

Parish Church of St James with St Matthew

St James's Lane

Muswell Hill

London

N10 3DB

Reg. charity 1134716

**Annual Report and Financial Statements
for the year ended 31 December 2022**

Incumbent:

The Reverend Chris Green

Statutory auditors:

**Lakin Rose Limited
Chartered Accountants
Cambridge CB24 9NL**

Bankers:

**HSBC Bank plc
Muswell Hill
London N10 3RX**

Parish Church of St James with St Matthew, Muswell Hill
Year ended 31 December 2022

Pages	Statement	Description
3 - 13	Annual Report	Describes the activities of the PCC and related committees with particular attention to the financial activities of the Parish.
14	Summary of a PCC's Financial Responsibilities	This summarises the financial responsibilities of Parochial Church Councils.
15 - 18	Independent Auditors' Report	Where the auditors give their opinion on these financial statements; in particular, whether they comply with the various accounting rules and regulations applicable to the Parish.
19	Statement of Financial Activities for 2022	This summarises the income and expenditure of the Parish, across all its funds, for the year 2022.
20	Balance Sheet as at 31 December 2022	This sets out the Parish's various assets and liabilities at that date.
21	Cash flow statement for 2022	This summarises the cash flow generated and utilised by various activities during the period.
22 - 26	Notes to the Financial Statements	These provide additional detail on key elements of the Statement of Financial Activities and Balance Sheet.

Parish Church of St James with St Matthew, Muswell Hill

Year ended 31 December 2022

Background

The PCC of St James with St Matthew has the responsibility, together with the Incumbent, for promoting the whole mission of the Church of England in its local parish. This responsibility covers evangelistic, pastoral, social and ecumenical matters. It also has maintenance responsibilities for the Church building, Parish Centre, Birchwood Centre and the houses occupied by clergy and staff.

The PCC is pleased to present its report for 2022. As a church, we have continued to grow steadily through the year, in person and online, with the addition of a new podcast, and are grateful for new staff members giving us fresh directions and energy. We continue to be thankful for all the many volunteers - and especially to all those who serve in the area of music, as we wait to appoint in that area. We are grateful to God for his abundant provision, not least in the completion of Phase Two of the roof project, and our replacement boiler.

Set out below are a few highlights from the past year, which are expanded in the rest of this report.

Preaching

The first sermon series of the year was about 'Resurrection Hope' from 1 Corinthians 15, followed, in March, by a study of 'I am . . . no longer' (Romans 6: 1 – 14), 'I am . . . now' (Romans 7: 1-6) and 'I am . . . not yet' (Galatians 5: 13 -26.) On 10 April there was an evangelistic service with the title 'Jesus, the Doorway to Life.' For the summer term, preaching at the main 10:30am service focused on Isaiah. There was a Vision and Gift Day on 19 June, and on 10 July we had a visiting preacher, Graham Archer of CPAS. On 11 September, a special service was held to mark the death of Her Majesty, Queen Elizabeth II. The autumn term saw a sermon series from Luke's gospel, and in Advent there was a study, over 4 weeks, about Jesus as 'Wonderful Counsellor, Everlasting Father, Mighty God and Prince of Peace.'

The All-Age Worship services began with a look at God's promises to Abraham. The book of Jonah was the focus for the four weeks in August, and on 4 September there was a special service to celebrate the fun and learning of the holiday club 'Wonder Zone.' On 5 June, there was a Jubilee service, followed by scones and jam! And there was a World Mission Day on 30 October, with a video link from Mark Pickering about his experience with Operation Mobilisation. Finally, the Crib service on 18 December celebrated how God uses ordinary people for his extraordinary plans.

New Year at The Gathering began with a study of the book of Acts, followed by the 'I am' series to match the 10.30 service. On 10th April there was an evangelistic service titled 'Opening the Door to Life.' From April to mid-July the focus was the book of Revelation, and there were then two services looking at 'How to bless your church family' and 'How to bless the world around you.' A series called 'Who is Jesus?' was the feature of August. The autumn term saw a study of Malachi and themes for a 'Good Gathering' such as Learning (Exodus 3: 1-12), Remembering (1 Cor. 11: 17-34) and Sharing (Col 3: 1-17.) The year culminated, on 11 December, with a Contemporary Carol service.

Staff Changes

In January we said a sad farewell to Leona, who had ably served as Church Operations Manager. She was succeeded, in September, by Enoch, who quickly settled in as our new Operations Manager. In the autumn we also welcomed Ellie Lyon as our new Head of Community Ministry. Keisha Marriner, our Ops Intern, finished her year's placement with us at the end of December. We are very grateful to her and Leona for their hard work and dedication and feel blessed to have Enoch and Ellie as part of the team.

Special Events

- Beginning on 11 January, the course 'Hope Explored' ran for three weeks.
- Also in January were five evenings of discussion about 'Living in Love and Faith'.

Parish Church of St James with St Matthew, Muswell Hill

Year ended 31 December 2022

- We were pleased to hold special services of adult baptism on 30 January and 23 October.
- A group of church family members went on a pilgrimage to the Holy Land, led by Chris Green, from 1 – 8 March.
- There were two 'Men's Breakfasts', one on 14 May with guest speaker Joseph D'Souza of the Dignity Freedom Network, and one on 5 November with guest speaker Glen Scrivener.
- Gerry Rawcliffe led an Eco St James Nature Walk on 22 May around Alexandra Park.
- On 3 July, we enjoyed our Church Family BBQ in the sunshine of the Vicarage Garden.
- 30 September saw a 'Roots of Jazz' concert, when the church was filled with professional jazz music, and we learned about its Christian roots.
- On 26 November there was a Women's Advent breakfast in the Centre, with guest speaker Charlotte Blower, part of the leadership team at Euston church.
- On 27 November, we hosted an annual Memorial service, in conjunction with W N Nodes Funeral Directors.
- The year ended with our Christmas celebrations which included Contemporary and Traditional Carol services, a Midnight Communion on Christmas Eve and our All Age Christmas Day service.

Music Ministry

Our sung worship is an integral part of our services and events at St James. The music team ranges from core instruments, solo instruments, and vocalists. It has been such an encouragement to see the team pull together as one. Particular thanks should go to Graham Wright for his faithful leadership in this.

We continue to pray that God would help us recruit to the Worship Pastor role, in his timing, and we are especially grateful to those band leaders who have generously stepped up and who put together the music for our services each week. You are such a blessing to us all - thank you!

Many people visited the church for our delightful monthly lunchtime concerts, organised by Viv Roberts to whom we are extremely grateful.

We have been delighted to welcome the St James' Choir back, under the enthusiastic leadership of John Rodger. Our thanks to John and the Choir for some wonderful renditions both at our Traditional Carol services and at our Sunday morning Holy Communion services.

Community Ministry

Ellie has made useful connections locally, and is enthusiastically developing the ministries here at St James, which are a lifeline to so many.

- Community Café continued to run during the year, every Tuesday, providing a wonderful time of encouragement and support for everyone who came.
- TeaTime for seniors, led by Gill Brazier, delighted members every Wednesday with delicious teas, quizzes and informal concerts.
- The Muswell Hill Soup Kitchen has adapted its working model but remains a partner and the main beneficiary of our Harvest collection.
- We continued to support 'Operation Christmas Child' by filling shoeboxes for children in war-torn countries around the world.
- Many families in need were blessed with Christmas hampers, organised by the Besom team.

Warm thanks to everyone who has given time, energy, and money to minister to the community in these ways.

WAVE: We're All Valued Equally

My dear brothers and sisters, you are believers in our glorious Lord Jesus Christ. So don't treat some people better than others. James 2:1 ERV

Parish Church of St James with St Matthew, Muswell Hill

Year ended 31 December 2022

WAVE's purpose is to enable places where people with and without learning disabilities can enjoy worshipping or socialising together, doing things **with** and **not for** each other.

Over 50 people are regulars at our monthly **Wave Church Muswell Hill** meeting. About one third of them have a learning disability; the rest are family members or friends or simply people who appreciate the warm, informal and inclusive nature of the service. One person recently said, "It feels like being wrapped in a warm blanket – I leave knowing that God really loves me".

Last year our mixed-ability team led a series of services on the theme of 'Jesus meets'. We looked at various biblical characters who met Jesus and thought about how it impacted and changed their lives. We're currently looking at Jesus' teachings from the Sermon on the Mount and its practical implications for us. John Beauchamp (Diocesan Disability Advisor) has become a regular visitor and members appreciate his creative teaching and the communion services he leads for us.

WAVE Church comes under the governance of St James, although it is an ecumenical group and meets at the Methodist Church. We recently welcomed Marion Poojari as part-time WAVE Church Engagement Lead and are very grateful to the St James PCC for supplementing the grant we received for this role. We are also thankful that Temi Noah (Oak Hill student linked to St James) has brought her experience around neurodivergence to the team.

The Challenge Group meets weekly at St James and welcomes parents/carers who have a baby or toddler with additional needs. It's been described as a place of "abundant love and friendship" where everyone is welcome. The team are so grateful for the beautiful flowers given each week by Floral Design House and the delicious homemade cakes baked by members of the congregation.

Both WAVE Church and The Challenge Group are very grateful for the practical and prayerful support they receive from the St James Church leadership and the wider congregation.

WAVE for Change is concentrating on encouraging WAVE-style activities in more communities across London and farther afield and we're delighted to have the support of Bishop Sarah as our patron. We've spoken at conferences and had articles published, all of which is helping to create a network of people who want to see more vibrant mixed-ability worship and social groups in the heart of their communities. In addition to responsibilities for the monthly Muswell Hill service, Marion is seeking opportunities for, and supporting, new WAVE Church groups. It's very encouraging that in the past year new groups have started in Mill Hill and Darlington and a Café Church in St. Neots. We have created Wave in a Box with practical guidelines, resources and ideas to encourage and support these new groups. If you know a church or group who might be interested, please ask them to contact us (hello@waveforchange.org.uk).

As always, we are truly thankful to all the people who make Wave possible – those who support us with practical help, financially and in prayer.

Children's Ministry

This ministry is led by our Head of Children's Ministry Alice Whittaker. She is assisted by a competent team of volunteers whom we are very thankful for. We are blessed that this year has not been disrupted by restrictions which has helped us get into more of a normal routine. This report will provide you with a glimpse into the Children's work this past year.

Children's Ministry Groups:

Promiseland (5-11s) Promiseland is our provision for children who are 5-11 years old. Alice has a team of about ten fabulous leaders. In this group we care about making the kids feel known and loved and teaching the Bible exegetically and creatively. In these sessions, we worship together, listen to one of the team members teach the Bible, play a game, do craft and discuss the passage in small groups. As most of the team serve weekly, they get to know the children really well. There were about 35 children who attended weekly last year.

Promiseland Junior (0-4s) Promiseland Junior is our provision for children who are 0-4 years old. Alice has a team of about twenty wonderful leaders. In this group, we care about making the children feel loved and cared for really well so that they have a positive experience of church at a young age. We believe that God speaks to us through his Word so each week we teach the Bible to the little ones in

Parish Church of St James with St Matthew, Muswell Hill

Year ended 31 December 2022

an age-appropriate way. In these sessions we welcome and play with the children, teach the Bible, sing songs together, and do a craft. There were about 25 children who attended weekly last year.

Promiseland Plus Promiseland Plus is our provision for children with additional needs. Helen Watts does a great job leading this ministry. She and her team teach the children the Bible and provide them with activities that help the children learn more about God. The team also helps those with additional needs in the mainstream group.

Bumps and Babes This is our group for parents and carers and their babies. Each week on Wednesday mornings we welcome parents, carers and their babies to our church. The babies have a chance to play, the parents and carers have a chance to chat and we finish each session with some Christian songs and a thought for the day from the Bible. There were about 20 people attending each week last year.

Events:

Michael Tinker Concert On 3rd March 2022 we had a family show called Mission to Dendros. Michael Tinker, a Christian children's song writer and musician came to teach our children the wonderful truth that the whole Bible is about Jesus. The music helped the children appreciate what grace is. Many children from our church attended as well as those from other churches nearby. We had about 45 children attend this show.

Wonder Zone Holiday Club On 31st August to 2nd September we had a holiday club for the 5-11s. The children learnt about who God is and how exploring science and following him can go hand in hand. They also discovered the wonders of the world and how the God behind all of it wants to get to know them too. We had about 50 children attend this club, and some families joined our church family following it. This was ably supported by a team of volunteers from across the church family.

Light Party

On 31st October we had a Light Party for our 4-11s. There was teaching on Daniel and the Lion's Den (Daniel 6:1-28). The children enjoyed food, experiments, craft and games. About 25 children attended. A special thanks to Julia Rank and Lisa Murthen for helping make this happen.

Crib Service

The week before Christmas, we had a Crib Service for families. Many children took part in this service in various ways. Many visitors came along to this service and heard the good news about Jesus. This has been a wonderful year serving the Lord alongside the fabulous kids' team.

Youth Ministry

St James Youth seeks to partner with parents to make young disciples. That is us in a nutshell and it flavours everything we do. God has been so kind to us this past year, even with the changing times we're living in. Young people have been built up in following Jesus. Numbers have stabilised over the year and grown in the younger years.

We have been constantly reshaping our groups and structures to continue fulfilling our vision and to better serve families and young people, including focusing on refining each of our regular groups to make them the best they can possibly be. We have made a few changes in how they run, the structure they follow, and content taught.

Alongside this, a few big events form parts of our discipleship goal. The Big Weekend 2023 saw over 120 young people and leaders delve into the theme of God's sovereignty and its impact on everyday life today. Numerous young people took huge strides in their faith.

Together with St James Kids, the Equip conference ran for its sixth year, reaching around one hundred Youth and Children's workers from other UK churches. This is a great training day for our teams but also acts as a huge blessing to the churches who brought their teams along. It has been such a blessing to have Anya on the team as Youth Minister for four years now to work alongside Dave. This year we have not had a Ministry Intern placed in Youth Ministry.

Parish Church of St James with St Matthew, Muswell Hill

Year ended 31 December 2022

Even though recruitment has been tough over the past year, we are so grateful to God for an incredible team of leaders he has provided us with. We have high expectations for our teams, who commit to training, praying, and serving within groups. This means we have a good core team who can disciple young people within our small group structure. With London being so transient, we are constantly recruiting new team members to fulfil our goal of having a leader to young person ratio of 1:3 – a ratio that is hard to hit, but important for this deeply relational ministry. Please do pray for our ongoing recruitment.

For 2023, we are keen to focus on partnering with parents - a core part of our vision. We have held several parenting lunches in the past, where families can share lunch together, followed by provision of childcare and teaching and discussion for parents and carers. This has been a huge blessing to families within the church and is something we would ideally like to continue this year, with Parenting God's Way being held once per term.

We are also seeking to prioritise growing disciple-making disciples. The young people are the ones in the schools who have the contacts and know the culture best. They are the best way of us reaching out. Big events are great, and will certainly play a part, but the steady long-term training of young people to be fearless followers of Jesus in reaching their friends for him will be our focus.

As the scriptures say, 'Unless God builds his house, the workers labour in vain'. Please join with us in praying for God to work in the hearts of our young people. Praise him too for all his goodness to us over the past year.

Support Team

Throughout the year the Support Team continued to offer the best support possible across all ministry areas. In 2022, there were 358 on the electoral roll. Our DBS Administrator, Jean Airey, supervised the administration of 24 DBS checks: 19 for those working with children, 3 for those working with adults and 2 for both.

During 2022 there were 3 weddings, 5 infant baptisms, 2 adult baptisms and 6 funerals. The team continued to administer bookings at the Birchwood Centre, where there were four regular weekly bookings. The income from regular and one-off bookings (including the receipts from the Preschool) came to a total of £38,820. Income from bookings for St James Church (not including weddings) was £4,192.

St James Primary School

2022 was another encouraging year for our church Primary School. At the start of the current academic year Annie Moore took over as the new Head of School after Jessica Williams was appointed Head teacher at a school in Hackney. Annie was previously Assistant Head and her appointment provides continuity.

In May 2022, we finally had our long-awaited Ofsted inspection, and the school was rated Good. Overall teachers and parents felt that this was a fair assessment, and the school looks forward to the year ahead. The school and the church continue to enjoy a positive relationship with weekly assemblies taken by church staff in addition to visits by the school to St James Church at Harvest, Christmas, Easter and the end of the school year.

Evangelism

This year saw the introduction of a new evangelistic course, Hope Explored, which was our first in-person course since the COVID-19 pandemic. Unlike Alpha or Christianity Explored, Hope Explored runs across only three sessions. We have run it twice this year with groups, but the flexibility has meant Mark could also lead it with individuals. He has been encouraged by those who attended, and has seen signs of real spiritual growth as a result.

Parish Church of St James with St Matthew, Muswell Hill
Year ended 31 December 2022

The Saturday morning Book Table is now a fixture on the St James Square, opposite the church. Richard Fowler and Nicholas Durden pioneered this work and this year have been joined by a few others. Matt Sellar, a member of The Gathering, in particular, has added some youthfulness and insight from his part time role working with Open Air Campaigners.

Pastorates

Pastorates and other small groups continue to be central to our life at St James - excluding Focus, we have around 20. They are mostly in-person, and Chris has been working hard to fold new members into the existing groups, as well as starting a new pastorate before Christmas. It might be a good plan to start another new one, in the autumn, for the new members. Pastorates are going to strengthen or start links with World Mission partners, so that each group has a live connection.

EcoStJames – Caring for God’s Creation

EcoStJames is an initiative in its second year at St James. It aims to help us better understand and fulfil our responsibilities toward creation care, both individually and as a church community.

This year we have used the EcoChurch survey to assess where we are against five key areas: Worship & Teaching, Buildings, Land, Community Engagement, and Lifestyle. As a result, we have been awarded a bronze EcoChurch award. We’ve always said that our reason for using the EcoChurch resources is to identify those areas where we can improve in creation care. It is therefore great to have achieved the EcoChurch bronze status, but it is more important that it has helped us consider where to focus next.

The EcoChurch materials also recommend churches carry out a carbon footprint assessment, and to encourage individuals to do so too. In 2022 we therefore planned the January launch of the Carbon Footprint Challenge at St James - asking our community to take 15 minutes before Easter to find out what their carbon footprint is. We have also committed, as the EcoStJames group, to carry out a carbon footprint assessment for St James church during this time.

We have continued to engage with the community here at St James through our services (most notably at Harvest), the toilet twinning initiative in the church building, organising nature walks to celebrate God’s creation in the local area, introducing a notice board capturing key information and upcoming events, and with the regular “Eco Green Tip” item in the weekly church family news.

If you’d like to be involved in the EcoStJames team and help plan future events and initiatives, then we would love to have you join. Please do get in touch with one of the team.

EcoStJames brief: The PCC acknowledges the Church's responsibility of Creation Care and commits to acting this out in all areas of life of St James. As a practical first step the PCC endorses St James embarking on the EcoChurch pathway, and tasks the St James EcoChurch Group with investigating ways in which we as a church family can progress on this journey.

EcoStJames Taskforce: Jean Airey, Enoch Cheng, Patrick Haines, Anne Rawcliffe, Gerry Rawcliffe, Beth Stone, Hannah Stone, Graham Wright.

Deanery Synod Report

The Deanery Synod met twice in 2022 and both meetings were inspiring. In May, there was a presentation about the London Diocese: Compassionate Communities. Its aim was promoting contextual safety and interrupting senior youth violence. This included mentoring opportunities to focus on Transforming Lives for Good, with intervention at primary school age with transition to secondary, and offered training to any church.

In October the focus was about mission and racial justice. There are a number of vacancies for governors and trustees in church schools and academies in the Haringey Deanery - so please contact Chris Green if you could offer support in one of these. Schools are unique places where the church and

Parish Church of St James with St Matthew, Muswell Hill
Year ended 31 December 2022

local community intersect and the aim is to preserve and develop the distinctive Christian identity of our schools. This is a valuable and stimulating forum and new members are welcome.

Church Leadership and Oversight

PCC

<i>Incumbent:</i>	Revd Chris Green (Vicar)
<i>Other ministers:</i>	Revd Mark Murthen (Associate Vicar)
<i>Wardens:</i>	Debbie Wright Ian Roberts (stood down April 2022) Paul Mercer (elected April 2022).
<i>Other representatives on the Deanery Synod (in addition to the Wardens):</i>	
Ajay Gohil Caroline Streets-Law David Williams Gillian Dunkeld Gina Titheridge	
<i>Other members, all elected unless otherwise indicated:</i>	
Andrea Bleakley Helen Watts Jo Hutchinson Jonathan Stone - Honorary Treasurer Lydia Bartlett Michael Dufour Nigel Young - elected April 2022 Richard Brueton	Steve Sexauer Carolyn Ritchie (Safeguarding Officer, ex-officio) Gabrielle Moris (Secretary) Patrick Haines - stood down April 2022 May Mak - stood down April 2022

PCC Sub-Committees

The PCC operates through a number of sub-committees, which meet between full meetings of the PCC. These sub-committees comprised the following people since the Annual Parochial Church Meeting (“APCM”) in April 2022 (see the 2021 Annual Report and Financial Statements for sub-committee membership up to that date):

Standing Committee

This committee has responsibility to transact the necessary business of the PCC between its meetings, subject to any directions given by the Council. It comprised Chris Green (Chair), Mark Murthen, Ian Roberts (Churchwarden) – stood down April 2022, Paul Mercer (Churchwarden) – elected April 2022, Debbie Wright (Churchwarden), Jonathan Stone (Hon Treasurer) and Andrea Bleakley.

Finance Committee

This committee oversees the financial affairs of the parish, by monitoring income and expenditure, cash flow, budgeting, accounting, and setting the fund-raising targets for the parish. Its members comprised John Waters (Chair), Jonathan Stone, Jonathan Thornton, Gina Titheridge, Tim Bartlett and Alison Tyndall, with the new election of Graham Wright.

Parish Church of St James with St Matthew, Muswell Hill

Year ended 31 December 2022

Buildings Committee

The Buildings Committee is responsible for maintaining the Parish church building and all its associated buildings, including staff housing. Its members comprised Chris Law (Chair), Gill Brazier, Ian Roberts (Vice Chair), Louise Spalding, James Lea and Nigel Young.

World Mission Group

The World Mission Group is responsible for developing mission links outside the parish, and the distribution of the bulk of the funds set aside for mission giving (10% of the parish's unrestricted donation income is designated for mission giving.) Its members comprised Stephen Booth (Chair), Chris Green, Richard Bird, Deborah Kiwanuka, Gina Titheridge, Esther Sharma, Steve Sexauer and Nicholas Durden, with the new election of Virginia Knox.

PCC Activity in 2022

The PCC met in January, March, May, July, September and November. At the Annual Meeting (APCM) in April 2022, it approved the 2021 Annual Report and Financial Statements, and the Financial Budget for 2022. At each meeting, the PCC spent time looking at the Bible, praying and conducting normal business including updates on buildings work, World Mission Group and finance, as well as safeguarding, data protection and ecological concerns. The PCC, Pastorate leaders and staff Heads of Ministry met for a productive Away Day led by Mat Ineson from CPAS. We considered Church life in the aftermath of the Covid restrictions and identified prayer, evangelism and community ministry as the three main priorities for our activity in the year ahead.

Our Patrons, the Diocese of London and Common Fund

We continue to enjoy an open and productive relationship with the Patrons of the Church, The Bishop of Edmonton, and the Church Pastoral Aid Society. The Common Fund we pay to the Diocese of London fully covers the direct costs of employing our Vicar, and in addition contributes to other costs of the Diocese of London. Our contribution to the Common Fund in 2022 was £85,200.

Finance

2022 saw continued generous support from the church members. The church has had a sustainable underlying financial result for the year: whilst there is a deficit for the year of £113,000, this is after a significant but one-off expenditure of £130,000 on the church roof: excluding this one-off expenditure there would have been a small surplus.

As at 31 December the church has net assets of £1.3m and over £300,000 in cash & short-term investments. The Finance Committee of St James continues to review the financial structure of the church.

Buildings Committee

The Buildings Committee met regularly during the year. As at 31 December 2022, membership consisted of Chris Law (Chair), Ian Roberts (Vice Chair), Gill Brazier, Louise Spalding and Nigel Young. In December, James Lea stood down from the Buildings Committee, with thanks for the enormous contribution he had made to the maintenance and upkeep of the Church and other buildings during his many years of service. Ruth Greenwood was also welcomed as a new member elect to the Buildings Committee.

There were two major items in 2022. One was the next phase of the 'Raising the Roof' project (known as Phase 2A), namely to re-roof the north aisle (and the west facing side chapel roof) in line with the quinquennial inspections. We continued with the same valuable and committed team of client lead (Gill Brazier), Architect (Ablett Architects) and contractor (Ashford and Cranbrook) to carry out these works efficiently and effectively. Work started in April and Phase 2A was successfully completed in October (subject only to the usual 6-month retention period that expires on 12 April 2023). The nett cost of Phase 2A is approximately £121,360 (including additional stone works and window repairs) and is covered by

Parish Church of St James with St Matthew, Muswell Hill

Year ended 31 December 2022

the available roof funds and the Ruth Luka legacy, with the balance (approximately £17,130) to come out of general reserves.

The other was the replacement of the main church boilers. This involved replacement of the existing boilers and flue with new fan assisted condensing boilers and associated equipment, involving the removal of the existing boilers and flue (including asbestos clad piping) and installation of new modern, fully modulating, fan assisted condensing boilers and related works, including new pumps and boiler controls, a plate heat exchanger, heating feed and expansion tanks installed in the existing boiler room and replacement of the gas meter housing. The new boilers have external flues routed through the eastern wall of the boiler room and rising to above head height opposite the back door of the church offices and a small external temperature sensor on the north wall of the side chapel by the corner buttress above the bins in the vicarage car park. The total nett cost is about £52,700, funded from general reserves.

Other notable works during the year (funded from the Buildings Committee budget) were:

1. Re-directing the flower kitchen drainage and repairing/replacing the collapsed part of the main foul sewer pipe from the Church Centre.
2. External decoration of the southwest elevation of the Birchwood Centre overlooking the Lower Flat garden and replacing the boiler in the Lower Flat;
3. Refurbishment of 67 St James Lane, involving the replacement of windows in the rear bedroom and bathroom, installation of an additional fan in the bathroom, smoke detectors and new heat alarm and the redecoration of the property throughout, including repairs to skirting boards and cupboards. A large Eucalyptus tree in the rear garden was removed and the front elevation redecorated.

In addition to general maintenance of the Church buildings and the Birchwood Centre, St. James has a number of residential properties which require maintenance and updates to make sure they are suitable for our staff. This includes regular maintenance of boilers and lightning conductors, undertaking gas and electrical appliance tests and fire assessments, electrical certification, gutter cleaning, and general repairs.

Our thanks go to the members of the Buildings Committee for their time, experience, and expertise as well as to Anand Achuthan, Enoch Cheng and the other members of the operations team for their hard work throughout the year, keeping the church buildings and Birchwood Centre functioning and to the gardening team (ably led by Caroline Streets) for keeping the grounds looking so attractive.

Church Garden

Under the gentle guidance of Caroline Streets-Law and Viv Roberts, the gardening team worked tirelessly to keep the Easter garden and the beds around church looking beautiful. The small, but committed team who are a cheerful, hard-working group met most months of the year, in all weathers. The team also re-planted the East border, chapel side, after the roof works finished and the scaffolding came down; they made an appeal, had extra support and managed to plant the whole border in a morning! Our thanks, too, to members of the Flower Team who took time and care to decorate the church for major festivals and events.

World Mission Group

In 2022 the World Mission Group (WGM) distributed over £64,000 to Mission Partners. This was a slightly lower amount than planned, with £6,500 for visits to overseas Mission Partners and other contingencies remaining unspent at year end.

The PCC allocates 10% of unrestricted giving received each year to the charitable giving fund, which the WGM is tasked with distributing. In 2022 the WGM distributed all the funds that it received. The WGM is mindful of the balance in the Charitable Giving Fund and has over-distributed in recent years, but is also unable to fund new Mission Partners without having this reserve at its disposal.

Parish Church of St James with St Matthew, Muswell Hill

Year ended 31 December 2022

Two exceptional payments were made to Tearfund to assist with aid work in Afghanistan (£6,000) and Ukraine (£4,000). The maximum amount distributed to individual Mission Partners (or related recipients in combination) in 2022 was £7,500, with 4 long term Mission Partners receiving at least £6,000 (Jane Ingle with Wycliffe, Emmanuel Church in New York, Michael & Emma Kenyon in Cambodia, Pathway). Large organisations we support tend to get half this amount, with A Rocha, Crosslinks and OM all receiving £3,000 each.

New recipients in 2022 were Matt Sellar, who is training in street evangelism with OAC Ministries, and a small donation to Alex Williams towards the cost of an overseas mission trip as part of his studies at Oak Hill. We are committed to increasing the number of the World Mission partners, grown from within St James, and are happy to report that the post Covid pipeline is starting to flow well.

Safeguarding

The PCC adopted the 2022 Parish Safeguarding Policy Statement and the Safeguarding Audit and Action Plan in May. The outstanding action was completed in January 2022. There were no serious Safeguarding incidents in 2022 that needed to be notified to the Charity Commission.

Significant changes in Safeguarding processes during 2022 followed the introduction of the Safer Recruitment and People Management Guidance (2021) and the Learning and Development Framework (2021).

The new Safer Recruitment and People Management Guidance revises and extends the processes for recruiting and managing staff and volunteers. An example of a change is that DBS checks must be renewed every three years (rather than five). St James has made progress on the implementing the Guidance but has further work to do in 2023 to become fully compliant.

The new Learning and Development Framework reflects a change of focus in the Church, from not just ensuring that Safeguarding processes are understood but also engaging people's beliefs and values. The aim is for Safeguarding to become integral to the very DNA of the Church, with good safeguarding behaviours flowing naturally and intuitively. The Framework extends the roles that must complete Safeguarding training. Two new courses were introduced and are required for certain roles: Safer Recruitment and People Management, and Raising Awareness of Domestic Abuse. St James made good progress in implementing the new requirements during 2022.

During the summer, the London Diocese launched an online Parish Dashboard which tracks Safeguarding compliance. It produces Action Summaries which are tabled at PCC meetings, so that the PCC is kept aware of progress and outstanding actions.

Governance, Internal Control, and Risk Management

It is through the various committees and sub-committees that the PCC has addressed the key operational and financial control requirements of the Parish. St James is subject to the full accounting and auditing requirements established by UK law and practice. In addition, the PCC and staff team have addressed some of the non-financial risks associated with the activities of the church, such as Child Protection policy and the health and safety of its employees, members, visitors and contractors. They have established appropriate risk management policies and procedures, including where necessary, appropriate insurance cover.

The PCC is grateful for the considerable efforts of volunteers for its successful operation. Without that help, the church would not be able to carry out its many and varied ministries and neither would we as individuals have opportunity to serve our Lord God as He would have us.

Parish Church of St James with St Matthew, Muswell Hill
Year ended 31 December 2022

Auditors

Lakin Rose Limited acted as auditors during the year. A resolution for their re-appointment will be put forward at the 2023 APCM, as required by law.

On behalf of the PCC

A handwritten signature in black ink, appearing to read 'C Green', written in a cursive style.

Revd Chris Green (Vicar)
11 April 2023

Parish Church of St James with St Matthew, Muswell Hill
Year ended 31 December 2022

Summary of a Parochial Church Council's Financial Responsibilities:

1.	The PCC shall prepare accounts of the ecclesiastical parish and be accountable in particular to all whose names are on the electoral roll (<i>Church Accounting Regulations 2006</i>).
2.	Every PCC shall furnish to the Annual Parochial Church Meeting the audited accounts of the council for the years ending 31 December immediately preceding the meeting and an audited statement of the funds and property, if any, remaining at that date (<i>Parochial Church Councils (Powers) Measure 1956</i>).
3.	The charity trustees (<i>for which read PCC</i>) shall ensure that accounting records are kept in respect of the charity which is sufficient to show and explain all the charity's transactions (<i>Charities Act 2011, Part VIII Charity Accounts, Reports and Returns, Section 130 Accounting records</i>).

Parish Church of St James with St Matthew, Muswell Hill
Year ended 31 December 2022

INDEPENDENT AUDITORS' REPORT TO THE PCC OF ST JAMES WITH ST MATTHEW
FOR THE YEAR ENDED 31 DECEMBER 2022

Opinion

We have audited the financial statements of Parish Church of St James with St Matthew (the 'charity') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 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 prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the PCC members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the PCC members with respect to going concern are described in the relevant sections of this report.

Parish Church of St James with St Matthew, Muswell Hill
Year ended 31 December 2022

INDEPENDENT AUDITORS' REPORT TO THE PCC OF ST JAMES WITH ST MATTHEW
FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the PCC members' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; 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.

Responsibilities of PCC members

As explained more fully in the PCC members' responsibilities statement, the PCC members are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the PCC members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the PCC members are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the PCC members either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Parish Church of St James with St Matthew, Muswell Hill
Year ended 31 December 2022

**INDEPENDENT AUDITORS' REPORT TO THE PCC OF ST JAMES WITH ST MATTHEW
FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)**

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the sector, control environment and charity performance;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charity's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.
- the matters discussed among the audit engagement team and involving relevant internal specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in relation to revenue recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Charities Act.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty. We identified no such laws and regulations applicable to the charity.

Audit response to risks identified

As a result of performing the above, we identified revenue recognition as a key audit risk related to the potential risk of fraud. Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance;
- obtained an understanding of provisions and held discussions with management to understand the basis of recognition or non-recognition of provisions; and

Parish Church of St James with St Matthew, Muswell Hill
Year ended 31 December 2022

INDEPENDENT AUDITORS' REPORT TO THE PCC OF ST JAMES WITH ST MATTHEW
FOR THE YEAR ENDED 31 DECEMBER 2022 (CONTINUED)

- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of our report

This report is made solely to the PCC members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the PCC members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the PCC members, as a body, for our audit work, for this report, or for the opinions we have formed.

Lakin Rose Limited

Lakin Rose Limited

Chartered Accountants
Statutory Auditors

Vision Park
Histon
Cambridge
CB24 9NL

Date: 18 April 2023

Parish Church of St James with St Matthew, Muswell Hill
Statement of Financial activities for the year ended 31 December 2022

		UNRESTRICTED				RESTRICTED	TOTAL		
		General Fund	Capital Fund	Charitable Giving	Property Fund	Total	Special Collection Fund	2022	As restated 2021
		£	£	£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM									
Donations	Note 2(a)	582,197	-	-	-	582,197	58,199	640,396	693,158
Legacies	Note 2(b)	-	-	-	-	-	-	-	1,027
Other trading activities	Note 2(c)	74,912	-	-	-	74,912	-	74,912	54,425
Other	Note 2(d)	28,698	-	-	-	28,698	-	28,698	15,391
TOTAL		685,807	-	-	-	685,807	58,199	744,006	764,001
EXPENDITURE ON:									
CHARITABLE ACTIVITIES									
Grants	Note 3(a)	-	-	66,102	-	66,102	6,130	72,232	59,590
Activities directly relating to the work of St James	Note 3(b)	470,416	-	-	26,036	496,452	161,684	658,136	546,524
Church management and administration	Note 3(c)	118,652	-	-	-	118,652	-	118,652	103,898
Governance costs	Note 3(d)	8,400	-	-	-	8,400	-	8,400	4,500
TOTAL		597,468	-	66,102	26,036	689,606	167,814	857,420	714,512
NET INCOME/ (EXPENDITURE)									
Transfers between funds:		88,339	-	(66,102)	(26,036)	(3,799)	(109,615)	(113,414)	49,489
To the Special Collection Fund, General Fund	Note 9	2,564	(78,255)	-	-	(75,691)	75,691	-	-
To the Charitable Giving Fund	Note 9	(58,220)	-	58,220	-	-	-	-	-
NET MOVEMENT OF FUNDS		32,683	(78,255)	(7,882)	(26,036)	(79,490)	(33,924)	(113,414)	49,489
RECONCILIATION OF FUNDS									
TOTAL FUNDS BROUGHT FORWARD		241,267	78,255	53,716	983,239	1,356,477	56,012	1,412,489	1,363,000
TOTAL FUNDS CARRIED FORWARD		273,950	-	45,834	957,203	1,276,987	22,088	1,299,075	1,412,489

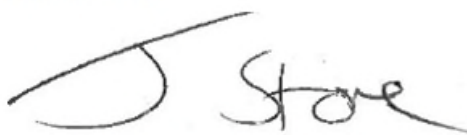
Parish Church of St James with St Matthew, Muswell Hill
Balance sheet as at 31 December 2022

	Note	2022			2021		
		Property Fund	Other Funds	Total Funds	Property Fund	Other Funds	Total Funds
		£	£	£	£	£	£
FIXED ASSETS							
Tangible fixed assets	5	1,019,078	93,276	1,112,354	1,045,114	46,408	1,091,522
CURRENT ASSETS							
Debtors	6	-	30,814	30,814	-	12,161	12,161
Cash at bank and in hand	7	-	305,424	305,424	-	418,301	418,301
		-	336,238	336,238	-	430,462	430,462
LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR							
	8	(61,875)	(87,642)	(149,517)	(61,875)	(47,620)	(109,495)
NET CURRENT ASSETS							
		(61,875)	248,596	186,721	(61,875)	382,842	320,967
NET ASSETS							
		957,203	341,872	1,299,075	983,239	429,250	1,412,489
FUNDS							
Unrestricted		957,203	319,784	1,276,987	983,239	373,238	1,356,477
Restricted	9	-	22,088	22,088	-	56,012	56,012
		957,203	341,872	1,299,075	983,239	429,250	1,412,489

Approved by the PCC on 11 April 2023, and signed on its behalf by:



Revd Chris Green (Chair)



Jonathan Stone (Honorary Treasurer)

The notes on pages 21 to 26 form part of these financial statements.

Parish Church of St James with St Matthew, Muswell Hill
2022 Cash flow statement

Statement of cash flows

Table 1

	2022	2021	Note
	£	£	
Cash flows from operating activities:			
<i>Net Cash provided by (used in) operating activities</i>	(83,048)	174,339	(Table 2 below)
Cash flows from investing activities:			
Dividends, interest and rents from investments	30,760	23,934	
Proceeds from the sale of property, plant and equipment	-	-	
Purchase of property, plant and equipment	(60,589)	(42,852)	
Proceeds from sale of investments	-	-	
Purchase of investments	-	-	
Net Cash provided by (used in) investing activities	(29,829)	(18,918)	
Cash flows from financing activities:			
Repayments of borrowing	-	-	
Cash inflows from new borrowing	-	-	
Receipt of endowment	-	-	
Net cash provided by (used in) financing activities	-	-	
Change in cash and cash equivalents in the reporting period	(112,877)	155,421	
Cash and cash equivalents at the beginning of the reporting period	418,301	262,880	(Table 3 below)
Cash and cash equivalents due to exchange rate movements	-	-	
Cash and cash equivalents at the end of the reporting period	305,424	418,301	(Table 3 below)

Reconciliation of net movement to net cash flows from operating activities

Table 2

	2022	2021
	£	£
Net movement in funds for the reporting period (as per the statement of financial activities)	(113,414)	49,489
Adjustment for:		
Depreciation charges	39,757	48,865
Dividends, interest and rents from investments	(30,760)	(23,934)
Loss/(profit) on the sale of fixed assets	-	-
(Increase)/decrease in stocks	-	-
(Increase)/decrease in debtors	(18,653)	75,464
Increase/(decrease) in creditors	40,022	24,455
Net cash provided by (used in) operating activities	(83,048)	174,339

Analysis of cash and cash equivalents

Table 3

	2022	2021
	£	£
Cash in hand	220,267	342,496
Notice deposits (less than 3 months)	85,157	75,805
Overdraft facility repayable on demand	-	-
Total cash and cash equivalents	305,424	418,301

Parish Church of St James with St Matthew, Muswell Hill

Notes to the 2022 Financial Statements

1 ACCOUNTING POLICIES

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 (SORP) "Accounting and Reporting by Charities SORP (FRS 102)" effective 01 January 2019. They have been prepared under the historical cost convention. The Parish Church of St James with St Matthew meets the definition of a public benefit entity under FRS102.

Fund accounting

General 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.

The accounts 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 their main affiliation to another body nor those that are informal gatherings of Church members.

Incoming resources

Voluntary income and capital sources

Collections and Planned giving (donations) are recognised when received by or on behalf of the PCC. Income tax recoverable on Gift Aid donations is recognised when the income is recognised. Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt is reasonably certain.

Income from investments and other income

Interest entitlements (including any tax recoverable thereon) are accounted for as they accrue. Rental income from the letting of the church premises or related property is recognised when the rental is due.

Resources used

Grants and donations

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC.

Activities directly relating to the work of the Church

The Common Fund is accounted for when payable. Any amount unpaid at 31 December is provided for in these financial statements as an operational (though not legal) liability and is shown as a creditor in the Balance Sheet.

Fixed assets

Consecrated and inalienable land and buildings, movable church furnishings

Consecrated and benefited property is excluded from the accounts as per the Charities Act 2011. In the case of this Parish, the properties excluded by this section are the Church, the Parish Centre, and the land surrounding both these buildings and the Vicarage.

The Birchwood Memorial Hall is the subject of a separate trust dating back to the early 1900s, held by a Diocesan body on behalf of the PCC. As no reliable cost information is available, and conventional valuation methods lack sufficient reliability and would involve cost which far outweigh the benefit that such a valuation could provide in the circumstances, no valuation is provided for this property in these financial statements.

The costs of maintaining and using this property are treated as expenses of the General Fund, and expensed or capitalised (as relevant) as incurred.

No value is placed on movable church furnishings held by the Church Wardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be inalienable property.

All expenditure incurred on consecrated or benefice buildings and movable church furnishings, whether maintenance or improvement, is written off as expenditure in the Statement of Financial Activities and separately disclosed.

Staff housing and other property

Freehold or leasehold property required to be accounted for by the PCC are included in these financial statements at (i) market values estimated in 1998 or (ii) for those properties bought subsequently, at cost. The value of property held at the time was reviewed in 2000 and considered by the PCC to continue to be appropriate valuations for the purposes of these financial statements. Maintenance expenditure is written off as incurred.

Land and buildings are not revalued upwards unless there are exceptional reasons for so doing. This is because, in the PCC's view the cost and effort of obtaining appropriate valuations outweigh the presentational and other benefits of formally revaluing such properties.

Any permanent diminution in the value of these properties, as evidenced by formal or informal valuations drawn up by or on behalf of the PCC, below that at which these properties are recognised in these financial statements, however, would be appropriately provided for.

Depreciation has been provided on these properties based upon an expected useful life of 50 years.

Other fixtures, fittings and office equipment

Equipment purchased and used within Parish premises is depreciated on a straight-line basis over 5 or 10 years, based on estimated useful life. Individual items of equipment with a purchase price of £1,000 (excluding VAT) or less are written off when the asset is acquired.

Current assets

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectible.

Short-term deposits include cash held either with the Central Board of Finance, Church of England Funds or at the bank.

Taxation

As a charity, the Parish of St James with St Matthew, Muswell Hill is exempt from tax on income and gains falling within sections 521-536 of the Income Tax Act 2007 to the extent that these are applied to its charitable objectives. No tax charges have arisen in either the current or preceding year.

Parish Church of St James with St Matthew, Muswell Hill
Notes to the 2022 Financial Statements

2 INCOME AND ENDOWMENTS FROM:

	ANALYSIS BY FUND		TOTAL FUNDS	
	Unrestricted	Restricted	2022	2021
	£	£	£	£
2(a) Incoming resources from donors				
Planned giving:				
Gift Aid donations	405,733	4,262	409,995	470,587
Income tax recoverable on Gift Aid donations	101,871	1,065	102,936	117,922
Other planned giving	56,376	1,540	57,916	55,375
Service Collections	3,853	2,361	6,214	850
Other donations	14,364	48,971	63,335	48,424
	<u>582,197</u>	<u>58,199</u>	<u>640,396</u>	<u>693,158</u>
2(b) Other voluntary incoming resources				
Legacies	-	-	-	1,027
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,027</u>
2(c) Income from operating activities to further the PCC's objectives				
Birchwood Hall lettings & Church Hire income	43,013	-	43,013	29,078
Rental	30,175	-	30,175	23,400
Service fees	1,724	-	1,724	1,947
	<u>74,912</u>	<u>-</u>	<u>74,912</u>	<u>54,425</u>
2(d) Other ordinary incoming resources				
Interest income	585	-	585	534
Other income	28,113	-	28,113	14,857
	<u>28,698</u>	<u>-</u>	<u>28,698</u>	<u>15,391</u>
TOTAL INCOMING RESOURCES	<u>685,807</u>	<u>58,199</u>	<u>744,006</u>	<u>764,001</u>

2(d) - Other Income in 2022 (2021) comprised mainly of Contribution from Christianity Explored for staff time £9,636 (£5,040), Employment Allowance £5,000 (£4,000), Bookshop sales income £3,572 (£1,801), Income from Ministry activities £3,477 (£2,220).

**3 EXPENDITURE ON:
CHARITABLE ACTIVITIES**

	ANALYSIS BY FUND		TOTAL FUNDS	
	Unrestricted	Restricted	2022	As restated 2021
	£	£	£	£
3(a) Grants				
Missionary and charitable giving (see 10 below):				
Overseas Church and Charities	35,474	5,273	40,747	34,060
UK missions and societies	30,628	857	31,485	25,530
	<u>66,102</u>	<u>6,130</u>	<u>72,232</u>	<u>59,590</u>
3(b) Activities directly relating to the work of the Church				
Diocesan Common Fund	85,200	-	85,200	85,200
Staff and ministry costs	206,409	-	206,409	233,586
Church property expenses	197,696	130,436	328,132	211,427
Costs of services	7,147	-	7,147	6,007
Other activities	-	31,248	31,248	10,304
	<u>496,452</u>	<u>161,684</u>	<u>658,136</u>	<u>546,524</u>
3(c) Church management and administration				
Office expenditure	30,816	-	30,816	35,627
Staff and lay assistance costs	87,390	-	87,390	68,122
Bank charges	446	-	446	149
	<u>118,652</u>	<u>-</u>	<u>118,652</u>	<u>103,898</u>
3(d) Governance Costs				
Audit fees	8,400	-	8,400	4,500
TOTAL RESOURCES USED	<u>689,606</u>	<u>167,814</u>	<u>857,420</u>	<u>714,512</u>

3(b) - Church property expenses (Restricted) represents the expenses related to the 'Raising the Roof' Project Phase 2A.

Parish Church of St James with St Matthew, Muswell Hill
Notes to the 2022 Financial Statements

4 STAFF AND RELATED COSTS

The Diocesan Common Fund payment covers the salary and pension costs for one of St James's clergy. The salary, pension, housing and other employment related costs for the other clergy and those employed staff are as follows:

	2022	2021
	£	£
Wages and salaries (including expense reimbursements, training, etc)	241,404	256,331
Social security costs	14,668	11,390
Pension costs	5,401	5,074
Housing costs (including repairs and maintenance)	76,301	66,075
	<u>337,774</u>	<u>338,870</u>

Excluding the clergy posts, the average number of other employees working over 16 hours per week (measured from 1 September in each year when contracts normally commence), analysed by function, was:

	No.	No.
Activities directly relating to the work of the Church	7	6
Church management and administration	3	2
	<u>10</u>	<u>8</u>

Of those employees, none earned more than £60,000 in the year.

Transactions with PCC members and related parties:

Employees are appointed on merit and are paid salaries commensurate with responsibilities on scales after due review by designated members of the PCC.

No elected members of the PCC were also employees concurrently during 2022. No salary was paid to PCC members who were also employees concurrently, for 2021.

The following transactions were undertaken with PCC members or related parties, all figures are inclusive of VAT if applicable:

- The clergy members of the PCC were provided allowances to assist with payment of utility bills, cleaning, gardening bills etc. The amounts for 2022/2021 are as follows: Chris Green - £5,996/ £4,407; Mark Murthen - £2,496/ £1,611.

The PCC members receive no remuneration except as outlined above

Parish Church of St James with St Matthew, Muswell Hill
Notes to the 2022 Financial Statements

5 FIXED ASSETS FOR USE BY THE PCC

	Land and buildings		Plant and	Motor	Total
	Freehold	Leasehold	equipment	vehicles	
	£	£	£	£	£
<i>Tangible fixed assets</i>					
Gross book value					
At 1 January 2022	506,930	794,887	217,063	-	1,518,880
Additions	-	-	60,589	-	60,589
Disposals	-	-	-	-	-
At 31 December 2022	506,930	794,887	277,652	-	1,579,469
Depreciation					
At 1 January 2022	148,295	108,408	170,655	-	427,358
Charge for year	10,138	15,898	13,721	-	39,757
Disposals	-	-	-	-	-
At 31 December 2022	158,433	124,306	184,376	-	467,115
Net book value					
At 31 December 2021	358,635	686,479	46,408	-	1,091,522
At 31 December 2022	348,497	670,581	93,276	-	1,112,354

As at 31 December 2022 the freehold land and buildings include staff housing and the church Children's room (the Jimmy Peppiatt room).

The leasehold land and buildings comprised the staffhousing at 176B Muswell Hill Road. In 2017, the PCC acquired 14 Woodside Mansions, Muswell Hill, N10 3NY, a 3-bedroom flat for £680,000. The purchase was enabled by an equity loan of £61,875 from a church member.

6 DEBTORS

	2022	2021
	£	£
Income tax recoverable	8,168	7,776
Prepayments and accrued income	21,471	2,188
Property, equipment and deposits	1,175	2,197
	30,814	12,161

7 CASH BALANCES

	2022	2021
	£	£
Held by General Fund	237,502	230,318
Held by Capital Fund	-	78,255
Held by Special Collections	22,088	56,012
Held by Charitable Giving	45,834	53,716
	305,424	418,301

8 LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Accruals and deferred income	8,246	9,461
Other creditors	79,396	38,159
Loan - Property Fund	61,875	61,875
	149,517	109,495

As at 31 December 2022, the current liabilities included the equity loan of £61,875 from a church member, for the purchase of 14 Woodside Mansions, Muswell Hill (see Note 5). The equity loan is interest free and unsecured.

The repayment sum will be based on multiplying the sale proceeds or market value with the 'relevant percentage'. The relevant percentage which reflects the proportion of equity loan value to purchase price has been agreed as 9% of £687,500 (inclusive of the estimated cost, at the time of purchase (2017) of major repairs, which was completed by the freeholder in 2018).

Parish Church of St James with St Matthew, Muswell Hill
Notes to the 2022 Financial Statements

9 FUND DETAILS

The **unrestricted funds** in use in 2022 comprised the General Revenue Fund, into which the majority of the Parish's income is placed, the Charitable Giving, the Capital Fund and the Property Fund to which funds are designated from the General Revenue Fund by the PCC.

The Charitable Giving Fund which is paid away to missions and charities both in the UK and overseas (see note 3 above and 10 below) is funded by transferring 10% of the unrestricted donated income from the General Fund (see Note 2 (a)).

The Capital Fund is used to set aside funds which are earmarked for specific capital projects, such as significant church building fabric repair, major equipment purchase and refurbishment to enhance the buildings at St James.

The Property Fund comprises the assets used for staff accommodation plus any surplus on previous disposals of such property. Amounts otherwise not invested in property are lent to the General Fund on an interest free basis. As at end 2022 the fund balance represents the net assets total referred to in the Balance sheet after netting the 'Equity loan' raised for the purchase of 14 Woodside Mansions, in 2017. Given that this fund is normally fully invested in staff accommodation, it is presented separately from other funds in the balance sheet of St James.

The **restricted funds** comprised the Special Collections Fund. Funds donated for specific purposes or projects as specified by the donor are allocated to the Special Collections Fund. In addition it includes the Vicars Discretionary Fund, the Roof Fund, the Legal Fund, the Winter Night Shelter Fund.

With the exception of the Property Fund, the assets and liabilities of each of these funds are not separately distinguished.

10 GRANTS

	2022			As restated 2021		
	£	£		£	£	
	Unrestricted	Restricted (Special Collections)	Total	Unrestricted	Restricted (Special Collections)	Total
Overseas Church and charities						
Cambodia, Stewardship - Emma & Michael Kenyon	7,474	3,605	11,079	6,701	5059	11760
Cameroon, Wycliffe Translators - Jane Ingle	6,500	164	6,664	6,500	260	6760
DEC - Ukraine Appeal	-	647	647	-	-	-
Essential Christian - Hope Lebedyn	-	857	857	-	-	-
Hungary, Crosslinks - Szilard Tam	-	-	-	7,000	-	7,000
Italy, Crosslinks - Forte Torre	-	-	-	1,000	-	1,000
Italy, Crosslinks - JP & S Aranzulla	4,000	-	4,000	1,000	-	1000
Tearfund - Afghanistan Relief	6,000	-	6,000	-	-	-
Tearfund - Ukraine Relief	4,000	-	4,000	-	-	-
USA, Emmanuel Anglican Church - Amber & Jim Salladin	6,500	-	6,500	-	-	-
USA, Amber & Jim Salladin	1,000	-	1,000	6,540	-	6540
	35,474	5,273	40,747	28,741	5,319	34,060
UK missions and societies						
Agape UK, Linda & Larry Frisa	3,000	-	3,000	3,000	-	3,000
A Rocha International	3,125	-	3,125	3,000	-	3,000
Crosslinks	3,000	-	3,000	3,000	-	3,000
Interserve, Paul Bendor-Samuels	4,500	-	4,500	3,000	-	3,000
Interserve, Martin Hickey	-	-	-	1,000	-	1,000
Operation Mobilisation	3,000	-	3,000	3,000	-	3,000
Matthew Sellar	2,000	-	2,000	-	-	-
Pathway	6,000	-	6,000	6,000	-	6,000
UCCF, Philippa Chambers	3,000	-	3,000	3,000	-	3,000
WAVE for Change	1,703	-	1,703	-	-	-
Other £1,000 or under	1,300	857	2,157	-	530	530
	30,628	857	31,485	25,000	530	25,530
Total Charitable Payments	66,102	6,130	72,232	53,741	5,849	59,590

Prior period adjustments: Key activities undertaken through restricted funds, which have in prior year been stated under Note 10 under St James Ministries, have now been included under Note 3(b) - Activities directly relating to the work of the church. This has been done to better reflect the true nature of activities/Ministries. Accordingly, prior year Roof fund expenses of £21,620 has been reclassified under Church property expenses and other restricted fund expenses totalling £10,304 has been reclassified under Other activities in Note 3(b).