

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 2021**

Incumbent:

The Reverend Chris Green

Statutory auditors:

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

Bankers:

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

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Year ended 31 December 2021

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14	Summary of a PCC's Financial Responsibilities	This summarises the financial responsibilities of Parochial Church Councils.
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19	Statement of Financial Activities for 2021	This summarises the income and expenditure of the Parish, across all its funds, for the year 2021.
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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 2021. As a church, we have continued to be affected by COVID-19 and the restrictions in place, but staff and volunteers have been resourceful in accommodating these, and we are grateful to God for his abundant provision. It has been a delight to be able to bring back ministry events as restrictions lifted, and to have church family members return to church. Our popular livestream service has continued, and we have been careful to allow space in the building for those who prefer to social distance.

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

New Initiatives

A growing concern about climate change, and interest in ecological issues, led to the formation of a group called EcoStJames. This was initiated by Phil Mullins. The team, which reports to the PCC, conducted a survey and began to look at ways in which the church could be more eco-friendly, such as including a green top tip in the church family newsletter and encouraging members to bring reusable cups for refreshments.

Our bookshop re-opened in 2021 under new management and provides a valuable source of Christian books and cards as well as offering a welcoming 'face' to visitors during the week as well as on Sundays.

Preaching

Our year started with a study of 2 Peter, under the title 'Great and Precious Promises'. This led into a Lent series called 'He Restores my Soul', where we discovered how our Lord restores us when we are lonely, tired, drifting, empty or bored, taking one of these subjects each Sunday in the run up to Easter.

At our Easter All-Age service, the title was 'Jesus Wipes away Death', which was followed by 'Jesus Wipes away Doubt' and 'Jesus Wipes away Regret.'

On 11 April, we held a service to mark the death of HRH Prince Philip.

The Spring Term saw a study in Mark's gospel, 'With New Eyes: what if everything could be better than you imagine?' And, in May and June, preaching centred on prayer and specifically praise, confession, supplication and thanks to God.

In the Summer, we looked at the book of 2 Timothy.

Autumn began with a new series entitled 'The Paradise Project' in which the book of Genesis informed preaching on creation; goodness, order and beauty; the image of God; love and marriage; rebellion; rescue. The theme was captured, too, by a Tearfund presentation on climate change on 10 October, followed by a guest event in which Dr Richard Buggs addressed the question 'Can a Christian be a Scientist?'

Sunday 21 November was World Mission Sunday, and we welcomed one of our mission partners, J P Aranzulla who preached online from Forte Torre, the church he leads in Bologna, Italy.

In November and December, the sermon series was entitled 'Finding Hope under Bethlehem Skies.'

Staff Changes

We have seen several staff changes over the year and are thankful to God for those who have contributed their gifts and talents to St James. Alex Williams completed his internship with us and

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moved on to study at Oak Hill College. Ashley Nichols, our Head of Children's Ministry, became a Director of Pathway, and is missed after many years of dedication and enthusiasm. We also miss Hannah Whitehead, our Head of Community Ministries, who took up a position as Development Manager for Hope in Tottenham, and Sally Cartwright who co-led Women's Ministry.

Finally, we said a sad farewell to Phil Mullins and his family, who relocated to Hampshire where Phil is now Vicar for the parish of Hordle and Tiptoe.

We were very pleased to welcome onto the staff team Chris Hogg, our new Production Manager.

Special Events

- The year began with a virtual Big Church Quiz on 23 January. This was Scottish-themed, in honour of Burns Night, and was hugely successful in lifting everyone's spirits!
- The children were invited to two virtual events on 14 February: Breakfast with Jude the puppet lion in the morning, and a chance to engage with their leaders over a hot chocolate in the afternoon.
- On 2 April Ashley led the children in a virtual Easter Escape Room experience.
- The Archdeacon's Visitation on 20 April was carried out remotely again this year, as was the APCM on 26 April.
- On 13 May Dave Bookless, Director of Theology at A Rocha International, joined us to give a biblical overview on why creation care is important, and gave us some suggestions of how this integrates into the life of a local church.
- As Covid restrictions were gradually lifted, we celebrated being able to sing in church again with a Worship Night on Wednesday 21 July.
- On Monday 9 August, WAVE church came together with the Young Christian Climate Network for a service focussing on how God cares for what He has made - the earth and everyone in it - and how He wants us to care too.
- This theme was continued in a Creation Care Craft Morning for young children (3 – 11s).
- There were two very popular concerts in October: a rendition of Schubert's 'Winterreise' from James Cleverton (Baritone) and Nigel Foster (Piano) to raise funds for the roof project; and a memorial concert for the late Jennifer Bate OBE, who was one of the world's leading classical concert organists and a resident of Muswell Hill throughout her life.
- On Wednesday 3 November there was a performance from former Worship Minister, Joel Payne as part of the Resound Worship Doxecology Tour. This was in partnership with A Rocha and coincided with the COP26 Climate Summit.
- Our church Quinquennial inspection was on Friday 11 November.

Music Ministry

Our sung worship is an integral part of our services and events at St James. The music team currently has 29 members, ranging from core instruments, solo instruments, and vocalists. It has been such an encouragement to see the team lead through the past year and pull together as one force.

The past year has been challenging for the team, notably because there is currently no Worship Pastor on the staff team. We continue to pray that God would help us recruit to this role, in his timing and we

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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!

Christmas was naturally a big part of the ministry, with three carol services. At both Traditional Carol and Contemporary Carol services, the reach was good, both in-person and online. Our Carol services online have had over 1,000 views. Our warm thanks go to Anna Patrick-Haines and Caroline Soresby for leading the traditional carols and for Patrick Haines who took on the lead with the contemporary carols.

We are grateful to be able to lead God's people in sung worship of the living God. We are looking forward to seeing what God will do through this work and are expectant that he will provide above and beyond for us as a church.

Community Ministry

2021 was a year of adaptation for our community ministries and under the leadership of Hannah Whitehead, much was achieved despite restrictions. Hannah left in December to start a new role as Development Manager for Hope in Tottenham, and we remain very thankful for all God achieved through her ministry here.

Community Café started to meet again in person in September after a mixture of zoom gatherings and outdoor meetings. Zoom helped to keep people connected, even with a quiz and thought for the day, but there was great rejoicing when we re-opened the doors on a Tuesday morning and were able to reconnect with many. As usual we are keen for church family members to not only join us in volunteering, but to attend and chat with our regulars. Community Cafe remains a wonderful time of encouragement and support for all who come.

TeaTime for seniors was another ministry that we could restart, and it was a joy to have the return of the Christmas dinner which was joyfully attended and perfectly timed ahead of Omicron!

Challenge Group continued to meet as a support group for families of preschoolers with additional needs throughout the year apart from the usual breaks over school holidays. Special thanks to Celia Webster and the team for continuing to lead this vital work.

The Haringey Churches Winter Night Shelter continued with the model it ran last year, with one location (Holy Innocents Church in Hornsey). It is likely that this model will continue for future years and under a new Head of Community Ministries, will continue to review how best we can support the shelter. Likewise, the Muswell Hill Soup Kitchen has also adapted its working model but remains a partner and main beneficiary for our Harvest collection.

We thank everyone who has given of their time, energy, and money to minister to the community in these ways, and we look forward to the arrival of a new Head of Communities Ministries in time and all that they will bring to the role to continue this wonderful work.

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

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.

The monthly **Wave Church Muswell Hill** met online in lockdown with 50+ people regularly joining us, including some from farther afield who welcomed the opportunity to take part in an inclusive worship service. Since summer 2021 it's been wonderful to meet again in person at the Methodist Church, and a mixed ability team leads the service each month. We've been thinking about how Jesus is with us 24/7 and exploring what that means for different members of our community. Our members who attend St James Church also enjoy taking part in regular church services there.

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The Challenge Group has also been meeting again in person for some time and welcoming new families. One mum said recently, "I've never been anywhere with my child where I've felt so relaxed". The group continues to be a place of friendship, laughter, and tears with lots of encouragement and mutual support, including a WhatsApp group where families can connect on a daily basis. We continue to be so very grateful for the use of this great space at St James's, the beautiful flowers from Jo Loraine, Viv's wonderful piano playing, Kathy giving massages, all our dedicated cake bakers and Siv who has been faithfully serving teas and cakes for 12 years now. It's a real place of abundance!

Both Wave Church and The Challenge Group now come officially under the governance of St James Church, and we are very grateful for the support the leadership team gives us.

Wave for Change is now concentrating on encouraging Wave-style activities in more communities across London and farther afield, and we're delighted that Bishop Sarah Mullally has agreed to be our patron. Building on from our experience in Muswell Hill, a Challenge Group has started in Crouch End and a Wave Church in Ilford (as a result of having seen Wave on Songs of Praise last year). Other churches and groups are showing an interest in our With Not For ethos and we're creating a network of people who want to see more vibrant mixed-ability worship and social groups in the heart of their communities. We have created Wave in a Box with practical guidelines, resources, and ideas to encourage and support new groups. If you know a church or group who might be interested, please ask them to contact us (hello@waveforchange.org.uk).

As we grow, we desperately need to increase the size of our employed and volunteer team. In particular we need someone to run Wave Church from this autumn. Please pray as we seek funding for the role and that potential candidates will come forward. 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.

*Finally, our sister organisation, **Wave Cafe** (a separate charitable organisation but with the same inclusive ethos), is open on Thursdays at the United Reformed Church and we encourage you to support it by popping in for a drink or delicious lunch (wavecafe.org).*

Children's Ministry

Children's Ministry was led by Ashley Nichols until July and Alex Williams, our ministry intern, assisted with children's ministry until August. Alice Whittaker led the under 5s work until July when she became the acting Head of Children's Ministry. They were assisted by a competent team of volunteers to whom we are very thankful.

Children's Ministry during Lockdown

Promiseland

In Promiseland, on Zoom, a leader would welcome the children and then the children would watch the Jude's Sunday Gang video for that week. The teaching was pre-recorded each week by various team members and then there was an opportunity to do craft and to discuss the teaching together.

Promiseland Junior

In Promiseland Junior, on Zoom, Alice created content and then Alice and Ashley filmed the teaching, craft, and songs each week. A leader would welcome the children and then the children would watch the video together, do the craft in breakout rooms in smaller groups and discuss what they learned.

Doorstep Visits

During lockdown, the children were not interacting with many people. We decided to visit children on their doorsteps to check up on our families and to bring some joy to their sometimes-mundane daily lives during lockdown. We also arranged some opportunities on Zoom for families to sign up for a slot so that we could catch up with them and see how they were doing.

Bumps and Babes

Bumps and Babes was allowed to continue meeting in person as a support group throughout lockdown. This gave mums the opportunity to connect during a very isolating period. Alice was able to give a short thought for the day from the Bible and lead the group in a few children's Christian songs.

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Pancake Party

For Pancake Day we organised an online party for the children. We taught the children the significance of the holiday, made pancakes together and decorated them together.

Children's Ministry in person again

Younger Kids Services

On 14 March, the Younger Kids Services resumed weekly at 3pm on Sundays. These services were for our under 7's and their families. This family service originally started so that under 5's ministry could continue to meet in person while still abiding by the Covid restrictions. These services included teaching, singing, craft and messy play; we welcomed around 10-12 families each week. On 18 April, Promiseland Junior resumed and our under 7's services moved to once a month.

Promiseland

On 18 April, Promiseland resumed in person. The children still needed to social distance. However, at least they were able to meet in person again. The leaders were able to connect with the children more easily. In September we were able to run Promiseland normally, as we had done pre-Covid.

Summer Holidays

During the summer, Ashley, the Head of Children's Ministry left the staff team to head up Pathway and Alice became the acting Head of Children's ministry. Alex, our intern, moved on to study at Oak Hill College. We had all-age services throughout the summer.

Creation Care Craft Morning

In the autumn of 2021, in one of our all-age services we thought about why we should care for God's creation. Julia Rank and Alice organised a craft morning during the week before this service, where we did various crafts to go along with this theme.

Crib Service

On Christmas Eve we had a service for families. Many visitors came along to this service and heard the good news about Jesus.

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 are living in. Young people have been saved and built up in following Jesus. Numbers have stabilised over the year and grown in the younger year-group.

We have been constantly reshaping our groups and structures to continue fulfilling our vision and to better serve families and young people, including focussing 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 key parts of our discipleship goal. The Big Weekend 2022 saw 107 young people and leaders delve into the book of Mark 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 fifth year, reaching over a 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 three years now to work alongside Dave.

Even though recruitment of leaders has been a challenge over the past year, we are so grateful to God for an incredible team he has provided for us. We have high expectations for our teams, who commit to training, praying, and serving every week at our 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

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– a ratio that is hard to achieve and maintain, but important for this deeply relational ministry. Please do pray for our ongoing recruitment.

For 2022, 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 the Parenting God's Way programme 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.

St James Primary School

In July 2021, the school bid a fond farewell to Carol O'Brien, after 29 years as Head teacher. As a church community we have been thankful for her leadership and encouragement. Her departure led to a restructuring of the senior leadership and now we have an executive Head, Geraldine Gallagher, who also oversees St Michael's primary school in Highgate, with a full time Head of School, Jessica Williams. The start of the new academic year has been positive as we have both enjoyed going into the school to take weekly assemblies and also welcoming the school and parents to the Harvest and the Christmas assembly.

Evangelism

In February 2021, whilst still not meeting in person, we innovated and made our 10:30am service a guest service complete with an opportunity to speak live to the preacher in a zoom room after the service. We have not repeated this but nonetheless remain committed to thinking of how the new technologies can help us to reach more people with the good news of Jesus.

The Gathering has also become a place to invite visitors, non-Christians along, and in May 2021 we hosted Christian singer-songwriter Cat Rea who shared her songs and story of faith and hope with church family and their guests.

Re-starting services in person took a lot of time and energy and so we waited till September 2021 to offer a Christianity Explored course entirely online for those looking into the Christian faith. Overall, it was a positive experience as some were able to join who would otherwise have struggled to come to an in-person gathering.

EcoStJames – Caring for God's Creation

EcoStJames is a new initiative which aims to help us better understand and fulfil our responsibilities toward creation care, both individually and as a church community. Put simply, as Christians we believe that God created the planet and tasked us to look after it (see Genesis 1!), but it is something which we have collectively failed to appreciate or prioritise. EcoStJames is our response to take this seriously. Our first task has been to establish a baseline in two areas:

1. Level of interest and support from the church family. From our evening event on Creation Care last May and a subsequent survey, we can see that many of us are enthusiastic about this topic and there is lots of good practice out there. But we could do a much better job of sharing ideas, which we have started to do in our now regular "Eco Top Tips" item in the weekly Church Family News.

2. Assessment of our current operation and practices. Having signed up to EcoChurch, we have access to their established diagnostic covering five areas: Worship & Teaching, Buildings, Land, Community Engagement, and Lifestyle. Our informal self-assessment reveals that while there is plenty

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we can improve, we already have a number of positives in place, we think sufficient to qualify for their “Bronze award” (application in process). There is more to be done, including a proper measure of our carbon footprint, which we plan to complete later this year, but even this first pass assessment highlights some specific practical changes we can make.

While establishing our starting position, we have in parallel tried to make some initial improvements, becoming engaged with other local environmental organisations, promoting practical ideas, supporting specific A Rocha projects, and organising Nature Walks (see church calendar, 22 May).

Do be in touch with any of us if you'd like more information or have any suggestions.

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, Patrick Haines, Anne Rawcliffe, Gerry Rawcliffe, Beth Stone, Hannah Stone, Graham Wright

Deanery Synod Report

A meeting was held on Thursday 15 April, 2021 of the newly merged East and West Haringey Deanery Synods. Because of Covid restrictions, this was held online. Bishop Rob was the main speaker and was very encouraging. Robert Duncan, the acting Chair, contacted PCC Secretaries for up-to-date details of all Deanery Synod members.

There were two elections in 2021, in which Deanery Synod members were entitled to vote: General Synod Laity Elections and Area Council elections for both clerical and lay members of the deanery synods in Stepney, Kensington and Edmonton areas.

Church Leadership and Oversight

PCC

<i>Incumbent:</i>	Revd Chris Green (Vicar)
<i>Other ministers:</i>	Revd Mark Murthen (Associate Vicar) Revd Phil Mullins (Associate Vicar) (moved at the end of December 2021)
<i>Wardens:</i>	Ian Roberts Alison Vincent (stood down April 2021). Debbie Wright (elected April 2021).
<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>	

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Richard Brueton Benjamina Bolton - stood down April 2021 Patrick Haines Lydia Bartlett May Mak Helen Watts Jonathan Stone - Honorary Treasurer - elected April 2021. Andrea Bleakley	Katherine Adams - stood down April 2021. Michael Dufour Steve Sexauer Jo Hutchinson Seb Butter (Honorary Treasurer, ex-officio) stood down - April 2021. Carolyn Ritchie (Safeguarding Officer, ex-officio)
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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 2021 (see the 2020 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 (Vicar) Chair, Mark Murthen (Associate Vicar), Phil Mullins (Associate Vicar, left December 2021), Ian Roberts (Church Warden), Alison Vincent (Church Warden, stood down April 2021), Debbie Wright (Church Warden, elected April 2021), Seb Butter (Hon Treasurer, stood down April 2021), Jonathan Stone (Hon Treasurer, elected May 2021) and Andrea Bleakley (elected March 2021.)

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, Seb Butter, Jonathan Thornton, Gina Titheridge, Tim Bartlett and Alison Tyndall.

Buildings Committee

The Buildings Committee is responsible for maintaining the parish church itself, and all its associated buildings, including staff housing. Its members comprised Chris Law (Chair), Gill Brazier (Vice Chair), Ian Roberts, 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, Richard Brueton, Deborah Kiwanuka, Clare Davey (stood down November 2021), Gina Titheridge, Esther Sharma, Steve Sexauer and Nicholas Durden (elected July 2021.)

PCC Activity in 2021

The PCC met in January, March, May, July, September and November. At the Annual Meeting (APCM) in April 2021, it approved the 2020 Annual Report and Financial Statements, and the Financial Budget for 2021. 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.

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

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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 2021 was £85,200.

Finance

The Finance Committee of St James continues to review the financial structure of the church. 2021 saw continued generous support from its members, and the church has had a healthy financial result for the year. The General Fund achieved a surplus of £40,169 for the year compared with the surplus of just over £56,000 in 2020. This brings the retained amount within the General Fund to £241,267 as at 31 December 2021, which should be considered more than sufficient.

Whilst the 2022 budgeted income is in line with the 2021 outturn, some of the one-off gifts in 2021 are not expected to be repeated in 2022 - so the 2022 budget is more ambitious than it may first appear. That said, given the surplus in recent years and the significant bank balances at hand, an outturn of a small deficit in 2022 should not be seen as an unacceptable outcome.

Buildings Committee

The Buildings Committee met regularly during the year. As at 31 December 2021, membership consisted of Chris Law (Chair), Gill Brazier (Vice Chair), Ian Roberts (Church Warden), Louise Spalding, James Lea and Nigel Young.

The principal project for the year was to improve the fire safety both in the church offices and at the Birchwood Centre. This involved installing and repairing fire doors, fitting additional smoke detectors and door closers and improving signage and emergency lighting in line with the recommendations made in our latest fire risk assessments. Our thanks to Ian Roberts for managing this work.

Other notable works during the year were:

1. replacing boilers in two of our residential properties (8 and 67 St James' Lane) and replacing a number of radiators in 8 St James' Lane.
2. installing a new kitchen, redecorating and improving fire safety in the Birchwood Lower Flat.
3. replacing two gas heaters in the Birchwood main hall and carrying out electrical repair work in the main intake cupboard, following a short circuit.

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.

The Diocese carried out its Quinquennial inspection in November 2021 and the report was issued at the end of December. The report noted that the church of St James is in a good state of structural repair (except for the poor condition of the North Aisle and Chapel roofs, some high-level stonework and the north elevation rainwater goods, which are to be dealt with as part of the next phase of the roof project) and that the public areas of landscaping are generally well maintained and attractive and should be a source of pride to the church.

It should also be noted that Phase 1 of the roof works (the south aisle and flower kitchen roofs) was completed in January and the retention released in July 2021. We now have funding (taking into account a legacy and our reserves) to do part of the rest of the roof works, namely the north aisle and west facing side chapel roofs (Phase 2A). We are currently estimating that Phase 2A will cost about £135,000 (gross). This may be reduced to just under £113,000 if we are successful in making claims under the Listed Places of Worship VAT grant scheme in respect of all VAT incurred in carrying out the works. Our gratitude goes to Gill Brazier for faithfully project managing the roof works on behalf of the church. It is good to know that we have a valuable and committed team of professionals working with her in the Architect (Ablett Architects) and contractor (Ashford and Cranbrook) to carry out these works efficiently and effectively. Contracts have been signed and Phase 2A is scheduled to start in April 2022.

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Our thanks go to the churchwardens and members of the Buildings Committee for their time, experience, and expertise as well as to Anand Achuthan, Leona Akass, 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 and Viv Roberts) for keeping the grounds looking so attractive.

World Mission Group

In 2021 the World Mission Group (WGM) distributed about £54,000 to Mission Partners. This was a slightly lower number than initially planned, due to overseas trips and a youth mission trip remaining impractical for a second year in a row due to Covid restrictions.

The PCC allocates 10% of unrestricted giving received each year to the charitable giving fund, which the WGM is tasked with distributing. In 2020 the WGM distributed a higher amount of c. £80,000, which was a deliberate one-off effort by the WGM to distribute funds that had accumulated in the charitable giving fund. The charitable giving fund balance in 2021 more accurately reflects what is required to enable the funding of any new Mission Partners that apply during the year, as well as to support existing Mission Partners who may have emergency funding needs.

The maximum amount distributed to any single recipient in 2021 was £7,000 (Tam Szilard with Crosslinks in Hungary), with several others also receiving £6,000 or more (Jane Ingle with Wycliffe, Emmanuel Church in New York where Jim Salladin is Rector, Pathway youth outreach in schools, and the Kenyons in Cambodia). Large organisations we support tend to get half this amount, with A Rocha, Crosslinks and OM all receiving £3,000 each.

New Mission Partners who received their first funding in 2021 included:

- Larry & Linda Frisa, working with Agape UK.
- Martin Hickey, working with Seminario Por Extension A Las Naciones (SEAN International).
- Philippa Lovell, who was previously with London City Mission and is now working with Universities and Colleges Christian Fellowship (UCCF).

Safeguarding

The PCC adopted the 2021 Parish Safeguarding Policy Statement and the Safeguarding Audit and Action Plan in July. There were no serious Safeguarding incidents in 2021 that needed to be notified to the Charity Commission. The Audit and Action Plan were for the calendar year 2020; for much of that time the church was subject to Covid19 restrictions so there were fewer face-to-face activities for children, young people and vulnerable adults. No actions were required to be taken as a result of the audit.

As activities resumed during 2021 and more families started coming to St James, more volunteers were needed for the children's and youth groups to ensure they complied with Safeguarding regulations. A related problem was that Ministry Heads didn't have timely information about who was qualified to be a 'Leader' and so count towards the staffing ratios. To address the latter issue, ChurchSuite Workflows were introduced in September for DBS checks, Safeguarding training, and Reference taking. The main benefit is transparency about who is qualified to be a Leader, but the workflows also streamlined the procedures.

Another change was introduced in the spring regarding Safeguarding training for people with learning and other disabilities (such as visual impairment) who wished to become Helpers in the children's and youth groups. The online training involves passing a test which can be difficult for some people with disabilities. We were given permission by the Diocesan Safeguarding Team for Ministry Heads to facilitate the Basic Awareness training so that those with disabilities could join the teams as Helpers. This is a positive step in St James becoming more inclusive.

The Church of England revised its Safer Recruitment Practice Guidance in 2021. There were two key changes: first, from January 2022 DBS (Disclosure and Barring) checks must be done every three years

Parish Church of St James with St Matthew, Muswell Hill
Year ended 31 December 2021

to bring the church in line with good practice across the charity/voluntary sector; second, those involved in recruitment need to complete the 'Safer Recruitment and People Management' training course. These and other changes are being implemented.

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.

Auditors

Lakin Rose Limited acted as auditors during the year. A resolution for their re-appointment will be put forward at the 2022 APCM, as required by law.

On behalf of the PCC



Revd Chris Green (Vicar)
04 April 2022

Parish Church of St James with St Matthew, Muswell Hill
Year ended 31 December 2021

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 PCCs</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>).

INDEPENDENT AUDITORS' REPORT TO THE PCC OF ST JAMES WITH ST MATTHEW
FOR THE YEAR ENDED 31 DECEMBER 2021

Opinion

We have audited the financial statements of Parish Church of St James with St Matthew (the 'charity') for the year ended 31 December 2021 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 2021 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 2021

INDEPENDENT AUDITORS' REPORT TO THE PCC OF ST JAMES WITH ST MATTHEW
FOR THE YEAR ENDED 31 DECEMBER 2021

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:

INDEPENDENT AUDITORS' REPORT TO THE PCC OF ST JAMES WITH ST MATTHEW
FOR THE YEAR ENDED 31 DECEMBER 2021

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 2021

INDEPENDENT AUDITORS' REPORT TO THE PCC OF ST JAMES WITH ST MATTHEW
FOR THE YEAR ENDED 31 DECEMBER 2021

- 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: 13 April 2022

Parish Church of St James with St Matthew, Muswell Hill
Statement of Financial activities for the year ended 31 December 2021

		UNRESTRICTED				RESTRICTED	TOTAL		
		General Fund	Capital Fund	Charitable Giving	Property Fund	Total	Special Collection Fund	2021	2020
		£	£	£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM									
Donations	Note 2(a)	644,934	-	-	-	644,934	48,224	693,158	751,634
Legacies	Note 2(b)	-	1,027	-	-	1,027	-	1,027	70,228
Other trading activities	Note 2(c)	54,425	-	-	-	54,425	-	54,425	42,715
Other	Note 2(d)	15,391	-	-	-	15,391	-	15,391	27,613
TOTAL		714,750	1,027	-	-	715,777	48,224	764,001	892,190
EXPENDITURE ON: CHARITABLE ACTIVITIES									
Grants	Note 3(a)	-	-	53,741	-	53,741	37,773	91,514	232,142
Activities directly relating to the work of St James's	Note 3(b)	488,800	-	-	25,800	514,600	-	514,600	500,765
Church management and administration	Note 3(c)	103,898	-	-	-	103,898	-	103,898	109,256
Governance costs	Note 3(d)	4,500	-	-	-	4,500	-	4,500	4,200
TOTAL		597,198	-	53,741	25,800	676,739	37,773	714,512	846,363
NET INCOME/ (EXPENDITURE)									
Transfers between funds:		117,552	1,027	(53,741)	(25,800)	39,038	10,451	49,489	45,827
To the Property Fund	Note 9	(12,890)	-	-	12,890	-	-	-	-
To the Charitable Giving Fund	Note 9	(64,493)	-	64,493	-	-	-	-	-
NET MOVEMENT OF FUNDS		40,169	1,027	10,752	(12,910)	39,038	10,451	49,489	45,827
RECONCILIATION OF FUNDS									
TOTAL FUNDS BROUGHT FORWARD		201,098	77,228	42,964	996,149	1,317,439	45,561	1,363,000	1,317,173
TOTAL FUNDS CARRIED FORWARD		241,267	78,255	53,716	983,239	1,356,477	56,012	1,412,489	1,363,000

Parish Church of St James with St Matthew, Muswell Hill
Balance sheet as at 31 December 2021

	Note	2021			2020		
		Property Fund	Other Funds	Total Funds	Property Fund	Other Funds	Total Funds
		£	£	£	£	£	£
FIXED ASSETS							
Tangible fixed assets	5	1,045,114	46,408	1,091,522	1,058,024	39,511	1,097,535
CURRENT ASSETS							
Debtors	6	-	12,161	12,161	-	87,625	87,625
Cash at bank and in hand	7	-	418,301	418,301	-	262,880	262,880
		-	430,462	430,462	-	350,505	350,505
LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR							
	8	(61,875)	(47,620)	(109,495)	(61,875)	(23,165)	(85,040)
NET CURRENT ASSETS							
		(61,875)	382,842	320,967	(61,875)	327,340	265,465
NET ASSETS							
		983,239	429,250	1,412,489	996,149	366,851	1,363,000
FUNDS							
Unrestricted		983,239	373,238	1,356,477	996,149	321,290	1,317,439
Restricted		-	56,012	56,012	-	45,561	45,561
		983,239	429,250	1,412,489	996,149	366,851	1,363,000

Approved by the PCC on 04 April 2022, and signed on its behalf by:



Revd Chris Green (Chair)



Jonathan Stone (Honorary Treasurer)

The notes on pages 21 to 27 form part of these financial statements.

Parish Church of St James with St Matthew, Muswell Hill
2021 Cash flow statement

Statement of cash flows

Table 1

	2021	2020	Note
	£	£	
Cash flows from operating activities:			
<i>Net Cash provided by (used in) operating activities</i>	174,339	(1,406)	(Table 2 below)
Cash flows from investing activities:			
Dividends, interest and rents from investments	23,934	24,602	
Proceeds from the sale of property, plant and equipment	-	-	
Purchase of property, plant and equipment	(42,852)	(10,867)	
Proceeds from sale of investments	-	-	
Purchase of investments	-	-	
Net Cash provided by (used in) investing activities	(18,918)	13,735	
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	155,421	12,329	
Cash and cash equivalents at the beginning of the reporting period	262,880	250,551	(Table 3 below)
Cash and cash equivalents due to exchange rate movements	-	-	
Cash and cash equivalents at the end of the reporting period	418,301	262,880	(Table 3 below)

Reconciliation of net movement to net cash flows from operating activities

Table 2

	2021	2020
	£	£
Net movement in funds for the reporting period (as per the statement of financial activities)	49,489	45,827
Adjustment for:		
Depreciation charges	48,865	42,794
Dividends, interest and rents from investments	(23,934)	(24,602)
Loss/(profit) on the sale of fixed assets	-	-
(Increase)/decrease in stocks	-	-
(Increase)/decrease in debtors	75,464	(59,874)
Increase/(decrease) in creditors	24,455	(5,551)
Net cash provided by (used in) operating activities	174,339	(1,406)

Analysis of cash and cash equivalents

Table 3

	2021	2020
	£	£
Cash in hand	342,496	187,597
Notice deposits (less than 3 months)	75,805	75,283
Overdraft facility repayable on demand	-	-
Total cash and cash equivalents	418,301	262,880

Parish Church of St James with St Matthew, Muswell Hill

Notes to the 2021 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, the land surrounding both and the Vicarage.

The Birchwood Memorial Hall is the subject of a separate trust dating back to the early 1900s, the sole custodian trustee of which is a Diocesan body. The Church is allowed to use the Hall for Church activities, as directed by the Church Wardens for the time being but has no other rights to the building. It is regarded therefore as inalienable property of the Church. As no reliable cost information is available, and conventional valuation methods lack sufficient reliability and would involve cost which far outweigh the benefit 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 market values estimated in 1998, in accordance with the SORP. These values were 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

- i. the cost and effort of obtaining appropriate valuations outweigh the presentational and other benefits of formally revaluing such properties.
- ii. these buildings comprise residential property in Muswell Hill, whose market value is and has historically been substantially higher than the values at which these properties are currently recognised in these financial statements.

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, is 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 4 years. 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 2021 Financial Statements

2 INCOME AND ENDOWMENTS FROM:

	ANALYSIS BY FUND		TOTAL FUNDS	
	Unrestricted £	Restricted £	2021 £	2020 £
2(a) Incoming resources from donors				
Planned giving:				
Gift Aid donations	462,783	7,804	470,587	486,216
Income tax recoverable on Gift Aid donations	115,971	1,951	117,922	122,993
Other planned giving	53,635	1,740	55,375	74,938
Service Collections	397	453	850	6,860
Other donations	12,148	36,276	48,424	60,627
	<u>644,934</u>	<u>48,224</u>	<u>693,158</u>	<u>751,634</u>
2(b) Other voluntary incoming resources				
Legacies	1,027	-	1,027	70,228
	<u>1,027</u>	<u>-</u>	<u>1,027</u>	<u>70,228</u>
2(c) Income from operating activities to further the PCC's objectives				
Birchwood Hall lettings (includes Church Hire income)	29,078	-	29,078	18,174
Rental	23,400	-	23,400	23,889
Service fees	1,947	-	1,947	652
	<u>54,425</u>	<u>-</u>	<u>54,425</u>	<u>42,715</u>
2(d) Other ordinary incoming resources				
Interest income	534	-	534	713
Other income	14,857	-	14,857	26,900
	<u>15,391</u>	<u>-</u>	<u>15,391</u>	<u>27,613</u>
TOTAL INCOMING RESOURCES	<u>715,777</u>	<u>48,224</u>	<u>764,001</u>	<u>892,190</u>

**3 EXPENDITURE ON:
CHARITABLE ACTIVITIES**

	ANALYSIS BY FUND		TOTAL FUNDS	
	Unrestricted £	Restricted £	2021 £	2020 £
3(a) Grants				
Missionary and charitable giving (see 11 below):				
Overseas Church and Charities	28,741	5,319	34,060	44,017
UK missions and societies (incl. St James ministries)	25,000	32,454	57,454	188,125
	<u>53,741</u>	<u>37,773</u>	<u>91,514</u>	<u>232,142</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	233,586	-	233,586	227,861
Church property expenses	189,807	-	189,807	181,725
Costs of services	6,007	-	6,007	5,979
Other activities	-	-	-	-
	<u>514,600</u>	<u>-</u>	<u>514,600</u>	<u>500,765</u>
3(c) Church management and administration				
Office expenditure	35,627	-	35,627	37,353
Staff and lay assistance costs	68,122	-	68,122	71,750
Bank charges	149	-	149	153
	<u>103,898</u>	<u>-</u>	<u>103,898</u>	<u>109,256</u>
3(c) Church management and administration				
Audit fees	4,500	-	4,500	4,200
TOTAL RESOURCES USED	<u>676,739</u>	<u>37,773</u>	<u>714,512</u>	<u>846,363</u>

Parish Church of St James with St Matthew, Muswell Hill
Notes to the 2021 Financial Statements

4 STAFF AND RELATED COSTS

The Diocesan Common Fund payment covers all salary and pension costs of the one permanent clergy position at St James's Church as at the beginning of 2021. The salary and pension costs of the other two clergy are paid by the PCC through the Diocese as 'Off Common Fund' positions. In addition, the housing and other employment related costs for the above positions are paid directly by the PCC and are included in 'Staff and ministry' costs above. These positions are full time, and each clergy member is by right a member of the PCC.

The Church also employs other staff, in ministry and support posts. All employment costs are reviewed annually, effective January in each year. Clergy and other staff costs excluding Diocesan Common Fund but including staff property depreciation may be summarised as follows:

	2021	2020
	£	£
Wages and salaries (including expense reimbursements, training, etc)	256,331	252,984
Social security costs	11,390	10,884
Pension costs	5,074	4,941
Housing costs (including repairs and maintenance)	66,075	77,224
	<u>338,870</u>	<u>346,033</u>

Excluding the three 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	6	6
Church management and administration	2	3
	<u>8</u>	<u>9</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 2021. No salary was paid to PCC members who were also employees concurrently, for 2020 (previous year).

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 2021/2020 are as follows: Chris Green - £4,407/ £4,909; Mark Murthen - £1,611/ £899 Phil Mullins - £2,574/ £2,279.
- During the first four months of 2021, neither David Cornes (Youth Minister) nor any of the St James staff received any discretionary pay increase. David was the fiance of Katherine Adams, PCC member. Katherine resigned from the PCC in April 2021.

The PCC members receive no remuneration except as outlined above.

Parish Church of St James with St Matthew, Muswell Hill
Notes to the 2021 Financial Statements

5 FIXED ASSETS FOR USE BY THE PCC

	Land and buildings Freehold	Leasehold	Plant and equipment	Motor vehicles	Total
	£	£	£	£	£
<i>Tangible fixed assets</i>					
Gross book value					
At 1 January 2021	494,040	794,887	193,979	-	1,482,906
Additions	12,890	-	29,962	-	42,852
Disposals	-	-	(6,878)	-	(6,878)
At 31 December 2021	506,930	794,887	217,063	-	1,518,880
Depreciation					
At 1 January 2021	138,393	92,510	154,468	-	385,371
Charge for year	9,902	15,898	23,065	-	48,865
Disposals	-	-	(6,878)	-	(6,878)
At 31 December 2021	148,295	108,408	170,655	-	427,358
Net book value					
At 31 December 2020	355,647	702,377	39,511	-	1,097,535
At 31 December 2021	358,635	686,479	46,408	-	1,091,522

As at 31 December 2021 the freehold land and buildings include staff housing located at 67 St James's Lane, Muswell Hill. The Children's room (Jimmy Peppiatt room) was constructed in 2012 on non-consecrated land and has therefore been included within freehold property. The consecrated church building is shown in the books of the Diocese.

The leasehold land and buildings comprised the staff housing at 176B Muswell Hill Road. The Parish also occupies the property at 8 St James's Lane. This property cost £193,750 a number of years ago. It is financed by a Value Linked Loan from the Church Commissioners, and is formally accounted for as the property of the London Diocese of the Church of England. Consequently, it is not treated as an asset of the Parish. 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

	2021	2020
	£	£
Income tax recoverable	7,776	8,537
Prepayments and accrued income	2,188	73,529
Property, equipment and deposits	2,197	5,559
	12,161	87,625

7 CASH BALANCES

	2021	2020
	£	£
Held by General Fund	230,318	97,782
Held by Capital Fund	78,255	77,228
Held by Special Collections	56,012	44,906
Held by Charitable Giving	53,716	42,964
	418,301	262,880

8 LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Accruals and deferred income	9,461	8,432
Other creditors	38,159	14,733
Loan - Property Fund	61,875	61,875
	109,495	85,040

As at 31 December 2021, 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 earliest repayment date is after the completion of 3 years from purchase i.e. 10 August 2020 and 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 were completed by the freeholder in 2018).

Parish Church of St James with St Matthew, Muswell Hill

Notes to the 2021 Financial Statements

9 FUND DETAILS

The **unrestricted funds** in use in 2021 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 2021 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.

Parish Church of St James with St Matthew, Muswell Hill
Notes to the 2021 Financial Statements

10 GRANTS & RESTRICTED FUND PAYMENTS

	2021			2020		
	£	£		£	£	
	Unrestricted	Restricted (Special Collections)	Total	Unrestricted	Restricted (Special Collections)	Total
Overseas missions and charities - World Mission Group						
Cambodia, Stewardship - Emma & Michael Kenyon	6,701	5,059	11,760	7,201	7305	14506
Cameroon, Wycliffe Translators - Jane Ingle	6,500	260	6,760	7,157	290	7447
Cameroon, Wycliffe Translators - Jane Ingle (Car purchase, repairs)	-	-	-	3,484	-	3,484
Hungary, Crosslinks - Szilard Tam +	7,000	-	7,000	7,000	-	7,000
Italy, Crosslinks - Forte Torre	1,000	-	1,000	-	-	-
Italy, Crosslinks - JP & S Aranzulla	1,000	-	1,000	1,000	-	1000
Uganda, All Saints Ssanga Church	-	-	-	4,040	-	4040
USA, Emmanuel Anglican Church - Amber & Jim Salladin	6,540	-	6,540	6,540	-	6540
	28,741	5,319	34,060	36,422	7,595	44,017
UK missions and societies - World Mission Group						
Agape UK, Linda & Larry Frisa	3,000	-	3,000	-	-	-
A Rocha International	3,000	-	3,000	3,000	-	3,000
Crosslinks	3,000	-	3,000	3,000	-	3,000
Greater Europe Mission	-	-	-	1,000	-	1,000
Interserve, Paul Bendor-Samuels	3,000	-	3,000	6,500	-	6,500
Interserve, Martin Hickey	1,000	-	1,000	-	-	-
UCCF, Philippa Chambers (prev. with London City Mission)	3,000	-	3,000	4,500	-	4,500
Oakhill College, Swantje Ungerer	-	-	-	2,000	-	2,000
Operation Mobilisation	3,000	-	3,000	3,000	-	3,000
Pathway	6,000	-	6,000	8,000	-	8,000
St. Ann's Church, Tottenham	-	-	-	6,000	-	6,000
Tearfund	-	530	530	6,000	60	6,060
Other £1,000 or under	-	-	-	105	-	105
	25,000	530	25,530	43,105	60	43,165
St James Ministries						
Challenge Group ^	-	530	530	-	-	-
Christmas Experience	-	-	-	-	219	219
Community Café	-	338	338	-	560	560
Equip Conference, Youth Ministry	-	930	930	-	2,665	2,665
Overseas intern in the Children's ministry	-	-	-	600	-	600
Roof-Fund	-	21,620	21,620	-	122,943	122,943
Soup Kitchen, Muswell Hill Baptist Church	-	50	50	-	240	240
Staff leaving gifts	-	2,710	2,710	-	2,166	2,166
Tea-Time Ministry	-	993	993	-	35	35
The Big Weekend, Youth Ministry	-	807	807	-	8,337	8,337
Vicar's Discretionary Fund	-	1,362	1,362	-	2,811	2,811
WAVE Church ^	-	932	933	1,000	5	1,005
Winter Shelter	-	1,526	1,526	-	2,041	2,041
Other £1,000 or under	-	126	126	-	1,338	1,338
	-	31,924	31,924	1,600	143,360	144,960
Total Charitable Payments	53,741	37,773	91,514	81,127	151,015	232,142

[^] Challenge Group & Wave church have been brought in to be part of St James' ministries, + Szilard is correctly reported under Overseas missions.