CATHOLIC APOSTOLIC CHURCH (PADDINGTON) GENERAL PURPOSES FUND
(Registered with the Charity Commission for England and Wales)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2025

Registered Charity Number: 245205

PADDINGTON CHURCH TRUST

Year ended 31 December 2025

Legal and Administration Information

Charity name:	Catholic Apostolic Church (Paddington) General Purposes Fund also known as Paddington Church Trust
Charity Registration Number:	245205
Trustees:	Gordon Michael Charles Carter Andrew David Kilmaine de Ferrars James Kilmaine Graham de Ferrars Benjamin James Viney
Address:	16/20 Maida Avenue, London W2 1SR.
Auditors:	Saffery LLP of 71 Queen Victoria Street, London, EC4V 4BE.
Bankers:	National Westminster Bank Plc of PO Box 221, Connaught House, 65 Aldwych, London WC2B 4EJ.
Investment Managers:	Brewin Dolphin Ltd, Unit 14 Indian Queens Industrial Estate, Warren Road, Indian Queens, St. Columb, Cornwall TR9 6TL

Report of the Trustees for the year ended 31 December 2025

The Trustees submit their report together with the financial statements of the Charity for the year ended 31 December 2025. The financial statements have been prepared on the accounting policies set out in the notes to the financial statements and comply with the trusts relating to the Charity, with Accounting and Reporting by Charities – Statement of Recommended Practice (FRS 102 SORP), Accounting Standards, and with the Charities Act 2011. The Accounts have not been prepared on a going concern basis as the majority of the Trustees no longer regard this as appropriate. A provision of £100,000 was made at 31 December 2023 to cover the costs of winding up the Charity; in 2025 £59,400 has been released to cover legal costs incurred in that year, the remaining unused balance of £40,600 has been retained at 31 December 2025.

1. Objects and activities

Paddington Church Trust is a religious purposes charity. It is constituted of three related trusts which taken together form the Catholic Apostolic Church (Paddington) Trust. These comprise a 1986 Declaration of Trust relating to the property, the Tithe Fund, and the separate funds referred to under paragraph 5 below. The Trustees are private individuals and the Trustees have as a body the power to appoint further trustees under the Trustee Act 1925.

The objects and activities are best summarised by quoting from a Declaration of Trust dated 16 February 1854 (the "Principal Trust Deed") made in relation to the Churches in England and Wales: The Trustees hold the Paddington Church building to be used for promoting and maintaining the service and worship of Almighty God according to the doctrines contained in the three creeds called "the Apostles Creed" the "Nicene Creed" and "the Creed of Saint Athanasius" and particularly the Doctrines of the permanence of the Gifts of the Apostles, Prophets, Evangelists, and Pastors in the Church - the Doctrine that the Powers and Gifts of the Holy Ghost given on the day of Pentecost are the abiding Endowment of the Church - the Doctrine that the supreme rule of the Church ought to be exercised by twelve Apostles not elected or ordained by Men but called and sent forth immediately by God - and the Doctrine of the necessity of the presence of the said fourfold Ministry of Apostles, Prophets, Evangelists, and Pastors and of the said Powers and Gifts of the Holy Ghost in the Church for the purpose of preparing and perfecting the Church for the second Advent of the Lord Jesus Christ and according to the forms now observed or to be from time to time observed by the allowance or under the direction of the said College of Apostles.

The Trustees hold the building under the terms of the 1986 Declaration of Trust referred to in 5.1.3 below. Under this Declaration of Trust, the Trustees have primary responsibility for the upkeep and maintenance of the Church building, which is a Grade I Listed building. Because of the problems referred to in 3 below, the majority of the Trustees concluded that the Trust no longer had the necessary financial resources to meet this responsibility. The Principal Trustees have, therefore, requested that the freehold of the building is transferred to them. The Principal Trustees advised the Trustees by letter dated 8 April 2025 that, on the basis of in-depth legal analysis by Counsel, the Tithe Fund (the Endowed Fund), together with the General Purposes Fund (an Unrestricted Fund) are due to them from the PCT.

Having taken their own legal advice from Leading Counsel, the majority of the Trustees have accepted Counsel's advice to amend the terms of the underlying charitable trusts by virtue of their powers under s280A Charities Act 2011 (introduced by s3 Charities Act 2022). Following consultation with the members of the congregation and the Principal Trustees, the majority Trustees passed the resolution described at paragraph 3.2.5 below and applied for the written consent of the Charity Commission.

The majority Trustees recognise that a number of consequences would flow from the transfer of the Church freehold and the relevant PCT funds to the Principal Trustees. In particular, they consider that the transfer of the Tithe and General Offerings Funds, if approved, is likely to lead to the winding up of the PCT after the Poor Fund and any other remaining funds have been applied in accordance with their trusts. Following the transfer of the Church freehold and the repair and restoration of the building, its future use will be a matter for the Principal Trustees to decide.

The Trustees consider that the objects of the Charity as outlined above fall within the public benefit requirement for a charity concerned with advancement of religion. In the exercise of their responsibilities the Trustees have paid due regard to the Charity Commission's guidance on public benefit and the principles contained in the Charities Act 2011.
The aim of the Trust is to promote the service and worship of Almighty God. In practice these aims have been carried out by the Trustees in the provision and maintenance of the Church building for regular services – but see further below - and the provision of funding for the printing and distribution of Ministries.
When the Church was open for public worship, the congregation was composed of those who believe in the One Holy Catholic and Apostolic Church. Services were open to the public.

2. Achievements and performance
The Church building has been maintained for the service of Almighty God and used by the congregation each Sunday, for weekday services and on feast days, until 22nd September 2023, the Trustees being then advised by their Structural Engineers that the building should be closed with immediate effect because of the dangers posed by the structural movement at the west end of the Church, and it has remained closed since. The necessary works to stabilise the building have been and are being carried out under the direction of the Principal Trustees, who are also bearing the cost. Due to the closure of the Church, no Tithes and Offerings were made by the congregation during 2025. The Trustees have made grants from the relevant Funds to such persons as were deemed appropriate.
The Trustees have provided the resources for the regular printing of ministries and their distribution, together with almanacs, to members of the congregation and others on the distribution list.
Although the Principal Trustees have taken on the responsibility for the repairs required as a result of the structural movement, the Paddington Trustees have continued to meet the regular outgoings. The building requires the constant attention of the Trustees, who are mindful of their responsibilities for the Church building, which is Grade I listed, and seek professional advice on all aspects of the work.

3. The structural movement and its consequences
3.1 Summary of present position of the repair programme
The Trustees have been advised by the Principal Trustees that the work to contain the lateral and vertical movement at the Church has now been completed, and the substantial refurbishment required to the floors, windows, ceilings and roof will be undertaken once the structural engineers are satisfied that stability has been achieved. It is anticipated that work will resume in the second half of 2026. The Church remains closed for worship.
3.2 The legal position
3.2.1 The Paddington Church Trust and the Principal Trust are charitable trusts representing separate components of the Church, which as one body has a common purpose and interest. Paddington Church Trust has occupied Paddington Church building under the terms of a Nominee Trust, made in conjunction with the Principal Trustees in 1986. The form of the trust follows very closely the form previously used for the leasehold interest put in place when Paddington Church was originally constituted in its present location. Under that deed the Principal Trustees have beneficial ownership and ultimate responsibility for the church building. The Paddington Church Trustees' responsibility was to maintain the church for public worship, and they covenanted to keep it in repair. This arrangement has operated in practice so that, for so long as the church remained open, the local congregation financed its own church building.
3.2.2 In September 2023 the Paddington Trustees were forced to close the building for safety reasons. In January 2024, the Paddington Church Trustees unanimously resolved to terminate the 1986

Nominee Trust and transfer the freehold of Paddington Church to the Principal Trustees, so that the latter could take responsibility for the building and carry out the necessary works. The resolution, signed by all four Paddington Church Trustees on 24 January 2024, recorded that the cost and scope of the works were beyond their resources and powers. The termination of the 1986 Trust will bring to an end both the Paddington Church Trustees' obligation to pay the outgoings of the building, to repair, and the basis upon which the Trustees have hitherto occupied Paddington Church building for religious worship. The Principal Trustees informed the trustees that, whilst they would only be able to make a final decision concerning the future use of the Church once the restoration works had been completed and they were in a position to review all of the options for its future use, they had nevertheless provisionally concluded, on the legal advice they had received, that it would be in the best interests of their charitable objects to make the Church available to a Christian denomination which has, or has the potential for, a substantial congregation and is able to celebrate Christian sacraments through an ordained ministry. The Principal Trustees also proposed alternative arrangements for those who wished to continue meeting following the closure of Paddington Church. The majority Paddington Trustees accepted that the future use of the building was a decision for the Principal Trustees and that the position communicated by them provided the proper basis upon which the Paddington Trustees should discharge their own responsibilities.

3.2.3 Possible financial assistance from congregations on the Continent had been raised by one of the Paddington Trustees at a joint meeting with the Principal Trustees and legal advisers on 15 November 2022. The possibility was raised again with the Principal Trustees by letter dated 21 October 2024. On 1 January 2025, following legal advice, the Principal Trustees requested details of the proposed donors, the origin and nature of the funds and any attached conditions. Written responses were subsequently received from trustees in South and North Germany, dated 24 January and 26 February 2025 respectively. Neither response identified any sum nor contained an unconditional funding commitment. The South German response stated that consideration of assistance was conditional upon the Paddington congregation being able to continue services as before and visiting German members being able to take part in services. The North German response stated that its funds could be used only to maintain and continue church services for congregations gathered among Apostles. No assistance was provided, and no funds were placed at the disposal of either the Principal Trustees or the Paddington Trustees.

3.2.4 Having received legal advice concerning the terms of their own trusts in the context of adopting the direct responsibility for the repair and maintenance of Paddington Church building, the Principal Trustees, in March 2024, requested from the Trustees the Paddington Church Tithe fund, which they required to help finance the future maintenance of Paddington Church. This approach was regarded by the majority of the Paddington Church Trustees as a proper and reasonable request in the circumstances, subject to independent legal advice on the terms of the Paddington trusts and to any necessary Charity Commission approval.

3.2.5 The Paddington Church Trustees thereupon sought legal advice from Robert Pearce KC in April 2024 on their ability to modify the Tithe Fund Trust as would be required if they were to transfer it to the Principal Trustees. That advice identified section 280A of the Charities Act 2011 as the route by which the necessary amendments could be made. Following consultation, the Trustees passed the necessary resolution by a 75% majority. At the end of November 2025, the Trustees applied to the Charity Commission for written consent to amend the trusts governing the Tithe and General Offerings Funds so as to permit their transfer to the Principal Trustees' charity as accretions. The Poor Fund would be dealt with separately in accordance with its trusts for the relief of poverty in Greater London. The Charity Commission has indicated that it is still considering the application and has given no timetable for a formal response. If approved, the transfer of the Tithe and General

Offerings Funds, and the separate application of the Poor Fund, are likely to be followed by the closure of the charity and the winding up of its affairs.

3.2.6 In summary, it is the opinion of the majority of the Paddington Church Trustees that, in view of what is described above, it is no longer appropriate to prepare the financial statements of Paddington Church Trust on a going-concern basis.

4. Financial review

4.1 Financial position

The Restricted Fund for the Poor made grants of £3,000 but received no Offerings. The Fund has an undistributed balance of £7,100 which is available for future grants.

The Tithes received by the Expendable Endowed Fund amounted to £nil; net expenditure of £800 was incurred printing and distributing Ministries and Almanacs. This Fund had a net gain of £304,800 from the realisation and revaluation of its investments, giving rise to a net gain for the year of £304,000. The Fund has a balance of £3,911,400.

The Unrestricted Fund – the General Offerings Fund - received no Offerings, but had Investment income totalling £121,500; expenditure of £143,200, (net of a release of £59,400 from the Provision for Closure costs), was incurred before a net gain of £9,400 from the revaluation of investments. A provision of £40,600 has been retained for the estimated costs of winding up the charity. The Fund's available reserves now amount to £247,900.

4.2 Reserves Policy

The majority of the Trustees no longer regard the Trust as having sufficient reserves to enable it to maintain the building. As referred to in paragraph 1 above, the majority consider that, subject to Charity Commission approval, the Tithe and General Offerings Funds should be transferred to the Principal Trustees' charity, which has taken over responsibility for the maintenance of the building, and that the Paddington Church Trust should then be wound up. A minority is not able to agree with this.

5. Structure, governance and management

In the service and worship of Almighty God, the Trustees have three separate funds, as follows:

Tithe Fund (An Expendable Endowed Fund) used for the maintenance of the Ministry.

General Offerings Fund (An Unrestricted Fund) used at the discretion of the Trustees in support of the Trust's objects and policies, including the upkeep and maintenance of the Church, and the costs of governance of the charity.

Poor Fund (A Restricted Fund).

In operating these Funds the Trustees follow, so far as they are able, the principles and procedures instituted in the Churches established under Apostles.

5.1 Tithes and Offerings

The income of the Trust's Funds includes Tithes and Offerings made by the congregation during church services. The following is a summary of them:

5.1.1 Tithe

- Tithe as a proportion of income is paid to God by members of the Congregation "in obedience to His commandment, in honour of His name, and with a free will and joyful heart." Historically, Tithe was used for the support of the Ministry, including the printing and distribution of ministries and almanacs to the congregation and others on the mailing list, and a 'tithe of tithe' was paid for wider Church purposes. Tithe not so used was accumulated

and invested as an expendable endowment in anticipation that the Ministries of the Church would be set in order again. The income from its investment was paid into the General Offerings Fund, from which regular building outgoings and other general expenses were met and which bore the investment management fee. The majority Trustees consider that the principal object of the Paddington Tithe Fund is the support of the Ministries at Paddington and that, following the closure of Paddington Church, that object can no longer be carried out under the existing trust arrangements. They therefore consider that their stewardship of the Fund on that basis has come to an end. Their legal responsibilities in relation to the Fund nevertheless continue unless and until Charity Commission consent is obtained. The majority Trustees accordingly consider that the Fund can no longer properly be retained and accumulated on its former basis and that, subject to Charity Commission consent, the appropriate course is to transfer it to the Principal Trustees' charity, as described in paragraph 3.2.5 above.

5.1.2 Offerings

- General Offerings represent monies presented by the congregation for the general purposes of Church worship.
- Poor Offerings are offerings made by the congregation specifically for the poor. Grants made are not of material amounts.
- Thank Offerings are made by those who have a particular cause to be thankful to the Lord. This Fund is now closed.

5.1.3 Property

The Catholic Apostolic Church at 16/20 Maida Avenue Paddington London W2 1SR was formerly leasehold, but the freehold was acquired in 1986 and has been held upon trust by the Paddington Church Trustees (the "Trustees") under a Declaration of Trust dated 19 March 1986 (the "1986 Declaration of Trust") made by Herbert Gordon Carter and others (the then Trustees). By this Declaration of Trust, the Trustees hold the Church building on behalf of the trustees for the time being (the "Principal Trustees") of the Principal Trust Deed and upon the trusts and with and subject to the powers and provisions contained in the Principal Trust Deed and in the Amending Schemes. The Principal Trustees, in turn, hold the Church building upon the trusts contained in the Principal Trust Deed. To the extent of the obligations contained in the 1986 Declaration of Trust, the Paddington Church Trustees have primary responsibility for the upkeep and maintenance of the Church, the costs of which were borne in 2025, partially by the Church Upkeep Fund, and mainly by the Principal Trustees.

As referred to in 1 above, the Principal Trustees have requested that the freehold of the Church is formally transferred to them, and both sets of Trustees have instructed lawyers to effect this.

5.1.4 Investments

The Trustees' powers of investment are governed by the general law.

The Trustees retain the services of Brewin Dolphin Ltd, Investment Managers, for the management of the trust monies.

The Trust is reliant on its income from investments. The Trustees follow a cautious investment strategy using long term funds seeking capital growth and sustainable income with protection from inflation. In 2025, the market value of the investment portfolio, including cash held for investment, increased by 8.4% over the year as a percentage of the average funds held, compared to an increase of 4.14% in 2024. Total income was 2.8% of the average funds of the portfolio, compared to 3.21% in-2024.

Report of the Trustees for the year ended 31 December 2025 (continued)

5.2 Management of the Trust

The trust was managed during 2025 by the Trustees who are all members of the congregation. Two of the Trustees met weekly, until 22 September 2023, after Church services for the purpose of day to day managing of the trust and consulted the other Trustees as appropriate; subsequent to that day communications have been by email and/or telephone; full Trustees' meetings are held during the year to make policy decisions. Decisions are made by the Trustees as a body. The Power to appoint new Trustees is vested in the Trustees.

The Trustees, as part of their risk management commitment, have a Manual setting down the functions of the Charity; it is updated at regular intervals. The Trustees use professional advisors and contractors to help them manage the risks both to and from the Church buildings. Financial risks are managed by external investment advisors.

Trustees are selected from members of the congregation. New Trustees are inducted by an initial interview with the existing Trustees, together with an information pack containing the relevant data of the background to the Trust.

6. Reference and administrative details

These are set out on page 1 of this Report and Financial Statements.

7. Related Charities

Until the building closed in September 2023, the Church at Paddington was used by a local congregation of the Catholic Apostolic Church. In England the Catholic Apostolic Church Trust Properties is a related charity; other congregations exist abroad.

8. Statement of Trustees' responsibilities

The Trustees 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 law applicable to charities in England & Wales requires the trustees 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 these financial statements, the trustees are required to:

- select suitable accounting policies and then 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

These financial statements have been prepared on the basis that the majority of the Trustees no longer regard Paddington Church Trust as a going concern, as referred to in 1 above with a provision of £40,600 being retained at 31 December 2025 for the costs of closure.

The Trustees 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 trust deed. 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.

Approved by the Trustees on 24th September 2026 G M C Carter

Independent auditors' report to the trustees

Opinion

We have audited the financial statements of Catholic Apostolic Church (Paddington) General Purpose Fund for the year ended 31 December 2025 which comprise the report and financial statements and notes to the financial statements, including 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).

In our opinion the financial statements:

give a true and fair view of the state of the charity's affairs as at 31 December 2025 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 Auditor's 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 UK, including the FRC'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.

Emphasis of Matter – financial statements prepared on a basis other than going concern

We draw attention to Note 1.1 to the financial statements which explains that the trustees intend to wind down and ultimately close the charity and therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly the financial statements have been prepared on a basis other than going concern as described in Note 1.1.

Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:
the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
the charity has not kept sufficient accounting records; or
the financial statements are not in agreement with the accounting records and returns; or
we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the Trustees' Responsibilities Statement set out on page 5, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 trustees 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 trustees 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 auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report
This report is made solely to the charity's trustees, 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 trustees those matters we are required to state to them in an auditor's 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 charity and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....

Saffery LLP

71 Queen Victoria
Street
London
EC4V 4BE

Statutory Auditors

Date: 28 September 2016.

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

PADDINGTON CHURCH TRUST

Statement of Financial Activities for the year ended 31 December 2025

	Notes	Unrestricted Fund 2025 £'000s	Restricted Fund 2025 £'000s	Endowed Fund 2025 £'000s	Total 2025 £'000s	Total 2024 £'000s
Income and endowments from:						
Investments		121.5			121.5	123.7
		121.5			121.5	123.7
Expenditure on:						
Raising funds		(24.0)	-	-	(24.0)	(23.4)
Charitable activities		(119.2))	(3.0)	(0.8)	(123.0)	(129.8)
Total	**2**	(143.2)	(3.0)	(0.8)	(147.0)	(153.2)
Net gains on investments	**1.3 & 6**	3.1	-	304.8	307.9	136.3
Net income/(expenditure)		(18.6)	(3.0)	304.0	282.4	106.8
Net movement in funds for the year		(18.6)	(3.0)	304.0	282.4	106.8
Total funds brought forward		266.5	10.1	3,607.4	3,884.0	3777.2
Total funds carried forward	**9, 10 & 11**	247.9	7.1	3,911.4	4,166.4	3,884.0

The Statement of Financial Activities contains all gains and losses for the year.
The notes on pages 14 to 17 form part of these accounts.

PADDINGTON CHURCH TRUST

Balance Sheet

As at 31 December 2025

	Notes	Unrestricted Funds £'000s	Restricted Funds £'000s	Endowed Fund £'000s	2025 Total £'000s	2024 Total £'000s
Fixed Assets						
Investments (at Market Value)	6	-	-	-	-	-
Current assets						
Investments (at Market Value)	6	260.7	-	3,910.6	4,171.3	3,910.0
Debtors	7	47.5	-		47.5	46.1
Cash at bank and in hand		13.4	7.1	1.4	21.9	52.1
Total current assets		321.6	7.1	3,912.0	4,240.7	4,008.2
Creditors: Amounts falling due within one year	8	(33.1)	-	(0.6)	(33.7)	(24.2)
Net current assets		288.5	7.1	3,911.4	4,207.0	3,984.0
Provision for costs of closure	1.1	(40.6)	-		(40.6)	(100.0)
Total assets		247.9	7.1	3,911.4	4,166.4	3,884.0
Represented by:						
Unrestricted Funds - General						
- General Offerings Fund	11	247.9		-	247.9	266.5
Restricted Fund						
- Poor Account	9	-	7.1	-	7.1	10.1
Endowed Fund						
- Tithe Account	10	-	-	3,911.4	3,911.4	3,607.4
Total funds		247.9	7.1	3,911.4	4,166.4	3,884.0

Approved by the Trustees on

Signed

G M C Carter 24th September 2026

J de Ferrars 23rd September 2026

The notes on pages 14 to 17 form part of these accounts.

PADDINGTON CHURCH TRUST

Statement of Cash Flows

Year ended 31 December 2025

	2025 Total Funds £'000s	2024 Total Funds £'000s
Cash flows from operating activities:		
Net cash provided by (used in) operating activities	(174.3)	(137.4)
Cash flows from investing activities:		
Dividends from investments	60.6	56.5
Interest from investments	60.9	67.2
Proceeds from sale of investments	391.3	345.5
Purchase of investments	(345.5)	(300.0)
Investment management fee	(24.0)	(23.4)
Net cash provided by (used in) investing activities	143.3	145.8
Cash flows from financing activities:		
Net cash provided (used in) financing activities	-	-
Change in cash and cash equivalents in the reporting period	(31.0)	8.4
Cash and cash equivalents at the beginning of the reporting period	112.3	103.9
Cash and cash equivalents at the end of the reporting period	81.3	112.3
Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net income for the reporting period (as per the statement of financial activities)	282.4	106.8
Adjustments for:		
(Gains)/losses on investments	(307.9)	(136.3)
Dividends and interest from investments	(121.5)	(123.7)
Investment management fee	24.0	23.4
Decrease in debtors	(1.4)	2.8
Increase in creditors	9.5	(10.4)
(Decrease)/Increase in provisions	(59.4)	-
Net cash provided by (used in) operating activities	(174.3)	(137.4)
Analysis of cash and cash equivalents		
Cash in hand	21.9	52.1
Cash on deposit	59.4	60.2
Total cash and equivalents	81.3	112.3

Notes to the Accounts

For the year ended 31 December 2025

1. Accounting policies

1.1 Basis of accounting

The accounts for the year to 31 December 2025 have been prepared under the historical cost convention (except that investments are shown at market value) in accordance with Accounting and Reporting by Charities - Statement of Recommended Practice (FRS 102 SORP), and with Accounting Standards and with the Charities Act 2011. There have been no changes in how the funds are determined with the previous financial reporting framework.

The accounts have been prepared on the basis that the majority of the Trustees no longer regard the Paddington Church Trust as a going concern. The Catholic Apostolic Church Trust Property, in a letter dated 8th April 2025, based on detailed legal advice, have requested the assignment to them of the Paddington Church Trust's funds, to enable it to meet its responsibility for the major programme of stabilisation and repairs required to the Church building, and the ongoing routine maintenance and upkeep, and the transfer to it of the freehold of the Church building. The majority of the Paddington Trustees would agree to this but consider that this would mean that the charitable purpose of the Trust had failed and would necessitate the closure of the trust and winding up of its affairs; the minority are unable to agree with this understanding. The Trustees have taken, and are taking, legal advice on the matter; the initial costs of this in 2024 were £25,500 and were expensed in 2024. A provision of £100,000 was created at 31 December 2023 for the estimated costs of winding up the charity. £59,400 was released from this Provision in 2025 to cover costs incurred in the year.

The Trust is a registered charitable trust, and is a public benefit entity.

1.2 Funds' Accounting Policy

In the service and worship of Almighty God, the Trustees have three separate funds, as follows:

Tithe Fund (An Expendable Endowed Fund) for the support of the Ministry.
General Offerings Fund (An Unrestricted Fund) used at the discretion of the Trustees in support of the Trust's objects and policies, including the upkeep and maintenance of the Church, and the costs of governance of the charity.
Poor Fund (A Restricted Fund).

1.3 Investments

Fixed asset investments are stated at market value. The change in market value is included as an unrealised gain or loss in the Statement of Financial Activities.

1.4 Income and endowments

Donations and legacies (Tithes and offerings) which are offered anonymously by members of the Congregation, are included as they are received. Investment income is included on a receivable basis.

Notes to the Accounts (cont.)

For the year ended 31 December 2025

1.5 Expenditure

Expenditure on Raising funds comprises investment management fees and is included on an accruals basis.

Expenditure on Charitable activities, including Governance costs, which comprise primarily audit & legal fees, is included on an accruals basis.

£'000s	Unrestricted Funds £'000s	Restricted Fund £'000s	Endowed Fund £'000s	2025 Total £'000s	2024 Total
2. Expenditure on Charitable Activities					
Raising funds – investment management fee	24.0	-	-	24.0	23.4
Grants		3.0	-	3.0	2.0
Distribution of Ministries	-	-	0.8	0.8	0.7
Property – Repairs and Decoration	8.7		-	8.7	6.5
Property – General Expenses	79.3		-	79.3	79.8
Governance costs	90.6	-	-	90.6	40.8
	202.6	3.0	0.8	206.4	153.2
Release of Provision	(59.4)			(59.4)	-
	143.2	3.0	0.8	147.0	153.2

Grants made are not regarded as material in the context of the charity's overall charitable activities.

3. Net income/(expenditure)

Net income/expenditure is stated after crediting/(charging)

	2025 £'000s	2024 £'000s
Interest included in investment income	60.9	57.9
Gains/(Losses) on disposal of investments	73.3	4.6
Unrealised gains/(losses) on investments	234.6	131.7
Auditors' remuneration	(25.0)	(15.0)

4. Employees

The charity has no employees. It is administered by its Trustees who receive no remuneration.

5. Trustees remuneration

The Trustees neither received nor waived any emoluments in the year, nor received any benefits from the Trust or any related party (2024: nil).

No grants were made to Related Parties of the Trustees.

Out of pocket expenses were reimbursed to Trustees as follows:-

	2025 No. of Trustees	2024 No. of Trustees	2025 £'000s	2024 £'000s
Travel, subsistence and incidental		1	-	0.4
Other – printing and incidental	1	1	0.6	0.7
			0.6	1.1

6. Investments

	Market Value at year end	Income from Investments for the year
	£'000s	£'000s
Investments listed on a recognised stock exchange, or held in common investment funds, unit trusts, or other collective investment schemes	4,111.9	120.3
Cash held as part of the investment portfolio	59.4	1.2
	4,171.3	121.5

	2025 £'000s	2024 £'000s
Market value as at 1 January	3,849.8	3,759.0
Additions	345.5	300.0
Disposals	(391.3)	(345.5)
Realised and Unrealised gains/(losses)	307.9	136.3
Market value as at 31 December	4,111.9	3,849.8
Original cost	3,398.4	3,370.8

No investments are considered material in the context of market value of the investment portfolio at 31 December 2025.

	2025 £'000s	2024 £'000s
7. Debtors		
Amount due from Investment Advisers	12.0	13.9
Income from investments	4.1	2.9
Prepayments	31.4	29.3
Sundry	-	-
	47.5	46.1
8. Creditors		
Amounts falling due within one year		
Creditors	6.8	9.2
Accruals	26.9	15.0
	33.7	24.2

Notes to the Accounts (cont.)

For the year ended 31 December 2025

	Balances Brought forward £'000s	Income £'000s	Expenditure £'000s	Gains & Provisions and losses	Balances carried forward £'000s
9. Restricted Funds					
Poor Account	10.1		(3.0)	-	7.1
10. Endowed Fund					
Tithe Account	3,607.4		(0.8)	304.8	3,911.4
Included in the above are net unrealised gains of					601.3
11. Unrestricted Funds					
General					
General Offerings Fund	266.5	121.5	(143.2)	3.1	247.9
Included in the above are net unrealised gains of					112.1

12. Contingent Liabilities

The Principal Trustees have advised that, on the basis of in-depth legal analysis by Counsel, that the Tithe Fund (the Endowed Fund), together with the General Purposes Fund (an Unrestricted Fund) are due to them from the PCT. Without either accepting or denying their claim, the PCT, having taken their own legal advice, are in the process of exercising powers under s280A Charities Act 2011 to modify the underlying trusts of the charity. One of the options under consideration is the transfer of all these assets to the Principal Trustees, subject to a consultation with interested parties and Charity Commission consent. The Principal Trustees have also requested that the freehold of the building is transferred to them.