



Annual Report

and

Financial Statements

Year ended 31 December 2019

Registered Charity No. 1133066

PCC Annual Report for the year to 31 DECEMBER 2019

Charity name The Parochial Church Council of St Paul's Letchworth

Registered charity number (if any) 1133066

Charity's principal address 179 Pixmore Way

Letchworth Herts SG6 1QT

Names of the PCC members who manage the charity

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Name	Office (if any)	Dates acted if not for whole year	Notes
Rev Jeni McQuaid	Minister		
Rev Amanda Ferris	Associate Minister		
Maureen Phillips	Church Warden		
Christopher Scott	Church Warden	To September 2019	
Emma Vernon	Church Warden	From September 2019	Elected Member
Sue Attwood		To April 2019	" "
Morag Broadbent		To April 2019	" "
Keith Blundell	PCC Secretary	From April 2019	" "
Michael Eve			" "
Peter Eyles			" "
Peter Farquhar			" "
David Finch-Steven		From April 2019	" "
Caroline Friis-Ellis			" "
Rebecca Kelly			" "
Pam Hull			" "
Judith Nash			" "
Madeleine Nicholas		From April 2019	" "
Mike Pedrick			" "
Dan Pinco		From April 2019	" "
Claire Townsend		From April 2019	" "
Andreea Weisl-Shaw			" "
Emily Wilkinson		From April 2019	Co-opted
Ian Nelson	Synod Rep., Treasurer		
Roger Thomson	Synod Rep.	PCC Sec. to April 2019	
Christine Staddon	Synod Rep.		
Claire Harald	Children and Families Worker	To June 2019	In attendance
Fiona Owen	Children and Families Worker	From June 2019	" "
Claire McDonnell	Youth Worker		" "

Names and addresses of advisers

Architects	Freeland Rees Roberts, 25 City Road, Cambridge, CB1 1DP
Bankers	National Westminster Bank, Station Place, Letchworth. SG6 3AL
Deanery Synod representatives (entitled to attend PCC)	Ian Nelson Christine Staddon Roger Thomson

Structure, governance and management

Description of the charity's trusts

How the Church is constituted

St Paul's Letchworth is a registered charity as well as being part of the Church of England.

The structure and governance arrangements of the charity are set out by the Church of England and St Albans Diocese. The church sits within the Hitchin Deanery and the Archdeaconry of St Albans. Full details of governance arrangements are set out on the St Albans Diocese web-site.

St Paul's is part of a Joint Benefice with All Saints' Willian, jointly served by the incumbent, associate minister, curate, and readers. All Saints' is administered by its own PCC, appointed from its own membership, and has separate financial records and accountability. St Paul's PCC has no responsibility for the pastoral or administrative affairs of All Saints'.

PCC and Committees

The responsibilities of St Paul's PCC are enshrined in the Parochial Church Councils (Powers) Measure 1956. As such, the purpose of the PCC is to cooperate with the incumbent in promoting in the parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. The PCC is responsible for the maintenance of all church buildings and grounds, ensuring the smooth running of the church and for ensuring that the church is compliant with all relevant legislation relating to its functions – health and safety, data protection, safeguarding and employment law. The ordained ministers, curates, readers and church wardens become members of the PCC on appointment. Elected members are appointed by ballot of church members at the APCM on 3-year terms, with vacancies during the year being filled by PCC.

PCC meets its objectives achieved through:

- *Full PCC meetings 6 times a year, bi-monthly*
- *Standing Committee, which has powers to act on behalf of PCC, meeting 6 times a year bi-monthly, alternating with PCC;*
- *Missionary Committee which oversees the church's links with our mission partners*
- *Ad hoc task groups, formed during the year as required.*

None of St. Paul's objectives would be achieved without the dedication and support of our 3 staff members (our Children and Family's worker, our Youth Worker and our Parish Administrator) and the very many church members who give their time voluntarily and unstintingly in all areas of church life.

Objectives and activities

“To Show the Light and Love of Jesus for all”

*“By this everyone will know that you are my disciples, if you love one another.”
John 13:35*

The year began just four months since Rev'd Jeni McQuaid was installed as our new vicar, responding to the call in our parish profile, “Can you Help us Grow?”. We recognised that the church had teetered around the ‘200 barrier’ for some time and that we needed to do things differently to sustain growth beyond this number. One year on, we can see that growth has been achieved, from an average Sunday attendance in 2018 of 175, to 235 in 2019. The seven-yearly renewal of the electoral roll in April, a ‘clean up’ exercise which usually results in a reduction, resulted in an increase from 203 to 216 members. Currently we are in touch with over 350 adults and over 250 children.

However, numbers are far from the whole story or at the heart of what we do. In February, our vicar set out her vision in a sermon entitled, “Our Vision for Growth and the Love of God for All”, placing an emphasis on being a lighthouse in (not to or for) our community, serving those in need, based on principles of social justice. We recognised the level of need in Letchworth, have long felt called to respond. Existing projects include collaborating with other churches to run the foodbank and The Ark, a drop-in centre for vulnerable adults. New initiatives in 2019 included establishing in September a monthly Community Café, where preloved clothing and toys are available at no charge. In collaboration with the Best-Before Café, at this and other events, we have been able to offer perfectly good food which supermarkets would otherwise throw away. Working with New Life Church, St Paul's has hosted twice weekly lunches in the school summer holidays, involving volunteers from six churches across Letchworth, under the umbrella organisation of TLG (Transforming Lives for Good). Stepping out into more community outreach helped us to recognise the need to express our vision in a new and dynamic way. “To show the Light and Love of Jesus for All” was approved by PCC in September.

The PCC year began in May with a determination to become a “Mission-shaped PCC”, being more systematic about supporting growth – welcoming newcomers, supporting people to grow in their faith and improving communication, with less reliance on informal networks which we know become less effective with increasing numbers. A new Framework for Mission and Ministry in St Paul's was approved. All our activities are now categorised within 8 domains - worship, pastoral care, discipleship, outreach, children and young people, administration, communication and prayer. We are in the process of establishing leads for each of these domains, having appointed initially to prayer and communication. Alongside this, and the community initiatives referred to above, there have been many developments this year, all of which are reflected in our Mission Action Plan:

- Alpha courses now run termly
- A new evening service, The SIX:30, offering a less formal style of worship, started in September and has an average attendance of 50.
- An independent environmental survey was conducted over the summer, with recommendations for PCC to implement over time.
- Four Lay Leaders of Worship have been approved, Pauline Eyles, Claire Pedrick, Peter Rose and Clare Townsend
- Two church members, Christopher Scott and Pete Farquhar have begun ordination training, joining Sarah Richardson, our third year ordinand as

Summary of the objects of the charity set out in its governing and the main activities undertaken for the public benefit in relation to these objects (include within this section the statutory declaration that trustees have had regard to the guidance issued by the Charity Commission on public benefit)document

members of the ministry team.

- Establishing a Newcomers' Team, led by Madeleine Nicholas, to support newcomers into the life of the church. The team has established quarterly newcomers' teas.

All our usual activities have continued. We have reached out to the wider community through Christmas and Easter Journeys, Messy Church, Fun Days, Who Let the Dads Out, work with young people in schools, youth work on Sundays and throughout the week and our Toddler and Babies groups. The Luncheon Club and our Gateway Club continue to be a valued service to older people.

Home groups remain the bedrock of pastoral support within St Paul's, and are growing, with some new groups forming after Alpha courses.

Children, young people and their families are at the heart of our mission and embraced by our whole church family, regardless of age or stage in life. In 2019, we said a very fond goodbye to Claire Harald, who was ordained in June and had been our children and families worker since 2012. Claire was going to be a very tough act to follow, but we were delighted to appoint Fiona Owen to a full-time post from 1st April. She has truly hit the ground running and together with a band of skilled and dedicated volunteers has led and developed a wide ranging programme of activities, including Sunday groups, mid-week Toddlers, Babies and Messy Church and involvement with the 5 schools in our parish and the wider community. There are over 90 children and young people on our register and around 50 attending Sunday groups each week.

Youth ministry also continues to thrive under the leadership of Claire McDonnell, our full-time youth worker, involving a growing number of young people in ever more creative ways. The programme involves many opportunities for exploring faith with food and fun – Sunday groups (FUSE, INK and EPIC), JAM (Jesus and Me) and JSD (Jesus' Son's and Daughters) weekly in term time, Pizza and Nugget Nights, a summer programme of films, games and outings, an Easter pilgrimage to St Albans Abbey, and residential events. This year Claire also led our summer Holiday Club for primary school children, as Fiona had pre-booked holiday for this week when she was appointed. As always, Claire's creative skills took this to a new level, and we are grateful that she was able to step into the breach.

During 2019, we published 3 issues of 'The Lighthouse' magazine and recognised just how important this has become in our church life, when sadly, Jill Thomson was no longer able to continue as editor. Replacing Jill has been quite a challenge and we are hugely grateful for all she and the magazine team have done to establish the magazine as an important source of communication which enhances our sense of 'family'.

Recruiting volunteers for existing and new activities is a constant challenge, despite over 100 responses to our Gifts and Skills stewardship campaign in February. We recognise that people need to 'step down' as well as 'step up', and so we never say that offering to do something is a life sentence. Our secretary, Roger Thomson stepped down at the last annual meeting, after 11 years faithful service. Thankfully, Keith Blundell seamlessly rose to the challenge. Our treasurer, Ian Nelson resigned in December, and we are grateful to him for all he has done to bring clarity and transparency to our finances. At the beginning of 2019, Brian Evans stepped down as Health and Safety Officer after three years dedicated service. A worrying gap of several months followed before Bob Donovan was appointed. We are delighted that he comes with a professional background in health and safety. Christopher Scott resigned as churchwarden in September, having been accepted for ordination. Emma Vernon was elected on 8th September and installed on 12th September.

There have also been considerable additional pressures on the vicar's time this year, as for several months, she was the only member of the clergy available. This prompted some creative solutions - establishing the SIX:30 Service earlier than planned to be able to offer communion at a different time and reducing temporarily the number of communion services held at 10.00 am, a time which competes with demands for clergy to be in attendance at All Saints' communion services. Following Rev'd Amanda Ferris' return to duties in the summer, the normal pattern of services resumed, and even more creative solutions emerged. In November, the PCCs of St Paul's and All Saints' each approved the appointment of an associate vicar with special care for All Saints' to enable each church to have more consistent and dedicated leadership. Rev'd Amanda Ferris was appointed to this role in December and installed in January 2020. And so the new year starts with a new and exciting season for both churches and an expectation that our Vision for Growth will continue to be fulfilled.

In all that we do, the PCC, as trustees have had regard to the guidance issued by the Charity Commission on public benefit document.

Summary of the main activities during the year

Our activities are:
 Regular public worship open to all; administration of the sacraments, including preparation for baptism and marriage; conducting funerals; the provision of sacred space for personal prayer and contemplation; pastoral work, including visiting the sick and bereaved; Christian teaching through sermons, courses and small groups; taking religious assemblies in schools; youth work with a Christian ethos; promoting the whole mission of the church through a range of activities for older people; work with young children and their families - parents and toddlers; collaborating with Churches Together in Letchworth on a range of community activities, including the provision of a Food Bank and The Ark, a drop in centre for homeless and vulnerable adults; supporting other charities in the UK and overseas.

Safeguarding

The PCC has complied with its duty under Section 5 of the Safeguarding and Clergy Discipline Measure 2016 (duty to have regard to the House of Bishops' guidance on safeguarding children and vulnerable adults).

Financial review

Brief statement of the charity's policy on reserves

The PCC is committed to maintaining the following reserves:

- **Capital fund** – representing the strategic interest in accom.
- **Working Capital reserve** – equivalent to 3 months expenditure
- **Building Fund** – to fund the longer-term development of our buildings

Provisions are also in place to meet the estimated costs arising from 5-yearly quinquennial reviews and other known financial liabilities. No funds/provisions were in deficit at 31 December 2019.

• Financial results

The principal sources of income and expenditure are set out in the financial statements for the year. The general reserve which remains adequate to achieve PCC objectives in 2020

Declaration

The members declare that they have approved the PCC Annual Report above.

Signed on behalf of the PCC

Rev Jeni McQuaid	Keith Blundell
Minister	Secretary

Statement of financial activities

	<i>Note</i>	General & Designated funds	Restricted funds	Total 2019	Total 2018
		£	£	£	£
Income					
Voluntary Income	3.1	209,967	11,201	221,168	195,602
Income from fees and charges	3.1	30,636	4,552	35,188	41,503
Income from Local Mission activities	3.2	1,965	-	1,965	7,448
Income from investments		652	1	653	462
Other incoming resources		2,767		2,767	2,062
Total incoming resources		245,987	15,754	261,741	247,077
Expenditure					
Ministry	3.3	50,078	6,360	56,438	53,246
Parish share		71,884	-	71,884	82,541
Support provided to missionary's		27,360	-	27,360	24,835
Cost of generating fees and charges income		34,009	5,660	39,669	36,639
Costs of Local Mission activities	3.2	7,138	-	7,138	11,855
Buildings and other running costs	3.3	51,058	4,390	55,448	40,564
Total resources expended		241,527	16,410	257,937	249,680
Net income (expenditure)		4,460	(656)	3,804	(2,603)
Total funds brought forward		88,367	7,883	96,250	98,853
Total funds carried forward		92,827	7,227	100,054	96,250

Balance sheet

	Notes	2019 £	2018 £
Fixed assets			
Tangible assets	4	9,912	9,912
Total fixed assets		9,912	9,912
Current assets			
Debtors	5	13,087	11,808
(Short term) investments		87,342	86,691
Cash at bank and in hand		21,088	12,716
Total current assets		121,517	111,215
Creditors: amounts falling due within one year	6.1	20,957	10,956
Net current assets/(liabilities)		100,560	100,259
Total assets less current liabilities		110,472	110,171
Creditors: amounts falling due after one year:			
Provisions for liabilities and charges	6.1	10,418	13,921
Net assets		100,054	96,250
Funds			
General funds	7.1	26,762	22,302
Designated funds	7.2	66,065	66,065
		92,827	88,367
Restricted funds	7.3	7,227	7,883
Total funds		100,054	96,250

Signed on behalf of the members:

Jeni McQuaid *Minister*

Ian Nelson *Treasurer*

Notes to the accounts

1 Basis of preparation

1.1 Basis of accounting

These accounts have been prepared on the basis of historic cost (except that investments are shown at market value) in accordance with:

- Accounting and Reporting by Charities – Statement of Recommended Practice (SORP 2005);
- and with the Charities Act.

1.2 Change in basis of accounting

There has been no change to the accounting policies (valuation rules and methods of accounting) since last year except for the adoption of Market Value for the quoted investment.

2 Accounting Policies

2.1 Income - Recognition of income

Income is included in the Statement of Financial Activities (SoFA) when:

- the church becomes entitled to the resources;
- the church is virtually certain to receive the resources; and
- the monetary value can be measured with sufficient reliability.

Income with related expenditure

Where income has related expenditure (as with fundraising or insurance claims) the income and related expenditure are reported in full in the SoFA.

Grants and donations

Grants and donations are only included in the SoFA when the charity has unconditional entitlement to the resources.

Gift Aid tax reclaims on donations and gifts

Income from gift aid tax claims is included in the SoFA at the same time as the gift to which they relate.

Contractual income and performance related grants

This is only included in the SoFA once the related goods or services have been delivered.

Gifts in kind, donated services and volunteer help

Gifts in kind, donated services and volunteer help are not included in the SOFA

Investment income

This is included in the accounts when receivable.

Investment gains and losses

This includes any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

2.2 EXPENDITURE AND LIABILITIES

Liability recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

Grants payable without performance conditions

These are recognised in the accounts when a commitment has been made and there are no conditions to be met.

2.3 ASSETS

Tangible fixed assets for use by charity

Tangible fixed assets costing in excess of £5,000 will be capitalised over the estimated useful life of the asset.

Expenditure below £5,000 is treated as expenditure in the year taking place.

3 Note 3

Analysis of Income and Expenditure

3.1 Income analysis

Voluntary Income

	Unrestricted £	Restricted £	2019 £	2018 £
Covenanted giving	153,641	6,360	160,001	140,304
Collections	8,858		8,858	7,314
Donations and gifts	6,789	4,841	11,630	11,213
Gift Aid tax recovered	40,679		40,679	36,771
Total	209,967	11,201	221,168	195,602

Income from Fees and Charges

Weddings and Funerals	4,093		4,093	11,234
Church Hall	26,543		26,543	24,976
Flower Guild, Luncheon Club, Toddlers Plus	-	4,552	4,552	5,276
Books, Video's etc	-	-	-	17
Total	30,636	4,552	35,188	41,503

3.2 Local Mission activities - net costs

	Income £	Expenditure £	2019 £	2018 £
Wild Wednesday	252	644	392	534
Who Let The Dad's out	355	473	118	-
Alpha	75	1360	1,285	863
Community Café	125	214	89	-
Easter Events incl E. Journey	150	792	642	447
Fun day		942	942	1,092
Letton Hall / At Home Together		650	650	(73)
Holiday Club / Make Lunch	697	1209	512	1,000
Christmas events incl C. Journey	311	854	543	544
Total	1,965	7,138	5,173	4,407

3.3 Expenditure analysis

Ministry Team costs

	Unrestricted £	Restricted £	2019 £	2018 £
Clergy Team (excl. salary)	2,703		2,703	3,563
Children and Families incl Salary	23,561	3,180	26,741	24,197
Youth Work incl Salary	23,814	3,180	26,994	25,486
Total	50,078	6,360	56,438	53,246

Buildings and other running costs

Church building (repairs, ins, etc)	19,770	3,754	23,524	10,228
Equipment maintenance	6,163	393	6,556	7,014
Administration costs (incl salary)	25,125	243	25,368	23,322
Total	51,058	4,390	55,448	40,564

3.4 Staff Costs

	2019 £	2018 £
Gross salaries	59,481	55,555
Employer's National Insurance	1,438	1,206
*Pension costs	3,585	3,333
Total staff costs	64,504	60,094

Average number of employees in the year:

Ministry team	2.0	1.7
Administration	0.6	0.6
	2.6	2.3

*Pension costs - St Pauls contributes 6% of salaries to employee personal pension schemes.

Members of PCC receive no fees, allowances or travelling expenses for serving on the PCC

Independent Examiner - No fees are paid for the Independent Examination of the accounts (2018 £ Nil)

4 Fixed Assets

Tangible Assets

	2019 £	2018 £
Cost at 1 January 2019	9,912	9,912
Expenditure in year	0	0
Cost at 31 December 2019	9,912	9,912

Equity interest of 3.54% in 89 Howard Drive, Letchworth. An investment held on a long-term basis to secure accommodation for the curate.

5 Debtors

Analysis of debtors

Amounts falling due within one year

	2019 £	2018 £
Trade debtors	130	252
Gift Aid tax recoverable	10,154	9,971
Other debtors	2,000	165
Prepayments and accrued income	803	1,420
	13,087	11,808

6 Creditors and accruals and Commitments

6.1	Amounts due within 1 year		Amounts due after 1 year	
	2019	2018	2019	2018
	£	£	£	£
Trade creditors	5,131	293	-	-
Missionary Funds	2,700	175	-	-
Other creditors	640	1,007	-	-
Accruals and deferred income	10,396	4,358	-	-
Income in advance	2,090	3,910	-	-
Building repairs/Quinquennial pvn.	-	1,213	10,418	13,921
Total	20,957	10,956	10,418	13,921

6.2 Commitments

These were no unprovided commitments at 31 December 2019

7 Funds analysis

7.1 General fund

	2019 £	2018 £
Balance at 1 January 2019	22,302	31,423
Net Income (Expenditure) for the year	4,460	(4,121)
Transfer (to) from Designated funds	-	(5,000)
Balance at 31 December 2019	26,762	22,302

7.2 Designated funds

	Capital Fund £	Working Capital £	Equipment Maintenance £	2019 £	2018 £
Balance at 1 January 2019	9,912	55,000	1,153	66,065	61,065
Net Income (Expenditure) for the year	-	-	-	-	-
Transfer (to) from Designated funds	-	-	-	-	5,000
Balance at 31 December 2019	9,912	55,000	1,153	66,065	66,065

Capital fund represents the cost of the Church's equity interest in 89 Howard Drive

Working Capital reserve represents approx. 3 months costs, excluding funded building works.

Maintenance fund is the funds committed by PCC to replace and upgrade specific equipment on a planned cycle

7.3 Restricted funds

	Building fund £	Flower Guild £	Luncheon Club £	Toddlers Plus £	2019 £	2018 £
Balance at 1 January 2019	2,369	1,283	1,808	2,030	7,883	6,365
Net Income for the year		200	4,139	1,058	15,754	14,382
Expenditure for the year		(338)	(3,954)	(1,368)	(16,410)	(12,864)
Balance at 31 December 2019	2,369	1,145	1,993	1,720	7,227	7,883

Represented by:

Cash at bank and in hand	2,369	1,145	1,993	1,720	7,227	7,883
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Building fund:

The building fund is restricted to major building works, including major works arising from Quinquennial reviews.

7.4 Analysis of net assets between funds

	Unrestricted funds £	Designated Funds £	Restricted funds £	Total 2019 £	Total 2018 £
Fixed assets		9,912		9,912	9,912
Net current assets	58,137	56,153	7,227	121,517	111,215
Creditors and provisions	(31,375)			(31,375)	(24,877)
Total net assets	26,762	66,065	7,227	100,054	96,250

8 Transactions with related parties	2019	2018
	£	£

8.1 The Church of England, and its Diocese in St Albans, is a related party.

Payments were made to the Diocese of St Albans as follows:

<i>Parish Share which includes:</i>	71,884	82,541
Ministry stipendiary costs		
A contribution to the running costs of the Diocese		

Wedding and Funeral Fees:

Diocesan fees are recovered in full as part of the Fee's charged	1,706	4,607
Fee income is included as Fees and Charges (3.1)		

8.2 Voluntary income includes donations from church members, including PCC members.

Church members, including PCC members, are reimbursed for costs incurred whilst helping with church activities

8.3 There were no other transactions with related parties