% of net income from letting the Wren Flat is donated to St Martin-in-the-Fields for its work with the homeless.

Away-giving

2% of total unrestricted income net of Stewardship and income from the Wren Flat is given away in grants. Applications are invited from the church community at the annual Church Parochial Meeting. The PCC appoints a small committee to review the applications. Applications need to show a clear relationship between the church and the project and information about how the money is to be used. Projects we support need to fit within our mission statement. The PCC makes the final decision.

The away-giving represents the following grants made by the PCC:

	2010	2009
	£	£
University Student Grants	1,000	200
Ethiopia – Fistula Hospital	500	550
Puck de Raadt (member of the PCC) – Work with Asylum Seekers	2,500	2,700
The Cancer Resource Centre – Wandsworth	1,500	1,500
Devon Development Education	300	550
Springboard for Children	500	550
Notre Dame Refugee Centre	1,000	1,500
Inclusive Church	500	550
St Martin's in the Fields	300	-
Croydon Stroke Support Club	300	-
Suma Qumana Project, Bolivia	500	-
Wild Oats Theatre	300	-
St Mary's Hospital, Uganda	300	-
Elfrida Rathbone Charity	500	-
Unipal, Palestine	600	-
Grace Bible Church	100	-
Burma Disaster Support	500	-
Jesuit Refugee Service	500	-
Bail for Immigration	-	1,500
Friends of Amasango	-	550
Poverty Alleviation Project (Cape Town)	-	1,500
Five Talents	-	550
Crossroads Christian International	-	550
Friends of Conservation	-	550
Soho Parish School	-	550
	<hr/>	<hr/>
	11,700	13,850
	<hr/> <hr/>	<hr/> <hr/>

11 Staff costs

	2010	2009
	£	£
Wages and salaries	243,921	235,521
Employer's national insurance contributions	21,264	21,284
Pension costs	183	726
	<hr/>	<hr/>
	265,368	257,531
	<hr/> <hr/>	<hr/> <hr/>

St James Church, Piccadilly
Parochial Church Council
Notes to the Accounts
For the year ended 31 December 2010 (Continued)

11 Staff costs (continued)	2010	2009
	£	£
Analysed as follows:		
Activities directly related to the work of the church	- Animateur 3,847	4,124
	- Verger's fee 1,797	931
Church management and administration	- Admin 167,069	165,294
Cost of generating funds	- Concert 40,562	43,507
	- Market 36,751	29,125
	- Fundraising assistant 4,504	4,864
Governance costs	- PCC Secretary 10,838	8,960
	<u>265,368</u>	<u>256,805</u>
Average number of employees	<u>16</u>	<u>15</u>
No employee earned more than £60,000		

12 Fundraising costs

Fundraising costs incurred during the year totalling £ 11,769 (2009 - £ 21,503) have been allocated against restricted funds as the PCC have agreed that such costs should be borne within the fundraising appeal.

13 Auditors remuneration

	2010	2009
	£	£
Audit	<u>7,380</u>	<u>7,050</u>

14 Commitments under operating leases

At 31st December 2010 the Parochial Church Council had an annual commitment under a non-cancellable operating lease in respect of a photocopier as follows:

	2010	2009
	£	£
Expiry date: 2 - 5 years	<u>1,011</u>	<u>999</u>

15 Transactions involving Parochial Church Council Members

During the year the following payments were made to members:

	2010	2009	2010	2009
	Number	Number	£	£
Accommodation and other expenses	2	5	14,396	14,528
Leaving gifts	0	2	-	1,750
Stipend	1	1	34,500	31,860
	<u>3</u>	<u>8</u>	<u>48,896</u>	<u>48,138</u>

Alternatives, a private limited company, makes donations of £150 per week for its use of the church and a small basement office. Tom Cook, a director of Alternatives is also a member of the PCC.

Puck de Raadt receives funds for her work with asylum seekers as detailed in Note 10.

All transactions involving elected members of the PCC are dealt with on an "arm's length" basis and the individual PCC members concerned do not derive any personal benefit from such transactions.

16 Contingent liabilities

There were no contingent liabilities as at 31st December 2010.

17 Indemnity insurance

The Parochial Church Council has taken out indemnity insurance for its members with Ecclesiastical Insurance Group plc. This is in the PCC's Commercial Combined Policy of £ 24,382 (2009 - £24,382).