

REGISTERED CHARITY NUMBER : 1128212

The Parish of St Paul's Howell Hill

Report of the Trustees and
Financial Statements for the year ended
31 December 2022

Harmer Slater Limited
Curzon House 2nd Floor
24 High Street
Banstead
Surrey
SM7 2LJ

The Parish of St Paul's Howell Hill

Financial Statements for the year ended 31 December 2022
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The Parish of St Paul's Howell Hill

Trustees' Report for the year ended 31 December 2022

Reference and administrative information

Full name of PCC: The Parochial Church Council of the Ecclesiastical Parish of Howell Hill (*Working name:* St Paul's Howell Hill PCC).

Address: 15 Northey Avenue, Cheam, Surrey SM2 7HS

Charity registration number: 1128212 (registered 24th February 2009)

Names of all the members of the PCC who have served in the period from 1 January 2022 to the date of this report are as follows:

Clergy:	Rev Nico Ohlsson (Vicar) - from September 2022 Rev Paul Dever (Senior Associate Vicar) Rev Sally Thomas (Associate Vicar) Rev David Senior
Church Wardens:	Rosalyn Holiday Mark Goodman
Deanery Synod Members:	Leslie King (until April 2022) Elizabeth Stockwell Adam Hansen Samuel Neill Pam Bullen (appointed May 2022) Shane Higgs (appointed May 2022)
PCC Members:	Jenny Fisher (until April 2022) Ben McKie (until April 2022) Anne Pianca (appointed April 2019, re-appointed April 2022) Hannah Duncan (until April 2022) Paul Clinton (appointed 2020) Mervyn Wolffsohn (appointed 2020) Andrew Wells (appointed 2020) David Wright (appointed 2020) Craig Wilson (appointed 2020) Samuel Luke (appointed April 2021) Julie O'Brien (appointed April 2021) Ruth Sharma (appointed April 2021) Neil Thomas (appointed April 2021) Samantha Wakefield (appointed April 2021) Ian Ayres (appointed April 2022) Jonathan Eames (appointed April 2022) Alice Firth (appointed April 2022) Jan Ganney (appointed April 2022)
Co-options:	John Woolley (Chair of Finance Team) Jeremy Randall (Treasurer) Chris White (Church Manager).

The PCC's bankers are NatWest Bank plc of St Nicholas Centre, Sutton, Surrey, SM1 1NW and CAF Bank Limited of 25 King's Hill Avenue, West Malling, Kent, ME19 4JQ

The Parish of St Paul's Howell Hill

Trustees' Report for the year ended 31 December 2022

The PCC's Independent Examiner is:

Tim Slater, ACA

Institute of Chartered Accountants in England and Wales

Harmer Slater Limited,

Curzon House, 2nd Floor,

24 High Street, Banstead

SM7 2LJ

The day to day management of the affairs of the church is delegated to the Staff Team under the control of the Vicar. The Vicar and Staff Team are supported by and report into St Paul's Management Team (StPMT) and the PCC.

The members of the staff team are:

Vicar:

Senior Associate Vicar:

Associate Vicar:

Community Chaplain:

Curate (based at St Barnabas, Epsom):

Youth Pastor:

Youth Intern:

Children's Pastor:

Young Families Pastor:

Church Manager:

Parish Administrator:

Communications Lead:

HUB Host:

Financial Controller:

CAP Centre Manager:

CAP Debt Coach:

Church Caretaker:

Rev Nico Ohlsson

Rev Paul Dever

Rev Sally Thomas

Rev David Senior

Rev. Harry Lamaison

Amanda Neill

Alicia Eames

Naomi Carne

Keren Hillman

Chris White

Ann McIntyre

Jenny Fisher (from March 2022)

Debbie McLeod

Helen Bubb (contractor)

Emma Paxton-Browne

Robin Calcutt

Toby Ahern

Structure, governance and management

The Parochial Church Council is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure. The PCC was registered with the charity commission on 24 February 2009, under charity number 1128212. Previously, the PCC was excepted from registering with the Charity Commission.

The appointment of PCC members is governed by and set out in the Church Representation Rules.

The PCC is made up of elected, ex officio and co-opted members. Elected members are elected by the Annual Parochial Church Meeting and serve for a period of 3 years. Elected members are eligible for re-election after 3 years but may only serve for a maximum of 6 consecutive years. Other church members may be co-opted to the PCC, primarily to cover particular areas of expertise that are deemed necessary for the functioning of the PCC e.g., Finance, Premises. Co-opted members can serve for a maximum period of 9 years in a single role.

PCC members are provided with guidance on the role of trustees. In addition, PCC Members receive a document detailing their responsibilities as members of the PCC and receive ongoing guidance as necessary.

The frequency of PCC meetings is normally 5 times a year where the PCC oversees the strategic direction of the Parish and approves policy and budgets. Operational management of St Paul's is delegated to a specific team appointed by PCC, with a further management group for Little Fishes, which is a Pre-School owned by the PCC. St Paul's Management Team meets at least 8 times during the year. Little Fishes Management Group meets at least once each school term.

The Parish of St Paul's Howell Hill

Trustees' Report for the year ended 31 December 2022

Additional PCC meetings were held to progress the arrangements to recruit a new incumbent. This process was completed in 2022, and Rev Nico Ohlsson joined us as incumbent in September 2022.

Names of the current members of the management teams are as follows:

St Paul's Management Team (StPMT):

Rev Nico Ohlsson
Rev Paul Dever
Rev Sally Thomas
Rosalyn Holiday
Mark Goodman
Paul Clinton
Ian Ayres
Anne Pianca
John Woolley
Chris White

Little Fishes Management Group (LFMG)

Alison Carr (Chair)
Jeremy Randall (Treasurer)
Hannah Wright
Keren Hillman
Lynne Hansen

In addition to the above, PCC has delegated a number of matters to specific teams. The permanent teams are:

- Finance Team
- Permissions Team
- Key Partnerships Team

Other teams are formed from time to time by the PCC to address specific issues.

Risk Management

The PCC reports that it has given consideration to the risks faced by the church. The major risks that the church is exposed to relate to people, including the safeguarding of children and vulnerable adults, and the ability to cover and recruit to vacant staffing positions when these occur. The PCC has formal controls in place, working with the Diocese of Guildford, to manage these risks. Other main risks relate to financial matters, compliance with legal and statutory requirements and the activities of the church. The PCC has policies and procedures in place to manage all of these risks. In November 2019 PCC approved a Risk Register – this document continues to be reviewed and updated regularly.

Public benefit

The PCC are aware of the Charity Commission's guidance on public benefit in "The advancement of religion for the Public Benefit" and have had regard to it in their administration of the church.

The PCC believes that by promoting the Christian faith it provides a benefit to the public by:

- providing facilities for public worship, pastoral care and spiritual development, both for existing church members and for anyone who wishes to benefit from what the church offers; and
- promoting Christian values, and service by members of the church in and to their communities, to the benefit of individuals and society as a whole.

The Parish of St Paul's Howell Hill

Trustees' Report for the year ended 31 December 2022

Objectives and activities

The Parish is part of the Diocese of Guildford, and in the Deanery of Epsom. Our local objectives and activities are summarized in the following paragraphs.

As indicated above, our new Vicar, Rev Nico Ohlsson, joined us in September 2022. Following his arrival he has been working with the PCC with the Lord's guidance to develop a vision of how we will grow in faith and help to spread the Good News of God's kingdom through our work.

At St Paul's, the phrase **connect transform serve** guides us in our call to be disciples of Jesus Christ in the 21st century. During this last year, it has been great to see God continuing to work in these areas, despite the challenges which continued to be presented by the Covid-19 pandemic.

Here are a few of the highlights:

connect 2022 saw us continue to rebuild our activities and operations after the Covid pandemic, and we have been pleased to welcome new and returning members into the building for collective worship and a range of other activities.

Transform In 2022 we were happily able to run various courses in our buildings, including an Alpha course with St Barnabas Church, Epsom. Our CAP centre now operates from St Barnabas in Epsom, which is close to the locality in which many of its clients live.

serve Leading St Paul's is a team effort. We want to thank those who have partnered with us this year, in particular those whose work enables us to "stream" worship "live" on line (via Zoom and YouTube) enabling those who are unable to join us in Church to continue to share in worship with us. They have done this through developing and supporting the technology, as well as playing and recording worship songs. We also want to thank the Staff, PCC, Management Team and Wardens who have helped us to discern the path for St Paul's in the period before Nico joined us as Vicar in September.

As we continued to rebuild our activities after the challenges of the pandemic, the members of staff on our children, families and youth teams maintained contact with and supported our young people and their families and our premises team have dealt flexibly with the arrangements for our building as we have gradually increased the numbers who attend worship and other events. The PCC thanks all of the staff team for their hard work in this period.

During 2022 we continued to develop work towards a partnership with St Barnabas Church, Epsom. Both parishes have now approved the starting of the consultation process as we work towards becoming a united parish in 2023. We have worked with the Guildford Diocese and the PCC and church wardens at St Barnabas to develop the practical arrangements and this will continue in 2023. Paul Dever has continued to lead this work, supported by our curate, Harry Lamaison, who is based at St Barnabas. The PCC wishes to thank Paul for leading this work, Harry for developing activities which link with the community who live in the parish of St Barnabas, as well as the staff, PCC and church members who have been part of the team supporting Paul and Harry.

The financial position continues to be challenging, in that the PCC approved a deficit budget for 2022 and has done so again for 2023, with the shortfall being met from the General Reserves at 31 December 2022 (see below). This position is not sustainable in the longer term, and our Finance Team are continuing to work to encourage new givers, and to identify options for reducing expenditure should that be unsuccessful. In 2022 we continued to maintain our buildings appropriately, including work in the church building, 19 Northey Avenue and 15 Nonsuch Walk.

Looking ahead, as well as continuing to work towards becoming a united parish with St Barnabas, we face several challenges including:

- continuing to support activities which we have been delivering,
- identifying those which we may need to stop, or to continue in a different form,
- continuing to respond to the financial challenges facing us as a church.

The Parish of St Paul's Howell Hill

Trustees' Report for the year ended 31 December 2022

Objectives and activities (continued)

In doing this we will continue to try to

- Live out our faith confidently as an expression of our worship for Jesus Christ, our Lord and Saviour
- Understand our calling to engage in mission both individually and as a Church.

A more detailed explanation of our work and the various activities which underpin that can be found on the Church's website, which is available at the following link:

<https://www.saintpauls.co.uk>

Use of volunteers

The PCC is very reliant on volunteers to carry out all its activities. However, it is not possible to place any monetary value on the contribution made by volunteers.

Financial Review

Unrestricted Funds (General and Repairs and Maintenance)

General Fund

The General Fund produced an overall deficit for the year of £19,692 (2021 £4,613). This was significantly better than the approved budget – a deficit of £47,163 – the improvement was largely due to a legacy of £19,009 received in December 2022. Apart from that, giving was £17,164 below budget, which was offset by cost savings totaling £24,026.

General (unrestricted) giving in the year 2022 (including tax recoveries, but excluding the legacy mentioned above) amounted to £601,366. General giving (including tax recoveries) was £21,634 (3.5%) below the budget for the year. This level of general giving compares with £623,214 (including tax recoveries) given in 2021 but is considered a good result as despite challenging economic times, there was an increase in giving from some existing givers and new givers came forward – these helped to offset the loss of a number of long standing givers in recent years. The PCC would like to thank the members of the congregation for their generosity in difficult times.

General Fund expenditure overall was £654,087 in 2022, (£671,144 in 2021). This was £24,026 (3.5%) less than budgeted – these were the result of various cost savings. The biggest costs are staffing, £249,784, (£249,374 in 2021), the Parish Share payable net of a contribution made by St Barnabas to the Guildford Diocese, £167,733, (£173,859 in 2021), and costs associated with the maintenance and operation of our Church and other buildings, including depreciation, of £66,791 (£80,191 in 2021).

The balance on the General Fund at the end of 2022 amounted to £164,433 (£184,125 for 2021) of which £7,889 is represented by fixed assets (2021 - £5,422). This means that in terms of free reserves, the General Fund amounts to £156,544 at 31 December 2022. As indicated above, PCC has budgeted for a deficit of £47,742 in 2023 – although this will increase by £10,000 to £57,742 as the approved budget had allowed for an estimated legacy income of £10,000 in respect of the legacy actually received in December 2022 – see above.

Repairs and Maintenance Fund

In 2018 the PCC determined that it would be prudent to build up this fund to meet larger non routine maintenance requirements. On 17 January 2022, PCC approved a transfer of £5,000 from General Fund into the Fund at the end of 2021, and £26,038 was spent from the Fund in 2021. No transfers were made to the Fund or costs met from it in 2022. The balance of this fund at 31st December 2022 was £39,743 (£39,743 in 2021).

The Parish of St Paul's Howell Hill

Trustees' Report for the year ended 31 December 2022

Grants and Donations

There were specific gifts of £9,191 (including Gift Aid) received for grants and donations outside of the parish in 2022 (£1,500 in 2021).

In 2021, a gift of £25,000 (£31,250 after reclaiming Gift Aid) was received – the donor placed no restrictions upon the use of this Gift, but expressed the wish that it should “be used to help to support the development of our partnership with St Barnabas and the shared mission which that partnership will enable us to deliver”. In 2022, £10,951 was spent from this Gift, on admin and caretaking staff support, equipment for worship, office equipment and estate management.

Grants of £82,031 were made to partner and other agencies in 2022 (£103,726 in 2021).

Reserves policy

The PCC updated its Reserves Policy at its meeting on 21 March 2022. Day to day running costs of the parish are generally met from current income (donations), and therefore the PCC does not hold significant free reserves. The PCC policy is to hold free reserves of at least £60,000 in the General Fund, which at that time represents approximately 3 months of budgeted salary costs. As noted above, current free reserves are £156,544 (£178,703 at 31 December 2021).

The Policy is also to maintain the Repairs and Maintenance Fund, as described above. The PCC has since decided to use that reserve to even out the impact of significant maintenance costs by making annual contributions to the Fund when possible and meeting significant maintenance costs from the Fund as these arise. Whilst the balance on this Fund will fluctuate according to when large items of maintenance costs occur, the PCC amended its Reserves Policy at its meeting on 21 March 2022 to state that it is intended that the Fund's balance will be maintained at a minimum level of £10,000 and that the expectation is that the Fund's balance will normally be in the region of £30,000. The PCC will review these limits from time to time in the light of the predicted maintenance requirements for the next three to five years. The value of the Fund at 31 December 2022 is £39,743. The PCC intends to review and update its Reserves Policy in March 2023.

Other Commitments

As indicated above, we are continuing to develop our partnership with St Barnabas Church, Epsom. As part of this process, the Diocese has agreed to the appointment of a curate, Harry Lamaison, who is largely based at St Barnabas, but under the direction of Paul Dever, our Senior Associate Vicar. St Barnabas are currently meeting the costs of Harry's housing and expenses. St Paul's has agreed to underwrite these costs should St Barnabas be unable to meet them in full. In 2021 and 2022 St Barnabas met these costs in full. For 2023, the Diocese has set a combined parish share for St Paul's and St Barnabas of £173,929, to which St Barnabas will contribute £10,000, in addition to meeting the costs associated with the curate and his housing accommodation.

Grant making policy

The External Mission Team oversees our relationships with our key partners in mission. Grants are proposed by this Team, with the proposals reviewed by Management Team and approved annually by the PCC. In addition, there is a small budget to make grants to individuals who are undertaking a specific trip, internship, or gap year – the grants are made following an application and considered initially by the Management Team.

Policy for key management personnel remuneration

Key management personnel are deemed to be the Vicar, Senior Associate Vicar and the Church Manager. The Vicar and Senior Associate Vicar are clergy licensed by the Bishop of Guildford and are paid in accordance with the stipends rates in place for Church of England clergy. Both are paid directly by the Church Commissioners, administered by the Diocese of Guildford. The Vicar's stipend is covered by the parish share paid to the Diocese of Guildford, and the PCC directly reimburses the Diocese in respect of the stipend payments for the Senior Associate Vicar. The Church Manager's remuneration has been set to be at a similar level to that of the Senior Associate Vicar, but reflecting that unlike the Senior Associate Vicar, there is no house provided. The Church Manager is paid by the Church directly.

The Parish of St Paul's Howell Hill

Trustees' Report for the year ended 31 December 2022

Plans for future periods

The PCC, Management Team, Finance Team and Staff Team regularly review the activities and programmes in place to seek to ensure the stated aims and objectives are met.

Responsibilities of the PCC

The PCC is 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) including FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The law applicable to charities in England & Wales requires the PCC to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the church and of the incoming resources and application of resources of the church for that period. In preparing these financial statements, the PCC is 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 church will continue in business.

The PCC is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the church and enable them to ensure that the financial statements comply with the Charities Act 2011, the Church Accounting Regulations 2006 and the Accounting by Charities Statement of Recommended Practice. The PCC is also responsible for safeguarding the assets of the church and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the PCC



Jeremy Randall

Treasurer

Date: 20 March 2023

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE PCC OF ST PAUL'S HOWELL HILL

I report to the Trustees on my examination of the accounts of The PCC of St Paul's Howell Hill (the charity), charity number 1128212, for the year ended 31 December 2022, which are set out on pages 9 to 11.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the Charities Act 2011 ("the Act").

The charity's trustees consider that an audit is not required for this year under section 144 of the 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 applicable Directions given by the Charity Commission (under section 145(5)(b) of the 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

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of the Institute of Chartered Accountants in England and Wales which is one of the listed bodies

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Tim Slater, ACA
Institute of Chartered Accountants in England and Wales
Harmer Slater Limited
Salatin House
19 Cedar Road
Sutton
Surrey
SM2 5DA

Date: 20 November 2022

The Parish of St Paul's Howell Hill

STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31 December 2022

		Unrestricted Funds £	Restricted Funds £	TOTAL FUNDS	
	Note			2022 £	2021 £
Income and endowments					
<i>Donations and legacies</i>	2(a)	620,747	9,326	630,073	634,657
<i>Other trading activities</i>	2(b)	13,483	-	13,483	19,297
<i>Investments</i>	2(c)	964	41	1,005	1,632
		635,194	9,367	644,560	655,586
<i>Charitable activities</i>	2(d)	54,066	74,496	128,562	140,357
Total operating income		689,260	83,862	773,122	795,943
Expenditure					
<i>Charitable activities</i>	3	728,198	116,461	844,659	859,267
Total operating expenditure		728,198	116,461	844,659	859,267
Net operating expenditure		(38,937)	(32,599)	(71,537)	(63,324)
Net movement in funds		(38,937)	(32,599)	(71,537)	(63,324)
Funds brought forward at 1 January		311,767	735,783	1,047,550	1,110,874
Funds carried forward at 31 December		272,830	703,184	976,014	1,047,550

The Parish of St Paul's Howell Hill

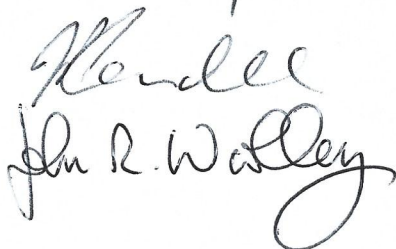
BALANCE SHEET AT 31 DECEMBER 2022

	Note	2022 £	2021 £
FIXED ASSETS			
<i>Tangible fixed assets</i>	5	704,991	749,814
CURRENT ASSETS			
<i>Debtors</i>	6	19,956	14,038
<i>Short term deposits</i>	7	196,733	226,777
<i>Cash at bank and in hand</i>	7	87,004	82,841
LIABILITIES: amounts falling due within one year	8	32,670	25,920
NET CURRENT ASSETS		271,023	297,736
TOTAL ASSETS LESS CURRENT LIABILITIES		976,014	1,047,550
NET ASSETS		976,014	1,047,550
FUNDS	9,10		
<i>Unrestricted</i>		272,830	311,767
<i>Restricted</i>		703,184	735,783
		976,014	1,047,550

Approved by the Parochial Church Council on 20/03/23 and signed on its behalf by:

Jeremy Randall - Treasurer

John Woolley - Chair of Finance



The notes on pages 12 to 20 form part of these accounts

The Parish of St Paul's Howell Hill

STATEMENT OF CASH FLOWS
For the year ended 31 December 2022

	2022 £	2021 £
Cashflows from operating activities		
<i>Net cash provided by operating activities</i>	(22,458)	(11,644)
Cashflows from investing activities		
<i>Interest receivable</i>	1,005	1,632
<i>Investment in property, plant and equipment</i>	(4,427)	-
<i>Net cash used in investing activities</i>	(3,422)	1,632
 <i>Change in cash and cash equivalents in the reporting period</i>	 (25,881)	 (10,012)
 Cash and cash equivalents at the beginning of the reporting period	 309,618	 319,630
 Cash and cash equivalents at the end of the reporting period	 283,737	 309,618
 Classified on the Balance Sheet as:		
<i>Short term deposits</i>	196,733	226,777
<i>Cash at bank and in hand</i>	87,004	82,841
	283,737	309,618
 Reconciliation of net (expenditure)/ income to net cash flow from operating activities		
<i>Net (expenditure)/ income for the reporting period (as per the statement of financial activities)</i>	(71,537)	(63,324)
Adjustments for:		
<i>Depreciation</i>	49,250	58,768
<i>Interest receivable</i>	(1,005)	(1,632)
<i>(Increase)/ decrease in debtors</i>	(5,917)	(1,452)
<i>(Decrease)/ increase in creditors</i>	6,750	(4,004)
 <i>Net cash provided by operating activities</i>	 (22,458)	 (11,644)

Notes to the Financial Statements (continued)
For the year ended 31 December 2022

1 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The 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 Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued 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.

The financial statements are prepared in pounds sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared on a going concern basis. The trustees do not consider there to be any material uncertainties about the Charity's ability to continue as a Going Concern.

The charity meets the definition of a public benefit entity under FRS 102.

Funds

Unrestricted funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for application on the general purposes of the PCC. These include funds designated for a particular purpose by the PCC.

The purpose of any restricted fund is noted in the accounts.

The financial statements include all transactions, assets and liabilities for which the PCC can be held responsible in law. They do not include the accounts of church groups that owe an affiliation to another body nor those that are informal gatherings of church members.

Incoming resources

Voluntary income and capital sources

- Collections are recognised when received by or on behalf of the PCC, except where specifically designated to a particular period by the donor.
- Amounts receivable under Gift Aid are recognised only when received.
- Income tax recoverable on Gift Aid donations is recognised when the donation is recognised.
- 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.

Other income

Rental income from the letting of church premises is accounted for when the rental is due.

Income from investments

Interest entitlements are accounted for as they accrue.

Government grants

Government grants are recognised when the PCC is notified of entitlement, and all conditions have been satisfied.

Notes to the Financial Statements (continued)
For the year ended 31 December 2022

1 ACCOUNTING POLICIES (continued)

Resources used

Expenditure is recognised when incurred. Expenditure which cannot be attributed directly to a charitable activity (support costs, which are mainly office staff and related costs) are apportioned on a time spent basis.

Grants

Grants are accounted for when paid.

Activities directly relating to the work of the Church

The Diocesan parish share is accounted for when payable.

Lease rentals

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Pension costs

Contributions to pension schemes on behalf of staff members are accounted for when paid.

Fixed Assets

Consecrated land and buildings and moveable church furnishings

Consecrated and beneficial property is excluded from the accounts in accordance with s.10(2) of the Charities Act 2011.

No value is placed on moveable church furnishings held by the churchwardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be an inalienable property. All expenditure incurred during the year on consecrated or beneficed buildings and moveable church furnishings, whether maintenance or improvement, is written off.

Other land and buildings

Other land and buildings held on behalf of the PCC for its own purpose is valued at cost. Depreciation is provided to write off the cost of buildings on a straight line basis over 50 years.

Other fixtures, fittings and office equipment

Equipment used within the church premises is depreciated on a straight line basis over 4 years. Fixtures and furniture are depreciated over 10 years.

Current Assets

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

Cash and cash equivalents include cash at banks and in hand and in short term deposits with a maturity date of three months or less.

Tax Status

As a charity, the PCC is exempt from paying Corporation Tax on its charitable activities.

The charity is not registered for VAT and as such expenditure is shown inclusive of irrecoverable VAT.

Financial Instruments

Debtors and Creditors receivable or payable within one year of the reporting date are carried at their transaction price.

The Parish of St Paul's Howell Hill

Notes to the Financial Statements (continued)
For the year ended 31 December 2022

2 INCOME FROM:		Unrestricted Funds £	Restricted Funds £	TOTAL 2022 £	Unrestricted Funds £	Restricted Funds £	TOTAL 2021 £
2(a)	<i>Donations and legacies</i>						
	General giving and donations	503,250	-	503,250	518,096	-	518,096
	Income tax recoverable on Gift Aid	98,116	1,388	99,504	105,118	-	105,118
	Other giving and donations	373	7,828	8,201	-	10,843	10,843
	Legacies	19,009	-	19,009	-	-	-
	Y & W Fund	-	110	110	-	600	600
		620,747	9,326	630,073	623,214	11,443	634,657
2(b)	<i>Other trading activities</i>						
	Rental income	8,220	-	8,220	3,595	-	3,595
	Other income	5,263	-	5,263	1,752	-	1,752
	Government Grant	-	-	-	36,630	7,192	43,822
		13,483	-	13,483	19,297	-	49,169
2(c)	<i>Investments</i>						
	Bank interest	964	41	1,005	1,632	-	1,632
2(d)	<i>Charitable activities</i>						
	Little Fishes Fees	-	74,496	74,496	-	46,444	46,444
	Courses, events and activities	25,408	-	25,408	14,539	-	14,539
	St Barnabas	28,658	-	28,658	49,502	-	49,502
		54,066	74,496	128,562	86,721	53,636	110,485
TOTAL INCOME		689,260	83,862	773,122	730,864	65,079	795,943

Included within Little Fishes fees is £41,309 (2021: £19,513) of government grant income in relation to nursery fees.

The Parish of St Paul's Howell Hill

Notes to the Financial Statements (continued)
For the year ended 31 December 2022

3 EXPENDITURE ON:

	Unrestricted Funds £	Restricted Funds £	TOTAL 2022 £	Unrestricted Funds £	Restricted Funds £	TOTAL 2021 £
<i>Charitable Activities</i>						
Grants made in furtherance of the PCC's objectives						
Partners and other agencies	81,430	601	82,031	100,986	-	100,986
	81,430	601	82,031	100,986	-	100,986
Ministry costs						
Staff costs	190,221	-	190,221	173,814	5,533	179,347
Children and Youth work	3,466	-	3,466	3,643	-	3,643
Parish share	177,833	-	177,833	178,859	-	178,859
Other ministry costs	21,429	3,218	24,647	4,660	4,618	9,278
Events and activities	24,339	451	24,789	15,815	1,100	16,915
	417,288	3,668	420,956	357,162	11,606	368,768
Church running costs						
Heat, Light, Rates and Insurance	29,775	-	29,775	22,386	-	22,386
Cleaning and servicing	14,859	-	14,859	12,686	-	12,686
Maintenance, equipment and IT costs	38,330	-	38,330	88,133	-	88,133
Insurance	204	-	204	346	-	346
Hub running costs	3,991	-	3,991	607	-	607
Depreciation	14,460	34,790	49,250	23,978	34,790	58,768
	101,620	34,790	136,410	167,765	34,790	182,926
Support costs						
Staff costs	87,708	8,370	96,078	95,188	-	95,188
Rent	17,290	-	17,290	9,800	-	9,800
Telephone	3,520	-	3,520	3,381	-	3,381
Printing & Stationery	6,189	-	6,189	6,963	-	6,963
Professional costs	7,428	-	7,428	5,579	2,389	7,968
Independent Examiner's fee	3,424	-	3,424	3,350	-	3,350
Bank charges	2,301	-	2,301	782	1,320	2,102
	127,860	8,370	136,230	125,043	5,125	128,752
Little Fishes costs						
Staff costs	-	64,001	64,001	-	55,609	55,609
Other costs	-	2,753	2,753	-	1,181	1,181
Bank charges	-	81	81	-	96	96
Telephone	-	41	41	-	-	-
Insurance	-	471	471	-	355.0	355
Professional costs	-	1,202	1,202	-	1,320.0	1,320
Maintenance, equipment and IT costs	-	484	484	-	-	-
	-	69,032	69,032	-	58,561	56,790
TOTAL EXPENDITURE	728,198	116,461	844,659	750,956	110,082	838,222

50% of support costs (£68,777 (2021: £65,084)) relate to Ministry costs and 50% (£68,777 (2021: £65,084)) relate to Church running costs.

Included within support costs are governance costs of £3,424 (2021: £3,350).

The Guildford Diocesan Board of Finance Limited (GDBF)

The GDBF acts as custodian trustee in respect of the two properties beneficially owned by the PCC (see note 9 for details).

The PCC paid parish share to the GDBF amounting to 177,833 (2021: £178,859). The parish share includes an amount in respect of the stipend of the vicar.

Notes to the Financial Statements (continued)
For the year ended 31 December 2022

4 STAFF COSTS

	2022	2021
	£	£
Salaries	270,702	237,427
Social security costs	17,415	16,244
Pension costs	9,051	8,682
	<u>297,168</u>	<u>262,353</u>

The above staff costs do not include the stipend of the vicar. His stipend is paid by the Church Commissioners, and the church pays for this stipend through the parish share system. The Vicar is included in the staff numbers analysis below.

During the year the PCC employed an average of 6 (2021: 8) staff members carrying out ministry roles and 5 (2021: 5) staff members carrying out administration roles 9 (2021: 12) members of staff were employed to run the Little Fishes pre-school.

During the year no employees received emoluments of more than £60,000 (2021: none).

Key management personnel of St Paul's comprises of the Vicar, the Senior Associate Vicar and the Church Manager.
 Total amounts paid to key management totalled £144,568 (2021: £140,594)

Three PCC members, Rev Paul Dever (Senior Associate Vicar), Rev Sally Thomas (Associate Vicar) and Christopher White (Church Manager) are members of staff whose remuneration is paid by St Paul's. Rev Paul Dever's salary is paid by the Diocese of Guildford, and the PCC reimburses the Diocese with the full cost thereof. Jenny Fisher was appointed to the role of Communications Lead in March 2022, and there was a period of overlap between her appointment until she stood down from PCC at the APCM in April 2022. Their total remuneration came to £107,609 in 2022 (£107,106 in 2021).

No remuneration was received by any other trustee during the year and, in their capacity as trustees, no expenses were reimbursed to them (2021: nil).

The PCC is very reliant on volunteers to carry out all its activities. However, it is not possible to place any monetary value on the contribution of volunteers.

5 FIXED ASSETS FOR USE BY THE PCC

		Property	Fixtures	Equipment	Total
		£	£	£	£
GROSS BOOK VALUE	At 1 January 2022	782,575	399,378	100,306	1,282,259
	Additions	-	-	4,427	4,427
	Disposals	-	-	-	-
	At 31 December 2022	<u>782,575</u>	<u>399,378</u>	<u>104,733</u>	<u>1,286,686</u>
DEPRECIATION	At 1 January 2022	133,076	299,063	100,306	532,445
	Charge for the year	15,651	33,094	505	49,251
	Depreciation eliminated on disposal	-	-	-	-
	At 31 December 2022	<u>148,727</u>	<u>332,156</u>	<u>100,811</u>	<u>581,695</u>
NET BOOK VALUE	At 31 December 2022	<u>633,848</u>	<u>67,222</u>	<u>3,922</u>	<u>704,991</u>
	At 31 December 2021	<u>649,499</u>	<u>100,315</u>	<u>-</u>	<u>749,814</u>

Property comprises 18 Nonsuch Walk and 19 Northey Avenue. 19 Northey Avenue was donated to the PCC by the St Paul's Howell Hill Charitable Trust during 2016. It has been included in the financial statements at market value at the date of transfer.

6 DEBTORS

	2022	2021
	£	£
Income tax recoverable	8,797	8,747
Prepayments and other debtors	11,159	5,291
	<u>19,956</u>	<u>14,038</u>

7 ANALYSIS OF CASH AND SHORT TERM DEPOSITS

	Cash		On Short Term Deposit	
	2022	2021	2022	2021
	£	£	£	£
General Fund account	76,198	81,566	192,814	218,808
Petty cash	100	100	-	-
Little Fishes	10,705	1,175	3,919	7,969
	<u>87,004</u>	<u>82,841</u>	<u>196,733</u>	<u>226,777</u>

8 LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Other creditors and accruals	32,670	25,920
	<u>32,670</u>	<u>25,920</u>

The Parish of St Paul's Howell Hill

Notes to the Financial Statements (continued)
For the year ended 31 December 2022

9 FUND DETAILS

UNRESTRICTED FUNDS

	General Fund	St Barnabas Gifts	St Barnabas Gifts for Assets	Repairs and maintenance Fund	Strategic Development Fund	Total
	£	£	£	£	£	£
Balance at 1 January 2021	193,739	-	-	60,781	77,338	331,858
Surplus/(Deficit) for the year	(4,612)	31,279	-	(26,038)	(20,720)	(20,091)
Transfer between funds	(5,000)	-	-	5,000	-	-
Balance at 31 December 2021	184,127	31,279	-	39,743	56,618	311,767
Balance at 1 January 2022	184,127	31,279	-	39,743	56,618	311,767
Surplus/(Deficit) for the year	(19,692)	(6,524)	(221)	-	(12,500)	(38,937)
Transfer between funds	-	(4,205)	4,205	-	-	-
Balance at 31 December 2022	164,435	20,550	3,984	39,743	44,118	272,830

RESTRICTED FUNDS

	Property Fund	Social Fund	Jubilee Fund	Little Fishes	Y & W Fund	Other Funds	Total
	£	£	£	£	£	£	£
Balance at 1 January 2021	665,150	1,205	57,412	13,877	38,994	2,377	779,015
Surplus/(Deficit) for the year	(15,651)	(450)	(19,139)	(4,925)	(4,933)	1,866	(43,232)
Balance at 31 December 2021	649,499	755	38,273	8,952	34,061	4,243	735,783
Balance at 1 January 2022	649,499	755	38,273	8,952	34,061	4,243	735,783
(Deficit)/ surplus for the year	(15,651)	(718)	(19,139)	5,504	(9,735)	7,139	(32,599)
Balance at 31 December 2022	633,848	37	19,134	14,456	24,326	11,382	703,184

Notes to the Financial Statements (continued)
For the year ended 31 December 2022

9 FUND DETAILS (continued)

Designated Funds

General Fund

This fund represents amounts given but as yet unspent, which will be used to provide working capital and to finance future activities of the church.

St Barnabas Gifts

This fund shows designated gifts received in 2021, which the donor wished to be used to develop our partnership with and mission at St Barnabas. The donor did not place any restrictions upon how this money should be spent. Further expenditure and commitments have been made in 2023.

Repairs and Maintenance Fund

This fund represents amounts set aside for future repairs and maintenance.

Strategic Development Fund

This fund was created from a legacy and was used to meet the cost of fixed assets in the church premises. The transactions in 2022 represent the depreciation charged against those assets.

Restricted Funds

Support for Partners and other agencies

This fund reflects giving by members of the congregation to support partners and other agencies.

Property Fund

The property fund reflects the amounts given and spent upon the acquisition of the two staff houses, 19 Northey Avenue and 15 Nonsuch Walk, which were purchased from specific donations made by church members.

Social Fund

This represents amounts given to support the poor and needy.

St Paul's Jubilee Fund

This represents money given to upgrade the fabric and equipment of the church.

Little Fishes Fund

This represents the cumulative funds relating to the running of the Little Fishes Pre-School.

Y & W Fund

This fund represents money given in 2018 to expand the Church's Youth and Worship activities. Expenditure in 2022 represents the cost of the additional costs in relation to the additional staffing in this area of activity.

Other Funds

This represents restricted donations received in support of other activities and projects.

Notes to the Financial Statements (continued)
For the year ended 31 December 2022

10 ANALYSIS OF NET ASSETS BY FUND

	Unrestricted	Restricted	Total 2022	Unrestricted	Restricted	Total 2021
	£	£	£	£	£	£
Tangible fixed assets	52,009	652,982	704,991	62,042	687,772	749,814
Debtors	19,956	-	19,956	14,038	-	14,038
Short term deposits	146,531	50,202	196,733	178,766	48,011	226,777
Cash at bank and in hand	87,004	-	87,004	82,841	-	82,841
Creditors: amounts due in less than one year	(32,670)	-	(32,670)	(25,920)	-	(25,920)
Fund balance	272,830	703,184	976,014	311,767	735,783	1,047,550

11 COMMITMENTS

The PCC was committed to total payments under operating leases as follows:

	2022 Property	2022 Equipment	2021 Property	2021 Equipment
	£	£	£	£
Expiring in less than 1 year	-	2,388	-	1,813
Expiring in 2-3 years	-	-	-	2,720
	-	2,388	-	4,533

During the year £2,388 (2021:£2,388) was incurred in relation to these leases.

12 GRANTS AND DONATIONS

		Grants and donations Unrestricted	Grants and donations Restricted	2022	2021
		£	£	£	£
Partners					
David & Georgina Gray (Wycliffe Bible Translators)	global	13,820	-	13,820	13,820
Keith & Rosie Ketchum (Mission Aviation Fellowship)	global	18,300	-	18,300	18,300
Pat Blanchard (CMS)	global	4,200	-	4,200	12,600
Organisations					
Open Doors	global	-	-	-	6,100
Hope4Malawi	global	5,600	-	5,600	5,840
Christians in Sport	national	3,750	-	3,750	3,750
Prison Fellowship	national	5,000	-	5,000	5,000
Stand by Me	national	-	-	-	-
Kairos Partnership	global	360	-	360	480
Operation Mobilisation	national	3,600	-	3,600	-
Tear Fund	global	1,800	-	1,800	-
St Barnabas Trust	global	2,400	-	2,400	-
Local mission					
Sutton Community Works	local	6,500	-	6,500	6,500
Sutton Schools' Christian Workers Trust	local	3,500	-	3,500	3,500
Grant from designated gift to St Barnabas to reimburse costs	local	-	-	-	2,971
CAP centre	local	6,600	-	6,600	21,416
Persecuted Church - CSW	local	5,000	-	5,000	-
Hub Hosts	local	-	-	-	11,819
Training and materials for Missional Communities	local	-	-	-	519
Other mission payments from Covid savings	local	-	-	-	7,000
Spinnaker Epsom Schools	local	1,000	-	1,000	-
The Bishop of Guildford's Communities Fund (BGCF)	local	-	601	601	-
Short Term Missions					
Stepping Out	national	-	-	-	1,000
TOTAL		81,430	601	82,031	120,615

All grants and donations in 2022 were paid from unrestricted funds. All grants and donations are paid to the relevant institution. No grants are paid to individuals.

13 RELATED PARTY TRANSACTIONS

The following trustees or key management personnel (KPM) were directors or members of related entities or were connected to people or organisations in receipt of payments from St Paul's:

Trustee or KMP	Related Party Transactions
Mark Goodman	Mark is a trustee of hope4malawi to which St Paul's made a grant of £5,600
Elizabeth Stockwell	James Stockwell (husband) is employed by Elmbrook Computing, the IT supplier of St Paul's
Jeremy Randall	James Stockwell (son in law) is employed by Elmbrook Computing, the IT supplier of St Paul's
Samuel Neil	Amanda Neil (wife) is an employee of St Paul's
Jenny Fisher	Jenny Fisher was a trustee until April 2022 and an employee of St Paul's since March 2022
Ben McKie	Seb McKie (brother) was an employee of St Paul's until August 2022
Neil Thomas	Sally Thomas (wife) is an employee of St Paul's as clergy, as the Associate Vicar
Jonathan Eames	Alicia Eames (daughter) is an employee of St Paul's
Chris White	Chris White is an employee of St Paul's, the Church Manager, and is a member of the PCC at the request of the PCC
Sally Thomas	Sally Thomas is an employee of St Paul's, the Associate Vicar, and is a member of the PCC as clergy
Julie O'Brien	Regional manager of CAP, - St Paul's funds the cost of the local CAP Centre in Epsom, at a cost of £6,600 in donations to CAP and £830.59 in running costs and gifts to CAP clients
Ian Ayres	Ian is a trustee of Sutton Community Works, to which St Paul's paid a grant of £6,500