

ST. JOHN'S CHURCH, HARBORNE, BIRMINGHAM

2015

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ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31ST DECEMBER 2015

Registered Charity Number 1132862

ST. JOHN'S CHURCH, HARBORNE, BIRMINGHAM

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2015

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## ST. JOHN'S CHURCH, HARBORNE, BIRMINGHAM

### TRUSTEES' REPORT FOR THE YEAR ENDED 31st DECEMBER 2015

The Parochial Church Council (PCC) is pleased to present its report and financial statements for the year ended 31st December 2015.

#### **Objectives and Activities**

The purpose of the Charity as stated in the governing documents is to co-operate with the incumbent in promoting in the ecclesiastical parish the whole mission of the church, pastoral, evangelistic and ecumenical and to provide public benefit through the provision of free regular public worship open to all. Also beyond the parish to the general public/mankind as stated in our charitable framework through grants and gifts to the wider mission of the Church to reach all people. Although we are in interregnum at present the Associate Vicar in conjunction with the churchwardens has assumed the responsibilities of the incumbent.

#### ***How our activities deliver public benefit and who has benefitted***

The main gathering point of the church occurs through Sunday services which provide public benefit as they are open to all who wish to attend. In 2015 St John's had a worshipping community of approximately 612 (based on the average Sunday attendances during October 2015). In addition to this, activities are undertaken throughout the week. These build on the church values and these activities would not take place without significant contribution from volunteers. It is estimated that approximately 380 members were involved in different roles on Sundays and throughout the week to ensure that the church was able to fulfil its purpose and run all the planned activities. The weekly activities are varied and cover a whole range of different areas. The following provides a brief summary of some of the things that took place during 2015.

1. Worship team and other musical/singing activities often in support of Sunday services.
2. Discipleship/Home Groups – a number of small groups meeting together regularly for fellowship, prayer and bible study.
3. Alpha, breakfasts and freedom courses – these help people to understand the Christian faith.
4. Working with toddlers, children, young people, uniformed groups and students.
5. Crossway – supporting older people and those from the community seeking help.
6. Healing on the streets - a team from the Church praying for local people on Harborne High Street.
7. City Pastors – people working with the team in the City Centre on a Friday/Saturday night.
8. Prayer ministries and groups meeting together for prayer on a regular basis

The PCC and staff regularly review the activities of the church looking at the success of each key activity, assessing the benefits to those attending and planning future activities accordingly. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning future activities.

#### **Structure, Governance and Management - *Governing Document***

St John's Church, Harborne (St John's) is governed by approved documents issued by the Church of England; the Parochial Church Council (Powers) Measure 1956 as amended and the Church Representation Rules (contained in Schedule 3 to the Synodical Government Measure 1969 as amended). The PCC was registered with the Charity Commission on 21 November 2009.

#### ***Recruitment and Appointment of PCC***

The PCC is elected from those members of the congregation on the electoral roll at the time of the Annual Parochial Church Meeting. In addition, members of the congregation on the electoral role of the parish and serving on the Deanery, Diocesan or General Synods together with the clergy licensed to the parish, are members of the PCC.

**ST. JOHN'S CHURCH, HARBORNE, BIRMINGHAM**  
**TRUSTEES' REPORT FOR THE YEAR ENDED 31st DECEMBER 2015 ... continued**

***PCC Induction and Training***

Upon joining the PCC, new members receive an induction pack which includes the Charity Commission publication "The Essential Trustee" a copy of the financial budget for the current year, the prior year accounts and a copy of the minutes of the most recent meeting. A verbal presentation is then given by the PCC treasurer with the Chair briefing new members on current topics.

***Organisational Structure***

The PCC meets up to 10 times per annum with an agenda circulated to PCC members in advance of each meeting and with supporting documents on many of the agenda items. Members of the Standing Committee include the Associate Vicar, the Churchwardens, Treasurer, PCC Vice-Chair and the PCC Secretary.

The Churchwardens are members of PCC and inter alia form a direct link between the Bishop and the parish. They see that the PCC carries out its responsibilities for the care, maintenance and insurance of the church, its contents, grounds and other buildings owned by PCC. They also arrange to inspect the fabric of the church's premises at appropriate intervals and report to the annual parochial church meeting.

The PCC currently employs 11 members of staff who implement the decisions of the PCC.

**Parochial Church Council (PCC)**

Members of the PCC who are also trustees for the purposes of Charity Law and who served during the year and up to the date of the report are set out below:

David Atkins	Secretary	from April 2015
Isobel Bartram	Deanery Synod	
Debby Bridge	Warden	
Howard Brydon		
Diarmid Campbell		until April 2015
Sue Clegg		
Ben Collins		from April 2015
Carol Dealey	Deanery Synod, Diocesan Synod	
Nigel Di Castiglione	Clergy	until September 2015
Vinod Diwaker		
Alison Earey		
Martin Graham		until April 2015
David Harvey	Treasurer	
Geoff Heyes	Vice Chairman	
Brennan Horne	Warden	
Elisabeth Hubbard	Secretary	until April 2015
Stella Jennings	Deanery Synod, Diocesan Synod	
Patricia McCulloch		
Helen Nixon	Deanery Synod	
Lesley Osborn	Deanery Synod, Diocesan Synod	until April 2015
Rebecca Pearson		until April 2015
James Reed		
Kenneth Reid		
Mark Roper		from April 2015
Janet Ryland		
Antony Spencer	Chair, Clergy	
Jeremy Thompson		from April 2015
Lis Whybrow		from April 2015

**ST. JOHN'S CHURCH, HARBORNE, BIRMINGHAM**  
**TRUSTEES' REPORT FOR THE YEAR ENDED 31st DECEMBER 2015 ... continued**

### Financial Review

The principal funding for St John's comes from giving by church members and the main financial highlights for the year are set out below.

#### *Income and Expenditure (K = £000s)*

The budget for 2015 estimated a deficit of £75K and the actual results show a deficit (before transfers and gains) of £7K a positive variance of £68K compared to budget. There have been a number of variances in both income and expenditure and the major items are detailed below:

- General congregational giving was above budget by £25K.
- Whilst open place collections were close to budget collections to support work outside the parish were above budget by £11K.
  
- Building maintenance was £14K below and Ministry spend £4K below budget.
- Living Stones continued to support its mission partners as well as a number of one-off projects and expenditure was £12K below the budget set for the year.
- Investment income and costs were restated to show gross income and costs separately.

#### *Reserves Policy*

The policy of the PCC is to distribute its reserves in accordance with the mission of the Church of England while ensuring that there are sufficient funds to cover cash flow requirements relating to committed expenditure.

At the end of 2015, the PCC held a total fund of £1,647K of which £1,398K are held in a designated property housing fund relating to fixed assets. There was a positive balance on the general fund of £249K against a policy reserve requirement of holding no less than £100K.

#### **Risk Management and Safeguarding**

A risk register is in place covering the major activities of Church life. A safeguarding officer is in place along with appropriate policies ensuring the safeguarding of children and vulnerable adults and conducting checks on those involved with leadership in the Church.

#### **Living Stones and Grant Making Policy**

The purpose of Living Stones is to resource mission to extend Jesus' Kingdom outside Harborne (*'resourcing mission to reach the world'*) and is part of the whole mission of the Church.

The objectives of Living Stones are: -

- To provoke interest in local and global mission.
- To contribute to equipping members of St John's for mission.
- To support and nurture people as together we seek to discern God's calling on their lives.
- To develop, maintain and apply appropriate policies for the selection and support of candidates, projects and agencies.
- To support our Living Stones partners.
- To coordinate prayer for our Living Stones partners.
- To manage St John's financial investment in mission through the Living Stones.

Living Stones is an executive body working under the direction of the PCC. Their financial role is to distribute the budget allocated to the Living Stones in accordance with agreed guidelines and within a framework presented to the PCC. Typically the monies are used to support mission at home and overseas through grants made to individuals and organisations that normally have some association with St John's. In addition, the Living Stones Teams bring this missionary work to life within the congregation through arranging vocation days, prayer, and contributing to services focused on mission and the missionary links that are supported.

## ST. JOHN'S CHURCH, HARBORNE, BIRMINGHAM

### Plans for Future Periods

The PCC has agreed a budget through to June 2016 which shows a modest deficit of £27k. The current plans for the future ministry of St John's are affordable and forecast income continues to increase and expected costs decrease. Cash flow will continue to be monitored and action taken as required ensuring the financial wellbeing of the Church. A financial update will be given to the PCC in March and to the Church at the APCM in April. During this period of interregnum the plan is to maintain the Sunday services and regular activities of the Church whilst the vision of the Church is one of growth, growth in the Spirit and growth in the witness to Jesus. We want to apply it and test all that we do against it in the year ahead so that we may know the power of God at work among us as we witness to all that Jesus has done.

### Reference and Administrative Information

Charity Name	The Parochial Church Council of the Ecclesiastical Parish of St John the Baptist, Harborne (St John's Church, Harborne.)
Charity Registration Number	1132862
Principal Office and Registered address:	St John's Church High Street, Harborne Birmingham, B17 9PT

<u>Solicitors</u>	<u>Primary Bankers</u>	<u>Independent Examiners</u>
Anthony Collins Solicitors LLP 134 Edmund Street Birmingham B3 2ES	Lloyds Bank PLC 142, Edgbaston Park Road Birmingham B15 2TY	MHA Macintyre Hudson Rutland House 148 Edmund Street Birmingham, B3 2FD

### Statement of Responsibilities of the members of the PCC

The members of the PCC are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The accounts (financial statements) have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (FRSSE), and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

### ST. JOHN'S CHURCH, HARBORNE, BIRMINGHAM

The law applicable to charities in England and Wales requires the members of the PCC to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing the financial statements the members of the PCC are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to assume that the Charity will continue

The members of the PCC are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the governing document. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Independent Examination**

The PCC consider that for the year ended 31 December 2015 the Charity was entitled to exemption from a full statutory audit on the basis that income was below the revised threshold of £1m. The PCC have appointed MHA Macintyre Hudson as Independent Examiner.

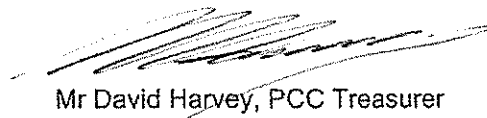
#### **Independent Examiners for 2016**

MHA Macintyre Hudson Limited has also expressed their willingness to continue in office and will be proposed for re-appointment at the Annual Parish Church Meeting in April 2016.

Approved by the PCC on 21st March 2016 and signed on its behalf by:



Dr Geoffrey Heyes, PCC Vice-Chairman



Mr David Harvey, PCC Treasurer

**ST. JOHN'S CHURCH, HARBORNE, BIRMINGHAM**  
**INDEPENDENT EXAMINERS' REPORT TO THE MEMBERS OF THE PAROCHIAL CHURCH**  
**COUNCIL OF ST JOHN'S CHURCH, HARBORNE**

Your attention is drawn to the fact that the charity has prepared the accounts (financial statements) in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (FRSSE) 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 since been withdrawn. We understand that 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.

This report is made solely to the PCC, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the PCC and the charity's Trustees as a body, for my work or for this report.

**Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act; and
- to state whether particular matters have come to my attention.

**Basis of independent examiner's statement**

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

**Independent examiner's statement**

In connection with my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in, any material respect, the requirements:
  - to keep accounting records in accordance with section 130 of the Charities Act; and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met; or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

*Helen Blundell*

Helen Blundell LLB FCA FCIE DChA  
MHA Macintyre Hudson  
Rutland House  
148 Edmund Street  
Birmingham B3 2FD  
21st March 2016



**ST JOHN'S CHURCH, HARBORNE, BIRMINGHAM**

**Statement of Financial Activities**

		<b>Unrestricted funds</b>		<b>Total funds 2015</b>	<b>Total funds 2014</b>
		<b>General Fund</b>	<b>Housing Fund</b>	<b>£</b>	<b>£</b>
		<b>£</b>	<b>£</b>		
<b><u>Income and receipt of endowment</u></b>					
	Note				
Income from donations and legacies	2	717,450	-	717,450	813,844
Investment income	3	31,936	-	31,936	34,036
	<b>Total</b>	<b>749,386</b>	<b>-</b>	<b>749,386</b>	<b>847,880</b>
Income from charitable activities	5	35,213	-	35,213	45,027
<b>Total Income and receipt of endowment</b>		<b>784,599</b>	<b>-</b>	<b>784,599</b>	<b>892,907</b>
<b><u>Expenditure</u></b>					
Expenditure on raising funds	4	14,238	-	14,238	14,344
Expenditure on charitable activities	5	777,344	-	777,344	830,053
<b>Total expenditure</b>		<b>791,582</b>	<b>-</b>	<b>791,582</b>	<b>844,397</b>
Net (expenditure)/income before other recognised gains and losses		(6,983)	-	(6,983)	48,510
Revaluation of investment assets	10	-	39,000	39,000	13,000
<b>Net movement in funds for the year</b>		<b>(6,983)</b>	<b>39,000</b>	<b>32,017</b>	<b>61,510</b>
<b>Reconciliation of funds</b>					
Balances brought forward 1st Jan 2015		255,554	1,359,336	1,614,890	1,553,381
Balances carried forward 31st Dec 2015		<b>248,571</b>	<b>1,398,336</b>	<b>1,646,907</b>	<b>1,614,891</b>

The notes on pages 9 to 14 form part of these accounts. There were no recognised gains and losses for 2015 other than those included in the Statement of Financial Activities.

All income and expenditure relates to continuing operations.



**ST. JOHN'S CHURCH, HARBORNE, BIRMINGHAM**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31st DECEMBER 2015**

**Note 1: Accounting policies for the year ended 31st December 2015**

The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (effective January 2015) and current Church Accounting Regulations.

**(a) Funds**

***Unrestricted funds***

Represent general funds which can be used for PCC ordinary purposes. Funds designated for a particular purpose by the PCC are also unrestricted.

***Restricted funds***

Represent:

- (a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest; and
- (b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given.

Any balance remaining unspent at the end of the year must be carried forward as a balance of that fund.

**(b) Incoming resources**

***Voluntary income and capital sources***

Planned giving receivable under gift aid is recognised only when received.

Income tax recoverable on gift aid donations is recognised when the income is recognised.

Collections are recognised when received by or on behalf of the PCC.

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 by the PCC is probable.

**ST. JOHN'S CHURCH, HARBORNE, BIRMINGHAM**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31st DECEMBER 2015**

**Note 1: Accounting policies for the year ended 31st December 2015 (continued)**

**(c) Resources Expended**

***Church activities***

Any amounts unpaid at 31 December are provided for in these accounts as a constructive (though not a legal) obligation and is shown as a creditor in the balance sheet. Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity comprise both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

***Grants and donations made by Living Stones***

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

***Operating Leases***

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the term of the lease.

**(d) Fixed assets**

***Consecrated land and buildings and movable church furnishings***

Consecrated and beneficed property is excluded from the financial statements by s.10 (2) (a) of the Charities Act 2011.

No value is placed on movable church furnishings held by the churchwardens on special trust for the Parochial Church Council and which require a faculty for disposal since the Parochial Church Council considers this to be inalienable property. All expenditure incurred during the year on consecrated or beneficed buildings and movable church furnishings, whether maintenance or improvement, is written off as expenditure in the Statement of Financial Activities.

***Freehold land and buildings***

Freehold buildings are not depreciated on the grounds that they are well maintained and in the opinion of the PCC the estimated residual value is so high and the anticipated useful life is so long that any depreciation is unlikely to be material in the context of the accounts. The carrying value of the properties has been considered and no provision for impairment is considered necessary.

***Investment properties***

Investment properties held by the Charity are revalued regularly and are included in the balance sheet at the estimated fair value.

***Current assets***

Amounts owing to the Parochial Church Council at 31 December in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectable. Short-term deposits include cash held on deposit at the bank.

**ST JOHN'S CHURCH, HARBORNE, BIRMINGHAM**

Notes

**2 Donations and Legacies**

	General Fund	Housing Fund	Total funds 2015	2014 £
Committed Giving	556,013	-	556,013	556,982
Taxation refund	124,290	-	124,290	127,240
	680,303	-	680,303	684,222
Collections and gifts	30,736	-	30,736	20,265
Large one-off gifts	-	-	-	61,230
Legacies	2,500	-	2,500	42,387
Fees to the PCC for weddings/funerals	3,748	-	3,748	5,680
Income from hall lettings	163	-	163	60
	717,450	-	717,450	813,844

**3 Investment Income**

	General Fund	Housing Fund	Total funds 2015	2014 £
Rental income	31,600	-	31,600	33,682
Bank Interest	336	-	336	354
	31,936	-	31,936	34,036

\* Rental income is from the investment properties of No 2 Milford Copse, No 55 Albert Road and No 33 Margaret Road.

**4 Expenditure on Raising Funds**

	2015 £	2014 £
Rental property costs	14,238	14,344
	14,238	14,344

ST JOHN'S CHURCH, HARBORNE, BIRMINGHAM

5 Charitable Activities - General Fund

		Costs	Income	2015 Net £
Diocesan Common Fund	6	190,824	-	190,824
Living Stones	7	147,641	-	147,641
Staff and clergy costs	8	168,454	-	168,454
Youth and children		25,451	25,205	246
Mission, ministry, pastoral work		22,715	8,586	14,129
PCC gifts, sundries	9	15,649	-	15,649
Service expenses		5,874	-	5,874
Training and events		8,089	1,422	6,667
<i>Support costs</i>				
Staff costs	8	108,414	-	108,414
Administration, IT, miscellaneous		45,404	-	45,404
Church and houses		36,159	-	36,159
Independent examiners fee (2014: audit fee)		2,340	-	2,340
Bank and PayPal charges		330	-	330
		<b>777,344</b>	<b>35,213</b>	<b>742,131</b>

		Costs	Income	2014 Net £
Diocesan Common Fund	6	201,307	-	201,307
Living Stones	7	152,011	-	152,011
Staff and clergy costs	8	160,382	-	160,382
Youth and children		31,140	31,834	(694)
Mission, ministry, pastoral work		36,125	9,294	26,831
PCC gifts, sundries	9	4,283	-	4,283
Service expenses		6,879	-	6,879
Training and events		11,869	3,899	7,970
<i>Support costs</i>				
Staff costs	8	103,870	-	103,870
Administration, IT, miscellaneous		43,169	-	43,169
Church and houses		75,313	-	75,313
Independent examiners fee (2014: audit fee)		3,600	-	3,600
Bank and PayPal charges		105	-	105
		<b>830,053</b>	<b>45,027</b>	<b>785,026</b>

Income for the Youth and Children is received through weekends away, Youth Club, Christmas Tour and Toddlers. Income for Mission, Ministry, Pastoral work is received through Alpha, Way In, Marriage Preparation, Students, Women's Ministry and Prime Time.

**ST JOHN'S CHURCH, HARBORNE, BIRMINGHAM**

Note

**6 Diocesan Common Fund**

The Diocesan Common Fund is the payment made by St John's to the Birmingham Diocese of the Church of England. The Diocese uses this money to cover the cost of clergy in our parish, in other parishes and to further God's work across the Diocese.

**7 Living Stones**

The grants paid by the Living Stones executive in 2015 totalled £147,641 compared to £152,011 in 2014. The amount and number of grants made in 2015 was:

	No of Grants	Institutional Grants £	Individual Grants £	2015 Total £	2014 Total £
Overseas mission	11	24,072	17,882	41,954	47,727
UK mission	20	65,563	12,499	78,062	78,814
Specific Projects and organisations	12	22,894	-	22,894	23,111
Short term	5	1,000	1,500	2,500	2,359
Miscellaneous	3	1,217	1,014	2,231	-
<b>Total expenditure</b>	<b>51</b>	<b>114,746</b>	<b>32,895</b>	<b>147,641</b>	<b>152,011</b>

The major grants paid in the year were:

	£
Agape	20,245 for their work in the UK
OMF International (UK)	8,500 for their work in the Far East
Youth for Christ	8,313 for their work amongst young people in prisons
Restore	7,342 for their work with asylum seekers in Birmingham
Chaplaincy Plus	6,751 for their work with the business community in Birmingham
Church Missionary Society	7,940 for their work amongst the poor in Pakistan
Operation Mobilisation	5,992 for their work amongst the poor in South Africa
Global Connections	5,383 for their work promoting Christian vocations

Other grants were made to Pastors in Lebanon and Peru plus Wycliffe Bible Translators for work in Africa.

In the UK, grants were made to All Nations Christian College, Bible reading Fellowship, City Pastors, CPAS, International Nepal Fellowship, New English Orchestra, Pioneers UK and SouthGate Family Church.

**8 Staff Costs and Clergy Allowances**

	Direct charitable expenditure £	Support costs £	2015 Total £	2014 Total £
Gross wages and salaries	135,838	102,331	238,169	224,483
E'ers national insurance	12,975	5,468	18,443	16,494
Pension	-	-	-	-
Expenses and allowances	19,841	615	20,256	23,275
<b>Totals</b>	<b>168,454</b>	<b>108,414</b>	<b>276,868</b>	<b>264,252</b>

No employee earned £60,000 per annum or more. The average number of employees in 2015 was 11 (2014:12).

**9 PCC Gifts**

		2015 £	2014 £
The following gifts were made:			
Nepal Disaster Relief		4,382	-
Restore	Harvest offering	2,425	-
Hadath	Harvest offering	3,025	-
Birmingham City Mission	Christmas offering	1,780	1,115
Hadath	Christmas offering	1,780	-
Restore	Christmas offering	1,780	1,115
Other		477	2,053
		<b>15,649</b>	<b>4,283</b>

**ST JOHN'S CHURCH, HARBORNE, BIRMINGHAM**

Note

**10 Housing fund**

Properties

St John's are Management Trustees for five properties; the property at 77-79 Vivian Road is used by The Crossway as part of its ministry in the community; the properties at No 33 Margaret Road, No 2 Milford Copse and No 55 Albert Road are let on a commercial basis and in 2010 the PCC purchased a 36 % share in No 59 Witney Road, Ducklington, Oxford. Consecrated and benefited property is excluded from the accounts by s.10 (2)(a) of the Charities Act 2011.

Valuations in the Balance Sheet

The properties that are used to provide support for the ministry of the Church are recognised in the accounts at cost. The properties that are held as an investment and let out on the commercial market and those where a beneficial share is held, are recognised in the accounts at their estimated current fair value which is equivalent to an estimate of market value.

Investment Properties

No 33 Margaret Road, No. 2 Milford Copse and No. 55 Albert Road are no longer being used by staff or clergy of the church and are considered to be assets held for investment purposes. Accordingly, they have been included in the Balance Sheet at their approximate Open Market Value at 31st December 2015 of £435,500 for No 33 Margaret Road, £350,000 for No 2 Milford Copse and £302,500 for No 55 Albert Road. The historical cost of No 33 Margaret Road was £144,914 and for No 55 Albert Road was £130,000. These two properties were valued by Mr David Brookes Assoc RICS of Hadleigh Estate Agents in Harborne. The historical cost of No 2 Milford Copse was £264,995. The property was valued at £350,000 in April 2015 by Mr T Joinson Chartered Surveyor. The beneficial share in No 59 Witney Road Ducklington has been valued in March 2015 at an open market value of £153,000 by Stuart Wallsworth of Thomas Merrifield in Witney, Oxon.

A summary of the housing fund and its movements are as follows:

<u>Housing fund</u>	2015 £	2014 £
Opening value of Housing fund	1,359,336	1,346,336
Reclassification of No 33 Margaret Road		-
Revaluation of No 33 Margaret Road	-	10,500
Revaluation of No. 2 Milford Copse, Harborne	30,000	-
Revaluation of No 55 Albert Road, Harborne	-	2,500
Revaluation of No 59 Witney Road, Ducklington	9,000	-
Closing value of Housing fund	<u>1,398,336</u>	<u>1,359,336</u>
<b>11 Debtors and Prepayments</b>	<b>2015 £</b>	<b>2014 £</b>
Debtors and prepayments	1,000	5,019
Taxation refund receivable	34,101	37,631
	<u>35,101</u>	<u>42,650</u>
<b>12 Creditors and Accrued Charges</b>	<b>2015 £</b>	<b>2014 £</b>
Accruals and Sundry creditors	19,283	14,309
Restricted gifts held in cash	5,559	5,929
	<u>24,842</u>	<u>20,238</u>



**ST JOHN'S CHURCH, HARBORNE, BIRMINGHAM**

Note

**13 Church General fund**

The Church General fund represents the accumulated difference between income and expenditure over the history of the church, excluding any money given for specific causes which, if not spent during the year, is held under sundry creditors.

The money held in the Church General fund is unrestricted and undesignated and is used for the general running of the church. Typically, the value of this fund at any one point in time represents only a few months expenditure and St John's is reliant on ongoing committed giving to support the continued work of the church.

**14 Other Financial Commitments**

At 31st December 2015 the charity was committed to making the following annual payments under non-cancellable operating leases.

	2015	2014
	£	£
Within 1 year		2,050
Within 2-5 years	2,262	2,098
More than 5 years	-	-
	<u>2,262</u>	<u>4,148</u>

**15 Related Party Transactions in 2015**

During the year £4,567 was paid to 15 PCC or related members for reimbursement of costs for activities in the church. (2014: £4,262 to 10 PCC members)

Other payments made to PCC members, their families, or organisations to which they are closely connected are detailed below:

<u>PCC Member</u>	<u>Reason for Payment</u>	<u>Amount</u>	<u>To whom amounts have been paid</u>
Revd A Spencer	Allowances & expenses	£ 13,673	Rev A Spencer
Mrs S Jennings	Salary, National Insurance	£ 12,724	Mrs S Jennings
Mr D Campbell (Until April 2015) (relationship - daughter)	Salary, National Insurance	£ 8,792	Mrs F Varley
Mr K Reid (relationship - son & daughter-in-law)	Living Stones grant	£ 8,500	Mr & Mrs D & D Reid
Mrs P McCulloch	Living Stones grant	£ 5,383	Mr & Mrs R & P McCulloch
Revd N di Castiglione	Allowances & expenses	£ 4,026	Rev N Di Castiglione
Mr M Graham (Until April 2015) (relationship - daughter & son-in-law)	Living Stones grant	£ 4,383	Southgate Family Church
Mr Jeremy Thompson (relationship - Restore Employee)	Living Stones grant	£ 4,383	Restore
Miss S Clegg	Payment & expenses for Safeguarding	£ 2,141	Miss S Clegg

**Management of Conflicts of Interest**

Conflicts of interest are declared at each meeting of the trustees (PCC), Standing Committee and Living Stones executive and conflicted individuals are excluded from the decision making process with regard to salary/expense payments, decisions re Living Stones grants, the recruitment process or any other item where a conflict exists.