

## ST PAUL'S CHURCH, ST ALBANS

Blandford Road, St Albans, Herts, AL1 4JP

Registered charity number 1131697

# ANNUAL REPORT

and summary accounts of the Parochial Church Council

## 2018

**LISTEN TO GOD, ENJOY HIM AND DO WHAT HE SAYS**

**Vicar:** Canon Tony Hurle, St Paul's Vicarage, 7 Brampton Road, St Albans, Herts, AL1 4PN

**Bankers:** Barclays plc. PO Box 104, St Albans AL1 3AN  
Central Board of Finance of the Church of England, 80 Cheapside, London, EC2V 6DZ

**Auditors:** Myers Clark, Egale 1, 80 St Albans Road, Watford, WD17 1DL

## **Our Vision**

To be a people pursuing God and expecting the extraordinary, as He works through us to transform people and places.

## **Our Values**

### **Word**

- We love God's incarnated Word: Jesus.
- We uphold God's unchanging written word: the Bible.
- We listen for God's word to us today: prophecy.

### **Presence**

- We believe that God is near, living with us and in us.
- We welcome God's presence with us and seek to experience heaven on earth.
- We look to be 'presence led' – responding to where God is leading.

### **Connecting**

- We welcome all and help newcomers feel at home.
- We seek to help people become Christians and enjoy an intimate relationship with God.
- We build community as we share our lives together.

### **Transforming**

- We believe in God's power to transform individuals and society.
- We expect the miraculous and look to God for healing inside and outside the church.
- We celebrate continuing spiritual growth in everyone.

### **Blessing**

- We are blessed to be a blessing.
- We spread the love and forgiveness of God wherever we go.
- We generously share our material and spiritual gifts.

## **Our Mission**

We worship, honour and have an active relationship with God.

We hear Him through the Bible, prayer and prophecy.

We encourage people to become Christians.

We expect God to use us in evangelism, healing and setting people free in His name.

We are a community that welcomes everyone.

We support each other in our journey to become more like Jesus.

We intentionally invest in all, including children and young people.

We work together to empower people to use their individual gifts every day as God directs.

We seek to transform society by prayer, evangelism and action.

We work alongside other churches and organisations to bless St Albans and the wider world.

## **Introduction**

The Parochial Church Council (PCC) is a corporate body established by the Church of England. The PCC operates under the Parochial Church Councils (Powers) Measure 1956 as amended and is registered with the Charity Commission for England and Wales.

The PCC is responsible for the upkeep of the church building and the adjoining church halls, also for the curate's house. The charitable purpose of the PCC is to promote, in the parish of St Paul's, the whole mission of the church: pastoral, evangelistic, social and ecumenical.

St Paul's is the parish church for Fleetville, St Albans, in the Diocese of St Albans, and has a population of about 11,100 within its parish.

In 2011, the Church of England produced a short 'spotlight' review bringing together a range of information about all parishes. The spotlight for this parish showed that about 54% claim to be Christian (2011); there is a high percentage of families with the largest demographic being aged 30-44yrs. The majority are white British with a significant minority of Asian/Asian British, with 93% having English as their main language. Most homes are owner occupied, with the largest group of people being in managerial/administrative/professional employment. 57% of people have level 4 qualifications and above. 90% of people have good health and are not limited by disability in day-to-day activities.

## **Electoral Roll and Church Attendance**

Our electoral roll, published on 1<sup>st</sup> March 2018, named 331 people as members of St Paul's Church.

The average weekly attendance during 2018 was 256 adults (16 years and over) and 86 children (under 16 years). These figures have been taken from our official Diocesan church statistics, which requests the number of individuals that attended, rather than the total number attending services, thereby taking into account those individuals that attend more than one service.

Our new electoral roll, published on 14<sup>th</sup> March 2019, names 274 people as members of St Paul's Church, just under 40% of whom are resident in the parish.

## **Vicar's Report and Review of 2018**

Once again we have a lot to thank God for, and it has been due to the huge number of people who have given of their love, time and energies in many, many ways. Thank you to all who have given so much. A special thank you to Nick Salisbury, who has completed 6 years as a Churchwarden and still is much valued for his wisdom in various areas.

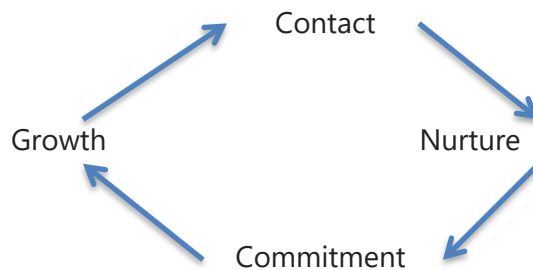
It has been a year that has seen significant staff changes. Thank you to Helen Chilton, who retired as Church Administrator during the year having done many years service to St Paul's, and to Jennifer Fellows (our Children & Families Minister), who moved to become Assistant Pastor at a church in Cheltenham. We also see Sabine Stoney (previously Sellmann) moving on from her role as Connections Pastor and wish her well as she considers where God is calling her. During the year we welcomed Sheila Bugingo as Church Manager, Andre Radmall as Associate Vicar, Ben Shave as Worship Minister (also looking after 20/30's), and Tori Redding as Children & Families Minister.

Andy Pike, our Pastoral Care Co-ordinator, began training for ordination, and three other members of the church are also thinking about taking this path. We celebrate too that a previous church member, Charles King, who

went for ordination, has this year become a curate at St Michael's; also that we welcome back to St Paul's Peter and Lyn Crumpler, who return following Peter's retirement as Curate at St Leonard's, Sandridge. Peter was previously a reader at St Paul's and trained for ordination here.

For all that we celebrate seeing church members being called into ministry, there are areas in which we do less well. The Diocese has focused on evangelism in its 'Reaching New People' initiative as it is recognised that many churches have struggled. We are living in times of big cultural changes. Previously, we have tended to focus on people who were 'attracted' to church for various reasons, this model of church is now not working. Last year we took far fewer funerals at St Paul's, which is a common trend. In former years more people would have come to church at such a time and we would have taken a rather larger number in total, as well as a good number at a crematorium. However, the spiritual needs people have are as great as ever. Two highlights this past year where we have reached significant numbers of new people have been our 'Beer and Carols Service' at Christmas, and 'Saturdads', which is a monthly Saturday morning session for Dads with children under 5. 'Tots' continues to attract large numbers – probably including carers and grandparents also. Our Children & Families Minister, Tori Redding, has done excellent work in building up the Christian element of this group, so that the children experience a similar input to that offered in our children's groups on a Sunday morning. We are seeing some signs of movement of people from Tots into church via the monthly 'Nourish Café' that is run for families, with both a meal and Christian input.

A useful aid to thinking of the process is:



2018 was the first year that we were unable to run an Alpha course due to lack of clients. What is clear is that more contacts need to be made outside church and those contacts nurtured (i.e. relationships grown) before people will commit to Alpha, small groups or church. The commitment stage is important and often happens best in a course or time away, so Christian camps, such as New Wine, often reap what has been sown. The Alpha Day, where more time is spent together, is often a key day in that course.

What is also clear is that what we offer has to be relational and, in a way, that is absolutely central to Christianity. We are invited to enjoy God's presence, 'hang out with God', hear Him speak, engage with the prophetic (the inner voice of the Holy Spirit), and do what He says - all very relational. It may well be that our society is moving to one where shame and honour are a major focus. It may drive the behaviour's whereby inclusion is now key, where empathy is more necessary, and talk of sin is felt automatically as judgemental. From this I think we are still working out what the Gospel looks like for today's people. All the above means there is no quick off the shelf solution, but enabling us to enjoy Gods presence is ever more important.

Thanks for Andre and all he is doing with small Groups with Carly now helping in that area, and for all who

welcome be it as welcomers or those who notice and talk with people. It is also vital we are growing in the freedom Christ won for us and our pastoral care work work is strategic in this. We have two staff members, Andy Pike and Andre Radmall, who have many skills in this area and who are also working closely with Andrew Goodman, the Diocesan Adviser for Healing. We are able to offer prayer ministry, counselling and pastoral listening, and we are beginning to use the Diocesan course of 'Unbound'. With other resources like Freedom in Christ, more recently, Sozo, as well as all that Jo Moody (who heads up an international healing ministry) and her team bring in training, we have the tools and foundations for great effectiveness in this area, and the capacity to help a wider range of people, as our team includes expertise on mental health aspects also. We believe this is hugely important and strategic for our church and wider and this will develop much more in the coming years.

As part of this, we also are looking to develop our organ loft area to facilitate some of the growth of and through this area, as well as other areas of church life. We are also considering our concourse area. Our updated building was completed 8 years ago, and during this time has been blessed with being heavily used - 800-1000 people come through our doors most weeks. We 'dressed' the concourse as best we could at the time, bearing in mind we were still meeting the costs of the building project itself, however this very public area of the building did not receive much attention. Our concourse, although a large gathering space on Sundays, remains empty looking and cavernous for most of the week, with few focal areas that point to what we offer as a church – on occasion we are asked whether it is part of the church. Our current furniture is now looking badly worn and patched, the signage is poor and the leaflet organization is not ideal for disseminating information. PCC has agreed that we should look at updating this space and a working group is looking into this.

The need is that every Christian is equipped to shine for God. God's plan is we develop from one degree of glory to another. We carry Christ as we are in our homes, communities and work and, as such, are equipped to change atmospheres and enable people to see Christ and come to him. Jesus was both glorified in shining white terms at the transfiguration and also glorified at the Cross. So for us some shining may look shiny – people may note a peace, a joy - others may shine as they give their lives in sacrificial service in ways that may feel painful. Both are necessary.

All the while, we are conscious we are privileged in many ways, but also that many are under huge strain – politically, global warming and its implications, sustainability, stewardship of God's creation, and dare I mention Brexit and its uncertainties. In our communities the stresses at work, the rise in the number of children living at home beyond when they want to because of housing, employment issues, and the numbers caring for elderly relatives or young children or grandchildren. In it all God is able to keep us from falling and present us faultless in his presence with exceeding joy. To Him be glory for ever! And for us pray we keep in step with his Spirit and get the maximum download of his kingdom in us and through us for his glory and our eternal gain.

Tony Hurle

## **Adults**

We hold three regular services on a Sunday, each with a different style. Our main service is held at 10.30am and during this service we also run our children's and youth groups, and our other services are held at 8.00am and 6.30pm. The former follows a more traditional style using the Book of Common Prayer, whilst the latter is has a style that is more contemporary. This 6.30pm service is currently undergoing some changes and will hopefully be attractive to a wide range of people, older and younger adults as well as young people too. This includes regular external speakers, more contemporary sung worship and, on occasion, the opportunity for wider

discussions in groups. We also have a variety of other services/meetings throughout the year including a regular morning All Age service held once a month.

Sung worship in our services is a key aspect of what we do at St Paul's, one of our values is to continually seek to enter into and enjoy God's presence. Following the departure of our Worship Minister, Matt White, in July 2017, we were lead in worship for some months by those who had grown and developed their gifts under his guidance. Those concerned gave much of themselves in that time, stepping up when needed and much thanks is extended to them for that. It has been good that our new Worship Minister - Ben Shave, who joined us in April 2018 - has been able to pick up and continue to grow this group of gifted individuals, as well as add some new faces to the team.

We hold 3 Seminar Sundays a year (with a choice of talks), a Bereavement service; a number of extra services over the Christmas period e.g. Crib services, a formal Carol Service (co-ordinated and run for the last time by Nick And Judy Salisbury after more than 20 years), and a more contemporary carol service to reach those newer to church. Also in 2018, we held a new evening event called 'Beer and Carols' that was both well attended and well received. Many of those who came did not normally attend church at Christmas, and good conversations and connections were had.

In 2018 we had 11 baptisms, 1 dedication, 1 wedding and 9 funerals at St Paul's Church, plus a further funeral in the Chapel at a local cemetery.

## **Groups**

We have a large number of regular groups of various sorts within the church, some aimed at church members and some aimed much wider, such as Tots, Tiny Tots, Nourish Café, Lunch Club, Tea Party Plus and our Art Group. Our small groups vary, but are mainly Bible study & prayer groups, with some groups just for women and some just for men, some are run during the daytime and some in the evening. There are also some groups that come together with a specific interest e.g. Rooted – a group for those with an interest in gardening; or groups that provide a supportive space e.g. 'Be Inclusive Group (B.I.G) for parents and carers of children with additional needs.

## **Events**

We have had a number of events throughout the year, some focused on church members e.g., and others more outward-focused e.g. 'Beer and Carols', as well as purely social events such as a quiz night. Some of these events are aimed at mainly Christians e.g. visiting speakers/teaching days/conferences, but some are also for everyone in our local community e.g. Lunch Breaks & Silver Fridays/our annual Community Day/Light Party/SaturDads.

We want to see people grow in getting closer to seeing Jesus' ministry everyday, including healing and freedom from oppression. Jesus' healing miracles are common in scripture and we are seeing more here. As part of this, we have hosted visits from Jo Moody and her Agape team from USA. She has made lasting impacts on many at St Paul's and elsewhere on previous visits here, and continued to do so in 2018 - we are now seeing the fruit of their teaching among those at St Paul's. People from over many different churches attend the training days from across the whole Diocese, as well as many from other denominations. During her visits we also hold a special day for leaders from churches in the local New Wine Network, which is well attended.

We have also continued to encourage members of St Paul's to join with fellow Christians at events elsewhere both locally such as the regular monthly youth event, 'Fuel', and nationally, such as Christian conferences/meetings run by churches/organisations e.g. New Wine – last summer about 80 members of St

Paul's attended their summer events.

Some of our regular events continued such as our Church Breakfast, which is held once a month and offers an opportunity for church members to welcome and get to know newcomers as well as having a space to catch up with established friendships.

## **Courses**

In 2018 we offered various courses. Some of these courses were for non-Christians e.g. 'Alpha', others were aimed at encouraging Christians to learn about and grow in their faith.

The beginning of the year saw a group offering 'Conversations' continue – a regular monthly slot held in the local pub, where members of the church were available to simply talk to those wishing to ask more or chat about life. The 'Hungry for God' course was also repeated, which aims at drawing on the spiritual wisdom of Christians down the ages to learn how fasting can lead us into better physical and spiritual health. We also once again ran a (Christians Against Poverty) CAP Money Course.

A new course offered in 2018 was 'Identity in Christ', combining theology, psychology and creativity to help people understand the good news of who we are in Christ, as well as addressing some of the big questions people have – 'How does being in Christ make a difference?', 'How to get unstuck from fear based habits and discover real freedom'. A second new course was also launched towards the end of the year on different types of contemplative prayer, giving people the chance to try new ways to pray.

## **Children and Youth**

### ***Sunday Groups***

At St Paul's, we believe that children and young people are full members of the body of Christ with us and we are to mutually encourage, disciple and challenge each other as we journey together. We hold a morning All Age service in church once a month, whilst on the other Sunday mornings the children attend their own groups, separated by age/school year: Stepping Stones (babies until walking), Tumblers (confidently walking until 3 years), Scramblers (3 years until Reception), Climbers (Reception, Years 1 & 2), Explorers (Yrs. 3-6) and Pathfinders (Yrs. 7-9). We also have a group for older youth (Yrs. 10-13) that follows our evening service each week called Deep. Pathfinders and Deep are our regular slots to impart spiritual wisdom and truth to the young people. We have over 130 children on the registers of our children's Sunday groups (aged 0-11yrs) and our average Sunday attendance is around 68 each week. The average Sunday attendance of young people in our youth groups (aged 11-18yrs) is about 30 each week, with approximately 45 individuals attending at least once a month. Over 50 volunteers, including some older members of our youth group, regularly commit to preparing, leading or helping in these Sunday Groups during term time, but we are always on the lookout for more leaders. We make effort to retain contact with those moving away from St Paul's to study at university / work elsewhere, to welcome them back when they return and to connect them with our 20s/30s group if they return to live in the area.

### ***Events and Activities***

In 2018 we ran a range of events and activities for children and families. Within the children's ministry our vision is to encourage and equip families to live every day with Jesus and we want to support parents as the primary disciplers of their children. To support and encourage parents in this adventure, we run our monthly Nourish Family Cafe. This is a space which allows families to do faith together with the hope that parents and carers take home ideas of how to discuss and explore faith with their children in daily life. In October we had loads of fun at the Light Party, our alternative Halloween party, followed by an older youth after party event. The whole church was filled with games, inflatables and craft activities. In December we invited 300 school children to explore our Christmas trail, which gave the children an opportunity to find out why there was a baby in the dirty, smelly

stable. Older youth had regular opportunities to attend events to build community, grow faith and know God's love. These included the Friday youth clubs, Crossover and After 8 (which are great entry points for bringing friends), youth weekends away, midweek after school meet ups and another big group attending the Soul Survivor summer conference (50 total).

### ***Schools and Community Work***

Through the year we have had contact with 9 local primary schools and this work continues to grow. We have held school visits to the Church for a number of schools (primary and secondary) as well as colleges. In December we provided a Christmas trail, which was well received by 290 Reception aged children. We also support Step's fantastic work in the area and a number of church members are involved in delivering lessons in local schools on a regular basis.

### ***Other Groups***

Our pre-school community groups, Tots and Tiny Tots, continue to thrive and grow, with Tots welcoming around 68 families each week. Tiny Tots, for families with new babies, welcomes around 10 families on a weekly basis. We have also launched SaturDads in 2019, which is a great new connection point for Dads in our community. We also run a Friday evening youth club called Crossover for school years 6-8, which crosses over the primary and secondary school ages. For the older youth we have the After 8 youth club for school years 9+, where we vary activities and have good contact with lots of young people who would otherwise have no church connection. The aim of these clubs is to provide a welcoming environment to which the youth can invite their friends for a fun-filled evening, yet with a clear Christian identity and short talk aiming to point them to Jesus. We have average attendances of approximately 20-25 young people at both Crossover and After 8 each week.

### ***Finance Summary***

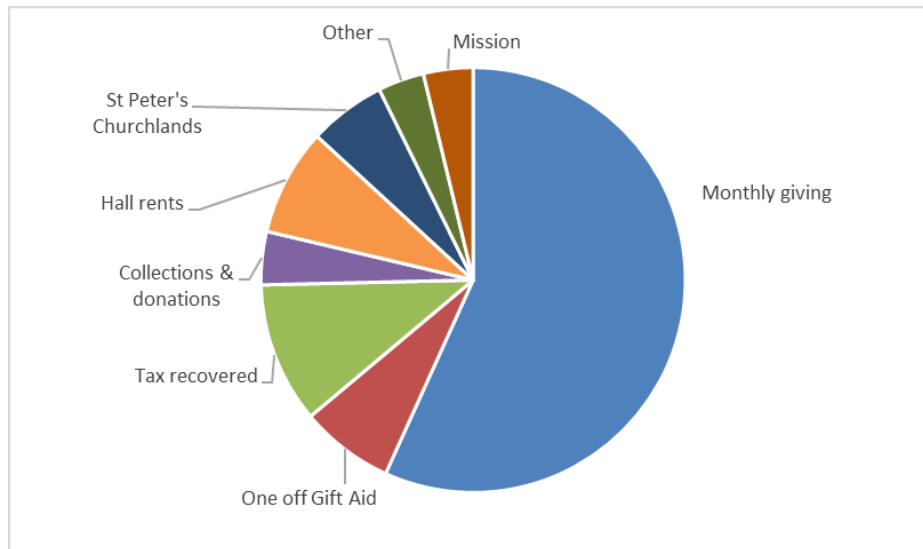
The wide range of activities described in this report continues to be sustained by the generosity of the congregation.

2018 saw some overall growth in income, both in monthly planned giving and one off gifts. We started the year with a budget deficit of £18k, but with the additional income we achieved a budget surplus of almost £15k. £21k was donated to our Development Fund, to be used for future plans for the organ loft and other facilities.

We benefit from a healthy income from hall rents, and are delighted our building is so well used. We continue to receive support from the St Peter's Churchlands Trust (we have a historic connection to St Peter's), which helps us maintain and develop our premises.



## Where the money comes from – 2018

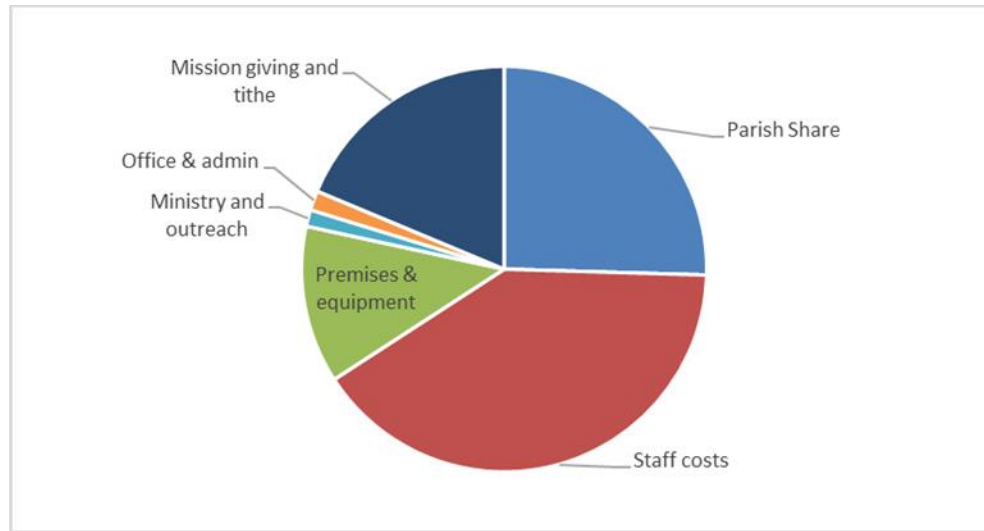


2017 £	Income	2018 £
365,714	Monthly giving	381,894
65,074	One off Gift Aid	48,061
81,670	Tax recovered	72,093
5,275	Collections	3,785
11,773	Other donations	23,481
56,111	Hall rents	54,836
26,900	St Peter's Churchlands	39,500
8,557	Activities	8,625
1,635	Legacies	0
1,577	Interest	1,714
2,761	Rent 46 Brampton	13,281
<b>627,047</b>	<b>Total St Paul's Income</b>	<b>647,270</b>
29,064	Mission donations	25,427
<b>656,111</b>	<b>Total Income</b>	<b>672,697</b>

Our staff team has grown with the appointment of Ben Shave to our Worship Minister vacancy, and of Andre Radmall to a new, part time Associate Vicar post. We have invested in new equipment including a digital organ and iPads for our musicians and children's groups, and have commissioned design work for the development of the organ loft. In total we spent £554k (excluding mission donations – see below), including our 'parish share' contribution to St Albans Diocese. The Diocese pay for all clergy salaries, pensions and training in the area, and parishes contribute according to their clergy numbers and attendance, weighted for income.

In addition to this spend, we continue to give away 15% of our income, plus specific fundraising and collections for missions and charities. In total £129k was given in 2018, as listed at the end of this section.

**Where the money goes – 2018**

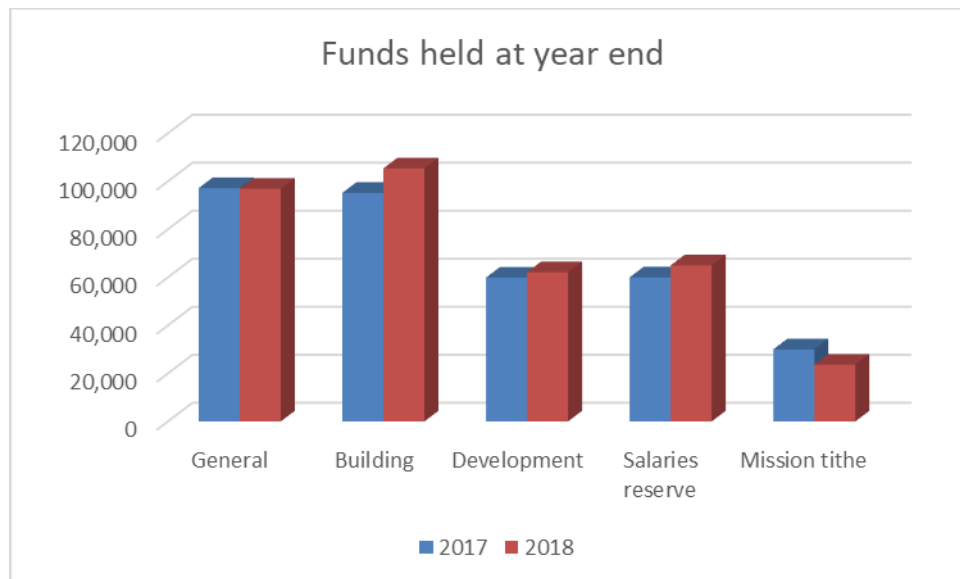


2017 £	Spending	2018 £
163,175	Parish Share to Diocese	164,317
227,459	Staff salaries & expenses	260,545
35,348	Premises	48,958
8,321	Children and Youth work	8,513
8,108	Other ministry and outreach	17,860
11,003	Office & admin	10,049
11,532	Major Equipment & depreciation	32,135
12,649	Cost of events etc	11,274
<b>477,595</b>	<b>Total St Paul's Spending</b>	<b>553,651</b>
118,240	Mission giving and tithe	120,758
<b>595,835</b>	<b>Total Spending</b>	<b>674,409</b>

We plan for future needs and hold reserves for likely building repairs and development of our facilities, a salaries reserve to provide protection against fluctuations in income, as well as our general reserve. PCC have agreed to use the year's surplus to top up the salaries reserve (in line with our policy to hold 3 month's costs) and also to set aside £10k towards roof repairs expected to take place in 2019.

We still face ongoing shortfall for our day to day running costs, of around £46k per year. We are therefore keeping our General Fund at the comparatively high level of £96k, which gives us protection for the next two years at current levels of spending. However we need to grow our income during this period, if all our current activities are to continue and to grow.

Balances on our funds at year-end 2018 are shown in the graph below, with 2017 comparison.



We all value and benefit from the life of St Paul's, and recognise that so much depends on the commitment of time, skills, prayer and energy of the St Paul's family. We are very grateful for the financial giving that also underpins all that goes on. It's helpful to review giving regularly, and for us to ask God what He wants us to give to St Paul's and elsewhere. Please pray for the resourcing of our activities, and your part in this.

### **Reserves Policy**

It is PCC policy to maintain a minimum three months' gross salary costs in our salary reserve. This year we increased our salaries reserve to £65,000. We also retain funds for major repairs and maintenance, including works identified in our Quinquennial inspection.

### **Mission**

At St Paul's we are committed to mission – sharing God's love, challenging injustice, caring for our world, serving our community and supporting the wider work of God's Church. We are part of a worldwide church and we want to support that fellowship.

As part of this commitment we like to encourage everyone in St Paul's to ask God to place on his or her heart a mission organisation to connect with and uphold. Last April we spent a month focussing on mission to enable the congregation to hear about some of the mission partners we support, to encourage everyone to have a personal interest in the mission of the wider church and to help us to be mission minded in our lives during the week.

We give away 15% of all our General Fund income to be generous in expressing God's love in both word and deed, both to the wider church and other organisations. There is a full list of the mission organisations that St Paul's supports, on behalf of our congregation, at the end of this report. We produce a bi-monthly prayer sheet with prayer points for our key mission partners that is given out to all the congregation, we also have regular prayer meetings, newsletters and WhatsApp groups which help people link with our missionaries, or invite them to pop an item from the weekly shop into the box for our local food bank "Feed" at the back of church. This summer (2019) a group of our youth will be journeying to Uganda with JENGA, one of our link partners, where Joanna Brown from our congregation is currently spending a year on mission.

In 2018, we added Emmanuel and Janice Entee from YWAM to our mission partners and also Oak Church, a pioneer youth focused church in Stevenage, to bring our number of key mission partners to 13. In addition, John

Davidson – another member of St Paul's - became a Director of Tearfund. We support a further 43 organisations fairly evenly spread across international, national and local levels.

PCC has two groups who advise on mission giving - MADGE (Mission, Action, Do, Give, Encourage) allocates about 80% of the giving for the following year; HOMER (Home and Overseas Mission Extra Requests) allocates what is left of the previous year's 'tithe'. PCC also makes occasional gifts, especially when there are humanitarian crises.

## **Buildings**

We have a building that looks up to date in the 21<sup>st</sup> century, rather than a relic from a century ago. A lot of people use the building. Smiley face. Lynn Gower, our caretaker, does a superb job of keeping it clean. Very smiley face.

However, buildings of any age need maintenance and ours contains modern equipment that seems to need regular attention and sometimes has a limited lifespan. Not so smiley face. Some things we can do ourselves and some things need outside contractors. Either way we are spending time, money or both.

What has been done in the last year or so? We have had the regular servicing of heating, alarms and other bits, as well as repairs to the heating system. The back stairs do, at last, have a fire exit sign. Generally unexciting, but we have also, at last, found a contractor who knows how to get the smoke detector in church to work without incessant warning bleeps. Very smiley face.

What is coming up? We have stonework that needs replacing, and we have had the unwelcome news that the manufacturer of our heating controls is no longer going to support that product (reminiscent of Windows XP?) and the same goes for the fire alarm control panel. The glass front doors need to be made more reliable, and the smoke detector in the large hall is on the blink, again. Grumpy face.

But when the building is so well used, isn't meeting the maintenance needs worth it, even when it doesn't feel like that? Thoughtful face.

## **The Lantern**

### ***Christians Against Poverty (CAP)***

CAP Debt Centre

Sadly, Cheryl Bannatyne, who has been working alongside our Centre Manager, Rachel Martin, as a trained Debt Coach, resigned at the end of 2018 (to move to full time employment), so our capacity has decreased.

The last year has been extremely busy – the St Albans Debt Centre has worked with around 35 client accounts. The general trend seems to be towards clients becoming insolvent. Obviously this makes the cases more complicated and more time consuming. However, we are continuing to see clients become debt free – 12 during the last year. We have also seen 1 adult and 2 babies baptized and welcomed into the St Paul's family.

At Christmas we had the privilege of delivering Advent Calendars, Christmas gifts and hampers to our clients. For some, this was the only gift they received.

We have continued to foster good relationships with local Food-banks and external agencies. We have delivered 3 life Skills courses in partnership with 'FEED' food-bank – and will be continuing to run the course each term. A second person, Derek Van Es, has been trained to deliver Life Skills alongside me and is a great addition to the team.

CAP money continues to be a popular course in St Albans. We have delivered 3 adult courses and hope the student version will run later this year. We are looking at cascading this down to younger members of the church. With this in mind, one of our youth leaders, Sarah Martin, has recently trained as an additional CAP Money Coach. We continue to be amazed at how God works in the lives of our clients and look forward to seeing this continue in the coming year. If you feel you would like to become more involved in the work of CAP, please speak to me (Rachel Martin), or contact the church office.

None of this would be possible without the support and prayers of the church, and especially all those at St Paul's who give of their time to visit with clients alongside our CAP Manager.

### ***Counselling***

Demand fluctuates as ever, but there appears to be a reasonably steady flow of clients needing this service and so the two counsellors are fully employed within the limited hours they can offer. Dr Andy Pike, our Pastoral Care Minister, continues to screen referrals on behalf of the counsellors to make sure clients are aligned to the right help and understand what they can expect from counselling at St Paul's. Introductions continue to come from a variety of sources - mostly referrals (various sources), St Paul's Church members, leaflets at the back of church, via the church website and word of mouth.

In terms of development of the team there is still opportunity to add one or two counsellors, although this would rely on an increase in referrals. There may be more use to offering specialist counseling such as family or marriage interventions. Some discussions have been had about how to increase referrals and along with the leaflets and information available in church, and on the St Paul's website, it has been considered whether to join a professional body like the Association of Christian Counsellors, which might offer better visibility, with its own counselling search by area facility, but also additional professional accreditation.

### ***Pastoral Listening/Bereavement Support***

There are many situations when you might experience a loss and need time to talk things through. We provide a confidential 'Listening service' for anyone who is experiencing any sort of loss, whether the death of a family member or friend, loss of a job, the loss of a pet or other situation such as breakdown of a relationship. We hope this can provide an opportunity for people to take control of the situation and help to make sense of things. We have 8 trained 'listeners' who will give people time and space to talk and 'tell their story'. The listener is able to visit people in their homes, or a place they feel comfortable, and the listening session would be for one hour. The number and frequency of subsequent visits can vary according to need. People may contact us via the church office or through the website and leaflets at the back of church. There is no charge for this service.

Catherine Keech who previously led this service has moved out of the area and so Dr Andy Pike, Pastoral Care Minister has taken over triaging referrals in the interim period, also offering the team some supervision. There has been a very noticeable and sudden decline in the number of funerals that St Paul's has been asked to preside over and this has severely affected the number of external referrals to the team (the Deanery have undertaken some research into this and produced a leaflet which extols the advantages or differences of a Church of England funeral versus other options).

However, there was a higher than usual number of bereavements within the congregation last year and so this probably represented the bulk of the referrals we received and were probably more pro-actively involved in their care. We have conducted an annual Bereavement Service as a team, which offers a quiet and reflective space for those in all stages of grieving and was well attended by families from inside and outside the church.

### ***Prayer Ministry***

St Paul's has had a long history of offering prayer ministry after our two main Sunday services. Following the employment of a Pastoral Care Minister it is our ambition to see prayer ministry in some shape or form as an

offering under the Lantern. Often it is too time constrained and impersonal to conduct extended prayer ministry at the end of a service, and so an extended time and confidential space is necessary as well as the right training.

Training is now complete with some members of the prayer ministry team in joining with the 'Unbound' prayer ministry, which is supported and outworked by the Diocese. It is planned to start to offer prayer appointments very soon initially to the congregation, but eventually externally. There is also training underway for Bethel Sozo, which is a deep inner healing ministry and so would hope to come on line in the autumn term all going well.

## **Risk Management**

We have identified the major risks, e.g. Health and Safety, Safeguarding (where we endeavour to keep up to date with all current, and changing, procedures) to which the PCC is exposed and these are discussed and/or reviewed on an annual basis and the assessment documents kept updated. We also hold a register to log any incidents. We have also been worked towards ensuring the required changes have been put in place to keep us in line with the Data Protection Act 2018 (GDPR). Transferring to ChurchSuite for our database was part of this process, and we have continued to expand our use of this as well as encourage as many church members who are able to take responsibility for control their own data.

The PCC takes out adequate insurance cover against fire, theft, employer's and public liability and other insurable risks. Clear procedures are in place for the authorisation of expenditure and secure receipt and recording of income.

## **Church Governance and Structure**

St Paul's Church is guided by and responsible to the Synods of the Church of England and to its appointed Bishops and their officers.

PCC members are trustees under charity law in relation to the legal and financial responsibilities. The PCC has a Standing Committee made up of the Vicar, both Church Wardens, Lay Chair of the PCC, Treasurer and the PCC Secretary. The Finance Committee has the Vicar, Church Wardens, Lay Chair and Treasurer. There is also a Maintenance Committee with members appointed by the PCC, including the Administrator and a Church Warden.

PCC complies with legal obligations and best practice; that the financial systems are effective, accounts are properly kept and presented, budgets monitored and that due care is taken over any investments; that the church records are kept properly; that Health and Safety, Fire Safety, Child Protection and Vulnerable Adult, Disability Discrimination and Data Protection have policies and that these are upheld and regularly reviewed; that legal records are well kept and that proper insurance is provided.

PCC appoints all staff except the Vicar or curate. The diocese provides legal advice on contracts and employment issues. We have a Staff Handbook that clarifies policies and is updated and reviewed annually by the PCC. The Archdeacon checks these legal aspects annually.

Some financial decisions are delegated; the Administrator can spend sums up to £500; the Maintenance Group has a ceiling of £2,000 and can go higher with the approval of the Standing Committee. It then reports spending to the PCC quarterly. Standing Committee can be asked for quick decisions if they are necessary.

## **Other Groups**

The Vicar's Advisory Group: this group advises the Vicar on all issues and oversees Human Resources (HR). Membership during the past year has been Mr John Lowe (Churchwarden), Dr Tony Davies (Churchwarden) – until September 2018, Mrs Lesley Kempford (Lay Chair), Mr Nick Salisbury (Deanery Synod), & Mr Philip Habershon (Deanery Synod).

## **Staff**

There have been several personnel changes during the year January-December 2018, and also the beginning of 2019. We said goodbye to Jennifer Fellows, our Children and Families Minister, in May, as she and husband Simon moved to a church in Cheltenham for her to take up the role of Assistant Pastor; we also celebrated with our Administrator, Helen Chilton, in July as she stepped into retirement (remaining to be a member of St Paul's). More recently, in March 2019, we also said goodbye to our Connections Pastor, Sabine Stoney (recently married, previously Sabine Sellmann). On a happier note, we welcomed Ben Shave to St Paul's as our new Worship Minister in April; Sheila Buggingo, our new Church Manager, in May; Rev Andre Radmall, as Assistant Pastor, in July; and Tori Redding joined us as Children & Families Minister also in July.

*Vicar:* Canon Tony Hurlle

*Assistant Pastor:* Rev Andre Radmall (part-time)

*Worship Minister:* Mr Ben Shave (from Apr 2018)

*Youth Minister:* Mr Michael Reynolds

*Children's & Families Minister:* Mrs Jennifer Fellows (until May 2018); Miss Tori Redding (from July 2018)

*Pastoral Care Minister:* Dr Andy Pike

*Connections Pastor:* Mrs Sabine Stoney – previously Sellmann - (part-time) (until March 2019)

*Administrator:* Miss Helen Chilton (until July 2018)

*Church Manager:* Miss Sheila Buggingo (from May 2018)

*Church Secretary:* Mrs Lesley Kempford (part-time)

*Caretaker:* Mrs Lynn Gower

Staff members give brief monthly updates to PCC with items for praise and prayer and there are also regular and more detailed ministry updates throughout the year.

Once appointed, all the management of staff is delegated by the PCC to the Vicar (or someone he delegates it to) and to the Advisory Group, which deals with all HR issues on behalf of PCC, including any grievance or disciplinary process. Ordained staff are responsible to the Vicar and also responsible and accountable to the Bishop.

## **PCC Members**

The appointment of PCC members is governed by and set out in the Church Representation Rules. Most members have either been elected to PCC or Deanery Synod; Deanery Synod representatives are ex officio members of PCC as are the Churchwardens. New members of the PCC are appointed at the Annual Church Meeting (ACM) and are required to complete a trustee registration form.

The following people served on PCC for all or part of the financial year Apr 2018 - Apr 2019:

**Ex Officio members**

Vicar:	Canon Tony Hurle	
Associate Vicar:	Rev Andre Radmall	from June 2018
Churchwardens:	Dr Anthony Davies	until September 2018
	Mr John Lowe	
Deanery Synod:	Dr Mike Ford	to 2020 ACM
	Mr Philip Habershon	to 2020 ACM
	Dr Andy Pike	to 2020 ACM
	Mr Nick Salisbury	to 2020 ACM
	Mrs Jane Wilson	to 2020 ACM

**Co-Opted Members**

Administrator:	Miss Helen Chilton	until May 2018
Church Manager:	Miss Sheila Buggingo	from May 2018
Treasurer:	Mrs Lindsey McLeod	

**Elected Members**

Miss Susie Dagnall	to 2020 ACM
Mrs Caroline Gatland	to 2020 ACM
Mrs Lucy Ginty	to 2021 ACM
Mr Chris Hill	to 2019 ACM
Mrs Lesley Kempsford (Lay Vice-Chair)	to 2021 ACM
Mr Sameer Kumar	to 2019 ACM
Mr Al Lines	to 2020 ACM
Dr Martin Marriott (Secretary)	to 2019 ACM
Mr Matthew Rushton	to 2021 ACM
Mr David Thomas	to 2020 ACM
Mr Alex Veal	to 2021 ACM
Mrs Sarah Wynne	to 2019 ACM

**PCC Advisors (non-voting members)**

Miss Jennifer Fellows (nee McKnight) (Children's Minister)	until May 2018
Miss Tori Redding (Children & Families Minister)	from July 2018
Mr Michael Reynolds (Youth Minister)	
Mr Ben Shave (Worship Minister)	from April 2018

There were 9 meetings held during the year. The PCC Committees (Finance and Maintenance) were in contact throughout the year, reporting back to the main meeting. Standing Committee made decisions between meetings as necessary, also reporting back as appropriate.



## **Deanery Synod**

A total of five lay members of St Paul's are able to serve on Deanery Synod at any given time, providing an important link with the wider structures of the church. This year (2018) we have been fully represented by Tony Hurle (as clergy), Philip Habershon, Mike Ford, Andy Pike, Nick Salisbury and Jane Wilson.

## **Ecumenical Relationships**

We are privileged to be in a city with over 40 churches who respect each other. The city centre churches have formed a group which is working well. There is a number of church leaders who come to the St Albans Church leader's group and I am involved in another grouping who pray together once a week at the Vineyard. We also, of course, also meet as an Anglican Chapter) We also have a long history of church members working together in various charities set up by the churches over the years...for example - the Night shelter – Open Door set up over 20 years ago and a pop up night shelter for periods of cold weather which was set up this year by the churches and based at Trinity Church. Other examples would be the Living Room helping those with addictions. STEP and 2:67 for young people in school and outside it, the Credit Union – as well as more church based activities such as CAP run by us and Feed run by the Vineyard but using people in other churches. Ex:cite a city wide event for children was a new initiative in 2018 and Resourceful for Secondary School leaders is coming in 2019 – both initiatives by the excellent Mike Palin of the 267 organisation.

## **Interfaith Relationships**

We had an interfaith meal, which went very well. The Mahabba group continues, but the Salaam Fellowship, which met in St Paul's, stopped running in 2018. There is a new group learning English aimed at Muslim men, which has now started. I feel we have good will across communities, but there is not a lot of energy for interfaith activities with the Islamic Community.

We have less links with the United Synagogue, but good relations with the Masorti Synagogue. I have met regularly - while enjoying pizza - with their new Rabbi, Adam, who is a wonderful man.

**Grants to Mission and Charities 2018**

The following grants and donations were made to missions and charities during 2018

2017	Organisation	From General Fund £	From Restricted Donations £	2018 Total £
	5 Oaks Media	2,230		2,230
2,500	2:67 project	1,500		1,500
2,750	A Rocha	3,750		3,750
500	Age UK Herts	500		500
91	Air Ambulance, Herts	-		-
	Archbishop's Communion Fund	2,000		2,000
2,000	Asian Students (Children of the Dump)	-		-
600	Azalea Women's Refuge	600		600
250	Alpha -HTB	300		300
500	Barnabas fund	500		500
750	Bible Society	750		750
300	CARE	300		300
300	CARE for the Family	300		300
750	Childrens Society	750		750
750	Christian Aid	750		750
4,007	Christians Against Poverty	4,000		4,000
700	Credit union	700		700
1,000	CMJ	5,800		5,800
1,000	CMS	1,000		1,000
750	Concordis	750		750
500	CPAS	500		500
750	Crusaders	900		900
2,000	Downings	3,000		3,000
950	Double Joy Farm	750		750
1,325	Emzini School S Africa	3,000		3,000
300	Evangelical Alliance	300		300
489	FEED		142	142
2,800	FRMME (Andrew White Baghdad)	1,000	1,800	2,800
300	Fusion	300		300
	Great Lakes Outreach	1,400		1,400
91	Guide Dogs for the Blind		100	100
500	Grove House (Iain Rennie Hospice)	500		500
1,000	Hatfield Rd day care centre	1,000		1,000
100	Herts welcomes Syrians			
300	Innervation Trust			
135	Japanese Church	540		540
	JENGA	4,500	475	4,975
	Just Love	300		300
300	Relationships Foundation	300		300
540	Kiwoko Hospital		540	540
	Kumquat	300		300

<b>2017</b>	<b>Organisation</b>	<b>From General Fund £</b>	<b>From Restricted Donations £</b>	<b>2018 Total £</b>
16,310	Leakes	2,000	450	2,450
	Chaco Church Trust	3,000		3,000
3,500	Living Room	3,500		3,500
1,450	Local Schools	1,450		1,450
	Luton Roma Trust	100		100
8,500	Mission Without Borders	5,000		5,000
250	Mission Direct (Brazil)			
	Motor Neurone Disease Association		100	100
1,000	Mother Union Literacy	1,000		1,000
300	New Wine Networks	300		300
	Oak Church, Stevenage	4,500		4,500
750	OMF	750		750
480	Open Door nightshelter	300	180	480
500	Open Doors	500		500
500	Prison Fellowship/Angel Tree	500		500
150	Radio Verulam	150		150
500	Scripture Union	500		500
4,000	SHARE Trust - Avondale	2000		2000
2,300	SHARE Trust	3,500	375	3,875
500	St Albans Bereavement Network	300		300
2,000	Leo & Sam Sandu, Moldova	2,850		2,850
1,100	St John's, Farley Hill	1,100		1,100
8,100	STEP	5,000		5,000
100	Teach Beyond	1,000		1,000
750	TEAR Fund	750	882	1,632
300	UCCF	300		300
250	Univ Herts CU	250		250
22,309	Individuals	13,650	6,387	20,037
	Uganda Youth Mission Trip		6,925	6,925
	Vicar & Wardens Fund gifts	1,209	1,875	3,084
<b>107,777</b>	<b>Total</b>	<b>100,528</b>	<b>20,231</b>	<b>120,758</b>

**ST. PAUL'S PCC, ST ALBANS**  
**STATEMENT OF FINANCIAL RESPONSIBILITIES OF THE PAROCHIAL**  
**CHURCH COUNCIL**

The law governing the administration of charities requires the trustees to prepare accounts which give a true and fair view of the state of affairs of the charity at the annual accounting date and of its income and expenditure for the year then ended. In the case of a Church of England parish the trustees are the members of the Parochial Church Council (PCC). In preparing these accounts, the PCC is required to:

- Select suitable accounting policies and apply them consistently; and
- Meet legal accounting and reporting criteria.

The PCC is responsible for ensuring that proper accounting records are kept for all funds for which they are responsible. These books must give a true and fair view of the Church's state of affairs and explain its financial transactions. The PCC must also establish and maintain a satisfactory system of control of the Church's books of account, its cash holdings and all receipts and remittances. It is also responsible for safeguarding the assets and taking reasonable steps for the prevention and detection of fraud or other irregularities.

.....  
Chairman

.....  
Treasurer

Date.....

Date.....

## **INDEPENDENT AUDITORS' REPORT TO THE PAROCHIAL CHURCH COUNCIL, ST PAUL'S, ST ALBANS**

### **Opinion**

We have audited the financial statements of St Paul's, PCC, St Albans (the 'charity') for the year ended 31 December 2018 which comprise the statement of financial activities (incorporating an income and expenditure account), the balance sheet, cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including the 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 2018 and of its net income for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011 and the Church Accounting Regulations 2006.

### **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.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees use the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The other information comprises the information included in the trustees' 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. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on

the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.  
We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 and Church Accounting Regulations 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns;  
or
- certain disclosures of trustees' remuneration specified by law are not made; 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 1 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.

### **Auditor's responsibilities for the audit of the financial statements**

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 auditor's 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:  
[www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Paul Windmill** (Senior Statutory Auditor)

Dated:

For and on behalf of Myers Clark, Statutory Auditor  
Egale 1, 80 St Albans Road  
Watford  
Hertfordshire WD17 1 DL

**ST. PAUL'S PCC, ST ALBANS**  
**BALANCE SHEET AT 31 DECEMBER 2018**

	<b>Note</b>	<b>2018</b>	<b>2017</b>
		<b>£</b>	<b>£</b>
<b>Fixed Assets</b>			
Tangible Fixed Assets			
Property	7A	3,905,819	3,905,819
Equipment	7B	56,601	69,092
Investments	6	25,307	25,726
		<u>3,987,727</u>	<u>4,000,637</u>
<b>Current Assets</b>			
Debtors & Prepayment		52,812	54,399
Short term Deposits		296,408	295,427
Cash at bank and in hand		51,324	40,176
		<u>400,544</u>	<u>390,002</u>
Liabilities			
Amounts falling due within 1 yr		(44,820)	(45,473)
<b>Net Current Assets</b>		<u>355,724</u>	<u>344,529</u>
<b>Net Assets</b>		<u>4,343,451</u>	<u>4,345,166</u>
<b>Funds</b>			
Unrestricted	4		
- General		96,913	97,185
- Building Maintenance		105,379	95,199
- Development		62,151	59,916
- Salaries Reserve		65,000	60,000
- Unallocated Mission Tithe		23,642	30,008
- Asset Revaluation Investment		4,826	5,077
- Asset Revaluation Equipment		56,588	69,079
- Asset Revaluation Property		<u>3,905,819</u>	<u>3,905,819</u>
		4,320,318	4,322,283
Endowments	5	12,652	12,234
Asset Revaluation: Endowment Investments		10,481	10,649
		<u>4,343,451</u>	<u>4,345,166</u>

Approved March 2019:

Canon A Hurle  
Chairman

Mrs L McLeod  
Treasurer

**ST.PAUL'S PCC, ST.ALBANS****STATEMENT OF FINANCIAL ACTIVITIES**

for the year ended 31 December 2018

	Note	Unrestricted funds £	Restricted and Endowment funds £	TOTAL 2018 £	FUNDS 2017 £
INCOME & ENDOWMENTS from:					
Donations and Legacies	2a	568,814	25,427	594,241	587,105
Trading Activities	2b	54,836		54,836	56,111
Charitable activities	2c	8,625		8,625	8,556
Investments	2d	14,995	418	15,413	4,339
<b>TOTAL INCOME &amp; ENDOWMENTS</b>		<b>647,270</b>	<b>25,845</b>	<b>673,115</b>	<b>656,111</b>
EXPENDITURE on:					
Charitable activities	3	(648,984)	(25,427)	(674,411)	(595,835)
Gains & losses on investments		(251)	(168)	(419)	2,234
<b>NET INCOME/ EXPENDITURE</b>		<b>(1,965)</b>	<b>250</b>	<b>(1,715)</b>	<b>62,510</b>
Total funds brought forward 1 Jan 2018		4,322,283	22,883	4,345,166	4,282,656
<b>TOTAL BALANCES CARRIED FORWARD 31 DECEMBER 2018</b>		<b>4,320,318</b>	<b>23,133</b>	<b>4,343,451</b>	<b>4,345,166</b>



## Statement of Cashflows

	2018 £	2017 £
<b>Cashflows from operating activities:</b>		
Net cash provided by/(used in) operating activities	(17,035)	61,128
<b>Cashflows from investing activities:</b>		
Dividends, interest and rents from investments	14,995	4,339
Purchase of property, plant & equipment	14,170	6,712
Cashflows from financing activities	0	0
<b>Change in cash and cash equivalents in the reporting period</b>	12,130	72,179
Cash and cash equivalents at the beginning of the reporting period	335,603	263,264
<b>Cash and cash equivalents at the end of the reporting period</b>	347,733	335,603

## Reconciliation of net income/(expenditure) to cashflows from operating activities

	2018 £	2017 £
Net Income/(Expenditure) for the reporting period (as Statement of Financial Activities)	(1,715)	62,509
Adjustments for:		
Depreciation Charges	12,491	4,820
Purchase of property, plant & equipment	(14,170)	(6,712)
(Gains)/Losses on investments	419	(2,234)
Dividends, interest and rents from investments	(14,995)	(4,339)
(Increase)/Decrease in Debtors	1,587	3,179
Increase/(Decrease) in Creditors	(652)	3,904
Net cash provided by/(used in) operating activities	(17,035)	61,128

## **NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2018.**

### **1a. Accounting Policies**

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006, together with applicable accounting standards FRS102 and the charities SORP 2015. The accounts are prepared on the basis that the PCC is a going concern; and that the PCC is a public benefit entity under FRS102.

#### **Recognition of Income and Expenditure**

The statements are prepared on the accruals basis, that is to say, income and expenditure are recognised (included in the accounts) as and when they are earned or incurred, which may be before they are received or paid. Income including legacies is recognised when the inflow of benefits is probable.

Income Tax reclaimed on Gift Aid donations is accrued for all amounts outstanding from the Inland Revenue.

#### **Funds and Reserves**

General "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. In addition to the general fund, these include the church building maintenance fund, development fund and salaries reserve, which are designated funds set aside for these particular purposes by the PCC. Details of these reserves, including the PCC's policies regarding the level of reserves, are shown at note 4.

Restricted funds are those given for a specified purpose. They include donations for specific missions and charities.

Endowment Funds are another form of restricted fund, where money has been given to the church with the specific instruction that only the investment income may be spent by the PCC. Full details of these funds are given at notes 5 and 6.

#### **Fixed Assets**

Consecrated land and buildings and moveable church furnishings consecrated and beneficed property is excluded from the accounts by s10 (2) (c) Charities Act 2011.

No value is placed on moveable church furnishings (including equipment added under faculty) until a sale takes place. The churchwardens hold this property in trust for the PCC, but are unable to authorise a sale until a faculty for disposal is granted by the Diocese. All expenditure on

consecrated or beneficed buildings and moveable furnishings is written off in the year in which it is incurred.

#### Other Land and Buildings

Other land and buildings held on behalf of the PCC for its own purposes (the church halls and curate's house) are stated at historic cost, taken under FRS102 as the book value at 31 December 2013. No depreciation is charged against such properties if their residual value is greater than historic cost. At each reporting date an assessment is carried out to determine whether there is any indication that an asset should be written down (i.e. whether its carrying amount is more than its recoverable amount).

Other fixtures, fittings and office equipment.

Equipment used within the church premises is held at historic cost and depreciated on a straight line basis over its expected useful life. Items with a purchase price of £2,000 or less are written off in the year of acquisition.

#### **Investments**

Investments are valued at market value at 31 December 2018.

Note 2 – INCOME & ENDOWMENTS

	NOTE	Unrestricted Funds	Restricted & Endowment Funds	TOTAL 2018	FUNDS 2017
		£	£	£	£
<b>a) Donations &amp; Legacies</b>					
Planned giving		381,894		381,894	365,713
Unplanned Gift Aid donations		38,061		38,061	65,074
Tax recovered on planned and unplanned Gift Aid		72,093		72,093	81,671
Collections		3,785		3,785	5,276
Donations		33,481		33,481	11,772
Donations for Mission St. Peter's Church Lands			25,427	25,427	29,064
Legacies	12	39,500		39,500	26,900
		0		0	1,635
<b>Sub Total</b>		<b>568,814</b>	<b>25,427</b>	<b>594,241</b>	<b>587,105</b>
<b>b) Trading Activities</b>					
Hall and Church lettings		54,836		54,836	56,111
<b>c) Charitable Activities</b>					
Youth Weekends		1,977		1,977	2,156
Social Events		1,077		1,077	2,388
Materials & courses		2,460		2,460	2,502
Fees		3,111		3,111	1,510
<b>Sub Total</b>		<b>8,625</b>		<b>8,625</b>	<b>8,556</b>
<b>d) Investment</b>					
Interest, dividends		1,714	418	2,132	1,577
Rent		13,281		13,281	2,762
Subtotal		14,995	418	15,413	4,339
<b>TOTAL INCOME &amp; ENDOWMENTS</b>		<b>647,270</b>	<b>25,845</b>	<b>673,115</b>	<b>656,111</b>

### Note 3 - Expenditure

	Note	Unrestricted Funds	Restricted & Endowme nt Funds	TOTAL 2018	FUNDS 2017
		£	£	£	£
<b>a) Charitable activities:</b>					
<b>Mission &amp; Charitable Giving</b>					
-Church Overseas: Mission		35,900	15,962	51,862	39,996
- Relief & development		13,550	1,872	15,422	27,725
-Home mission etc.		43,320	142	43,462	36,744
-Secular charities		6,550	380	6,930	6,612
Vicar & wardens' grants		1,208	1,875	3,083	966
<b>Subtotal</b>	<b>14</b>	<b>100,528</b>	<b>20,231</b>	<b>120,759</b>	<b>108,743</b>
<b>Expenses directly relating to the work of the Church:</b>					
Parish Share to Diocese		164,317		164,317	163,175
Clergy expenses & accommodation		4,480		4,480	6,067
Ministry Staff salaries	8	161,025		161,025	141,336
Ministry Staff expenses & accommodation		5,263		5,263	3,939
Interns		-		-	2,451
Youth /children's work		7,202		7,202	8,321
Training		1,311		1,311	345
Evangelism/Publicity		3,607		3,607	8,931
Debt Advice Centre		3,000	5,196	8,196	3,000
Pastoral/Materials		777		777	2,247
Worship & Music		3,786		3,786	2,291
Upkeep of services/ ministry		1,494		1,494	1,136
Church /hall running expenses					
- Heat & Light		16,347		16,347	14,328
- Insurance		5,714		5,714	4,983
- Maintenance		26,897		26,897	16,037
Caretaker's salary & accommodation	8	16,060		16,060	15,595
Administrator & secretary's salaries	8	62,072		62,072	58,072
Consultancy- ICT and comms	8	11,646		11,646	-
Office & Stationery		10,050		10,050	11,003
Governance (Audit fee)		4,920		4,920	4,650
Youth Weekends		1,536		1,536	1,649
Cost of events		3,466		3,466	3,792
Books & SU Notes		1,351		1,351	2,213
Major Building works and equipment		19,644		19,644	
Net Asset Depreciation	7	12,491		12,491	11,531
<b>Subtotal</b>		<b>548,456</b>	<b>5,196</b>	<b>553,652</b>	<b>487,092</b>
<b>TOTAL EXPENDITURE ON CHARITABLE ACTIVITIES</b>					
		<b>648,984</b>	<b>25,427</b>	<b>674,411</b>	<b>595,835</b>

#### 4. Unrestricted Funds

- a. The Church Building Maintenance Fund is for major repair and maintenance work on church buildings, and major equipment replacement. Repairs include works identified in the quinquennial inspection by the church's architect. The last inspection took place in 2014. £10,000 has been transferred to this fund at year end to help meet the cost of expected roof repairs in 2019.
- b. The Church Development Fund is for the provision of enhanced facilities and new equipment.
- c. The Salaries Reserve provides a reserve to cover our commitments on employee costs. It is based on a level of three months' gross salary costs.
- d. The General Purposes Fund is our general reserve for day to day expenditure. The surplus will be carried forward to help fund running costs for 2019 and 2020.
- e. The PCC makes donations to missions and charities from a "mission tithe", calculated as 15% of unrestricted income. The Unallocated Mission Tithe is the balance of this amount yet to be allocated to mission activities as at year end.
- f. The Capitalisation/Depreciation fund represents amounts charged in the Statement of Financial Activities but not set against the general or other funds.

	<b>Opening Balance 1.1.18 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers between funds £</b>	<b>Closing Balance 31.12.18 £</b>
<b>Church Building</b>	95,199	180		10,000	105,379
<b>Development</b>	59,916	21,879	(19,644)		62,151
<b>General</b>	97,185	650,638	(642,275)	(8,635)	96,913
<b>Salaries reserve</b>	60,000			5,000	65,000
<b>Mission Tithe</b>	30,008			(6,365)	23,642
<b>Deprc/Cap/ Invest</b>	3,979,975		(12,742)		3,967,233
<b>TOTAL</b>	<b>4,322,283</b>	<b>672,697</b>	<b>(674,662)</b>	<b>-</b>	<b>4,320,318</b>

#### 5. Endowment Funds

The balances on these funds at the balance sheet date, comprising the accumulated surplus of income over expenditure, available to be spent on these purposes, were as follows:

<b>2017</b>		<b>Income</b>	<b>Expenditure</b>	<b>2018</b>
<b>Net</b>				<b>Net</b>
<b>£</b>		<b>£</b>	<b>£</b>	<b>£</b>
5,878	Choir and Church Music	292		6,170
3,685	Garden of Rest	105		3,790
2,671	Poor	21		2,692
10,649	Investment revaluation		(168)	10,481
<u>22,883</u>		<u>418</u>	<u>(168)</u>	<u>23,133</u>

## 6. Investments

The PCC holds investments for the Choir & Church Music Fund and Garden of Rest Fund, each set up with a legacy from a member of the church. The capital of the Funds, which cannot be spent in the normal course of events, is invested in the Investment Fund of the Central Board of Finance of the Church of England.

The PCC also holds an investment from its general fund in the Investment Fund of the Central Board of Finance of the Church of England. The historic cost of this investment is £10,000.

The market valuations of these investments at the beginning and end of 2018 were:

	31.12.17	31.12.18
	£	£
Choir & Church Music Fund	2,829	2,787
Garden of Rest Fund	8,438	8,313
General Fund	<u>14,459</u>	<u>14,207</u>
	25,726	25,307

The decrease in value of these investments is shown in the Statement of Financial Activities.

The Investment Revaluation Fund represents the book value of assets held for the Choir and Church Music and Garden of Rest Funds.

The Poor Fund includes income earned on the investments of the Thurnham Charity, a separate charity established by bequest for the assistance of the poor of the parish.

## 7. Fixed Assets

### a) Land and Buildings

Property owned by the PCC for its own purposes includes the church hall complex and the curate's house, This is included in the accounts at historic cost. Under FRS102, this is taken as the market value as at 31 December 2013. There has been no movement in the cost, depreciation or net book value of property assets during 2018.

b) **Equipment**

The PCC owns equipment which is shown in the accounts at its depreciated value at 1 January 2018, plus any additions and less depreciation charges for the year and any disposals or impairments, as below. Equipment is depreciated over its expected useful life, normally 3 years for ICT and 10 years for other equipment. Equipment shown below includes PVpanels, the access control system, kitchen appliances, the office photocopier, AV systems in the hall and the electric piano.

During 2018 a new digital organ was purchased at a cost of £14,170. In accordance with our accounting policies, as disposal of this organ would be subject to the granting of a faculty by the Diocese, the value has been written off in year. It has therefore been excluded from the capital additions shown below.

	£
Cost at 1 January 2018	134,623
Additions/ (Disposals)	<u>-</u>
Cost at 31 December 2018	134,623
Depreciation at 1 January 2018	65,531
Depreciation in year	<u>12,491</u>
Depreciation at 31 December 2018	78,022
Net Book Value 1 January 2018	69,092
Net Book Value 31 December 2018	56,601

**8. Staff Costs**

During the year the PCC employed a full time Youth Minister, Children's Minister, Worship Minister, Pastoral Minister, Administrator and Caretaker; and a part time Associate Vicar, Connections Pastor, Secretary and CAP Debt Advice support worker. Total salary costs were as below:

	£
Direct salaries	209,784
Employer's National Insurance	15,366
Employer's Pension contribution	<u>15,946</u>
Total	241,096

In addition to these salaries, the caretaker is provided with accommodation. No staff fall in the over £60,000 pay band.

The PCC participates in the Church of England Defined Contributions Scheme (DCS) within the Church Workers Pension Fund. The PCC contributes 8.5% of basic salary, and employees can opt, but are not required, to make a contribution.

In addition to paid staff, unpaid volunteers make a substantial contribution to all the activities of the church, including children's and youth work, music and worship, catering, small groups and administrative support. Given the



difficulties of calculating a monetary value for this activity, it is not included in the accounts.

#### **9. Commitments and liabilities**

There are no outstanding liabilities at year end.

#### **10. PCC Members' (trustees) remuneration, expenses and donations**

Staff members who are also PCC members (administrator and secretary) have received remuneration as in note 8 above.  
Expenses totalling £3,787 were paid to clergy.

Apart from these payments, and the related parties transactions identified in note 11, no member of the PCC or any party related to the PCC has received any remuneration, expenses or other benefit during the year.

#### **11. Related Party Interests**

The following related party interests have been identified, and transactions incurred.

<b>Trustee</b>	<b>Related party</b>	<b>Transaction</b>
Lindsey McLeod	Trustee, Open Door St Albans	Mission donation £480
Chris Hill	Trustee, SHARE Trust	Mission donation £5,875
Andrew Pike	Trustee, JENGA	Mission donation £4,975

During 2018 PCC members made donations to St Paul's totalling £84,184.

#### **12. Legacies**

No legacies were received during 2018.

#### **13. Capital Commitments**

There were no capital commitments at 31 December 2018.

#### 14. Grants to Missions and Charities

The following grants and donations were made to missions and charities during 2018

2017	Organisation	From General Fund £	From Restricted Donations £	2018 Total £
	5 Oaks Media	2,230		2,230
2,500	2:67 project	1,500		1,500
2,750	A Rocha	3,750		3,750
500	Age UK Herts	500		500
91	Air Ambulance, Herts	-		-
	Archbishop's Communion Fund	2,000		2,000
2,000	Asian Students (Children of the Dump)	-		-
600	Azalea Women's Refuge	600		600
250	Alpha -HTB	300		300
500	Barnabas fund	500		500
750	Bible Society	750		750
300	CARE	300		300
300	CARE for the Family	300		300
750	Childrens Society	750		750
750	Christian Aid	750		750
4,007	Christians Against Poverty	4,000		4,000
700	Credit union	700		700
1,000	CMJ	5,800		5,800
1,000	CMS	1,000		1,000
750	Concordis	750		750
500	CPAS	500		500
750	Crusaders	900		900
2,000	Downings	3,000		3,000
950	Double Joy Farm	750		750
	Emzini School S Africa (Hartin			
1,325	foundation)	3,000		3,000
300	Evangelical Alliance	300		300
489	FEED		142	142
2,800	FRMME (Andrew White Baghdad)	1,000	1,800	2,800
300	Fusion	300		300
	Great Lakes Outreach	1,400		1,400
91	Guide Dogs for the Blind		100	100
500	Grove House (Iain Rennie Hospice)	500		500
1,000	Hatfield Rd day care centre	1,000		1,000
100	Herts welcomes Syrians			
300	Innervation Trust			
135	Japanese Church	540		540
	JENGA	4,500	475	4,975
	Just Love	300		300
300	Relationships Foundation	300		300
540	Kiwoko Hospital		540	540
	Kumquat	300		300
16,310	Leakes	2,000	450	2,450
	Chaco Church Trust	3,000		3,000

<b>2017</b>	<b>Organisation</b>	<b>From General Fund £</b>	<b>From Restricted Donations £</b>	<b>2018 Total £</b>
3,500	Living Room	3,500		3,500
1,450	Local Schools	1,450		1,450
	Luton Roma Trust	100		100
8,500	Mission Without Borders	5,000		5,000
250	Mission Direct (Brazil)			
	Motor Neurone Disease Association		100	100
1,000	Mother Union Literacy	1,000		1,000
300	New Wine Networks	300		300
	Oak Church, Stevenage	4,500		4,500
750	OMF	750		750
480	Open Door nightshelter	300	180	480
500	Open Doors	500		500
500	Prison Fellowship/Angel Tree	500		500
150	Radio Verulam	150		150
500	Scripture Union	500		500
4,000	SHARE Trust - Avondale	2000		2000
2,300	SHARE Trust	3,500	375	3,875
500	St Albans Bereavement Network	300		300
2,000	Leo & Sam Sandu, Moldova	2,850		2,850
1,100	St John's, Farley Hill	1,100		1,100
8,100	STEP	5,000		5,000
100	Teach Beyond	1,000		1,000
750	TEAR Fund	750	882	1,632
300	UCCF	300		300
250	Univ Herts CU	250		250
22,309	Individuals	13,650	6,387	20,037
	Uganda Youth Mission Trip		6,925	6,925
	Vicar & Wardens Fund gifts	1,209	1,875	3,084
<b>107,777</b>	<b>Total</b>	<b>100,529</b>	<b>20,231</b>	<b>120,759</b>

**ST. PAUL'S PCC, ST ALBANS**  
**STATEMENT OF FINANCIAL RESPONSIBILITIES OF THE PAROCHIAL**  
**CHURCH COUNCIL**

The law governing the administration of charities requires the trustees to prepare accounts which give a true and fair view of the state of affairs of the charity at the annual accounting date and of its income and expenditure for the year then ended. In the case of a Church of England parish the trustees are the members of the Parochial Church Council (PCC). In preparing these accounts, the PCC is required to:

- Select suitable accounting policies and apply them consistently; and
- Meet legal accounting and reporting criteria.

The PCC is responsible for ensuring that proper accounting records are kept for all funds for which they are responsible. These books must give a true and fair view of the Church's state of affairs and explain its financial transactions. The PCC must also establish and maintain a satisfactory system of control of the Church's books of account, its cash holdings and all receipts and remittances. It is also responsible for safeguarding the assets and taking reasonable steps for the prevention and detection of fraud or other irregularities.

.....  
Chairman

.....  
Treasurer

Date.....

Date.....

## **INDEPENDENT AUDITORS' REPORT TO THE PAROCHIAL CHURCH COUNCIL, ST PAUL'S, ST ALBANS**

### **Opinion**

We have audited the financial statements of St Paul's, PCC, St Albans (the 'charity') for the year ended 31 December 2018 which comprise the statement of financial activities (incorporating an income and expenditure account), the balance sheet, cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including the 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 2018 and of its net income for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011 and the Church Accounting Regulations 2006.

### **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.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees use the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The other information comprises the information included in the trustees' 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. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on

the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.  
We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 and Church Accounting Regulations 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns;  
or
- certain disclosures of trustees' remuneration specified by law are not made; 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 1 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.

### **Auditor's responsibilities for the audit of the financial statements**

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 auditor's 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at:  
[www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Paul Windmill** (Senior Statutory Auditor)

Dated:

For and on behalf of Myers Clark, Statutory Auditor  
Egale 1, 80 St Albans Road  
Watford  
Hertfordshire WD17 1 DL

**ST. PAUL'S PCC, ST ALBANS  
BALANCE SHEET AT 31 DECEMBER 2018**

	<b>Note</b>	<b>2018</b>	<b>2017</b>
		<b>£</b>	<b>£</b>
<b>Fixed Assets</b>			
Tangible Fixed Assets			
Property	7A	3,905,819	3,905,819
Equipment	7B	56,601	69,092
Investments	6	25,307	25,726
		<u>3,987,727</u>	<u>4,000,637</u>
<b>Current Assets</b>			
Debtors & Prepayment		52,812	54,399
Short term Deposits		296,408	295,427
Cash at bank and in hand		51,324	40,176
		<u>400,544</u>	<u>390,002</u>
Liabilities			
Amounts falling due within 1 yr		(44,820)	(45,473)
<b>Net Current Assets</b>		<u>355,724</u>	<u>344,529</u>
<b>Net Assets</b>		<u>4,343,451</u>	<u>4,345,166</u>
<b>Funds</b>			
Unrestricted	4		
- General		96,913	97,185
- Building Maintenance		105,379	95,199
- Development		62,151	59,916
- Salaries Reserve		65,000	60,000
- Unallocated Mission Tithe		23,642	30,008
- Asset Revaluation Investment		4,826	5,077
- Asset Revaluation Equipment		56,588	69,079
- Asset Revaluation Property		<u>3,905,819</u>	<u>3,905,819</u>
		4,320,318	4,322,283
Endowments	5	12,652	12,234
Asset Revaluation: Endowment Investments		10,481	10,649
		<u>4,343,451</u>	<u>4,345,166</u>

Approved March 2019:

Canon A Hurle  
Chairman

Mrs L McLeod  
Treasurer

**ST.PAUL'S PCC, ST.ALBANS****STATEMENT OF FINANCIAL ACTIVITIES**

for the year ended 31 December 2018

	Note	Unrestricted funds £	Restricted and Endowment funds £	TOTAL 2018 £	FUNDS 2017 £
INCOME & ENDOWMENTS from:					
Donations and Legacies	2a	568,814	25,427	594,241	587,105
Trading Activities	2b	54,836		54,836	56,111
Charitable activities	2c	8,625		8,625	8,556
Investments	2d	14,995	418	15,413	4,339
<b>TOTAL INCOME &amp; ENDOWMENTS</b>		<b>647,270</b>	<b>25,845</b>	<b>673,115</b>	<b>656,111</b>
EXPENDITURE on:					
Charitable activities	3	(648,984)	(25,427)	(674,411)	(595,835)
Gains & losses on investments		(251)	(168)	(419)	2,234
<b>NET INCOME/ EXPENDITURE</b>		<b>(1,965)</b>	<b>250</b>	<b>(1,715)</b>	<b>62,510</b>
Total funds brought forward 1 Jan 2018		4,322,283	22,883	4,345,166	4,282,656
<b>TOTAL BALANCES CARRIED FORWARD 31 DECEMBER 2018</b>		<b>4,320,318</b>	<b>23,133</b>	<b>4,343,451</b>	<b>4,345,166</b>



## Statement of Cashflows

	2018 £	2017 £
<b>Cashflows from operating activities:</b>		
Net cash provided by/(used in) operating activities	(17,035)	61,128
<b>Cashflows from investing activities:</b>		
Dividends, interest and rents from investments	14,995	4,339
Purchase of property, plant & equipment	14,170	6,712
Cashflows from financing activities	0	0
<b>Change in cash and cash equivalents in the reporting period</b>	12,130	72,179
Cash and cash equivalents at the beginning of the reporting period	335,603	263,264
<b>Cash and cash equivalents at the end of the reporting period</b>	347,733	335,603

## Reconciliation of net income/(expenditure) to cashflows from operating activities

	2018 £	2017 £
Net Income/(Expenditure) for the reporting period (as Statement of Financial Activities)	(1,715)	62,509
Adjustments for:		
Depreciation Charges	12,491	4,820
Purchase of property, plant & equipment	(14,170)	(6,712)
(Gains)/Losses on investments	419	(2,234)
Dividends, interest and rents from investments	(14,995)	(4,339)
(Increase)/Decrease in Debtors	1,587	3,179
Increase/(Decrease) in Creditors	(652)	3,904
Net cash provided by/(used in) operating activities	(17,035)	61,128

## **NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2018.**

### **1a. Accounting Policies**

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006, together with applicable accounting standards FRS102 and the charities SORP 2015. The accounts are prepared on the basis that the PCC is a going concern; and that the PCC is a public benefit entity under FRS102.

#### **Recognition of Income and Expenditure**

The statements are prepared on the accruals basis, that is to say, income and expenditure are recognised (included in the accounts) as and when they are earned or incurred, which may be before they are received or paid. Income including legacies is recognised when the inflow of benefits is probable.

Income Tax reclaimed on Gift Aid donations is accrued for all amounts outstanding from the Inland Revenue.

#### **Funds and Reserves**

General "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. In addition to the general fund, these include the church building maintenance fund, development fund and salaries reserve, which are designated funds set aside for these particular purposes by the PCC. Details of these reserves, including the PCC's policies regarding the level of reserves, are shown at note 4.

Restricted funds are those given for a specified purpose. They include donations for specific missions and charities.

Endowment Funds are another form of restricted fund, where money has been given to the church with the specific instruction that only the investment income may be spent by the PCC. Full details of these funds are given at notes 5 and 6.

#### **Fixed Assets**

Consecrated land and buildings and moveable church furnishings consecrated and beneficed property is excluded from the accounts by s10 (2) (c) Charities Act 2011.

No value is placed on moveable church furnishings (including equipment added under faculty) until a sale takes place. The churchwardens hold this property in trust for the PCC, but are unable to authorise a sale until a faculty for disposal is granted by the Diocese. All expenditure on

consecrated or beneficed buildings and moveable furnishings is written off in the year in which it is incurred.

#### Other Land and Buildings

Other land and buildings held on behalf of the PCC for its own purposes (the church halls and curate's house) are stated at historic cost, taken under FRS102 as the book value at 31 December 2013. No depreciation is charged against such properties if their residual value is greater than historic cost. At each reporting date an assessment is carried out to determine whether there is any indication that an asset should be written down (i.e. whether its carrying amount is more than its recoverable amount).

Other fixtures, fittings and office equipment.

Equipment used within the church premises is held at historic cost and depreciated on a straight line basis over its expected useful life. Items with a purchase price of £2,000 or less are written off in the year of acquisition.

#### **Investments**

Investments are valued at market value at 31 December 2018.

Note 2 – INCOME & ENDOWMENTS

	NOTE	Unrestricted Funds	Restricted & Endowment Funds	TOTAL 2018	FUNDS 2017
		£	£	£	£
<b>a) Donations &amp; Legacies</b>					
Planned giving		381,894		381,894	365,713
Unplanned Gift Aid donations		38,061		38,061	65,074
Tax recovered on planned and unplanned Gift Aid		72,093		72,093	81,671
Collections		3,785		3,785	5,276
Donations		33,481		33,481	11,772
Donations for Mission St. Peter's Church Lands			25,427	25,427	29,064
Legacies	12	39,500		39,500	26,900
		0		0	1,635
<b>Sub Total</b>		<b>568,814</b>	<b>25,427</b>	<b>594,241</b>	<b>587,105</b>
<b>b) Trading Activities</b>					
Hall and Church lettings		54,836		54,836	56,111
<b>c) Charitable Activities</b>					
Youth Weekends		1,977		1,977	2,156
Social Events		1,077		1,077	2,388
Materials & courses		2,460		2,460	2,502
Fees		3,111		3,111	1,510
<b>Sub Total</b>		<b>8,625</b>		<b>8,625</b>	<b>8,556</b>
<b>d) Investment</b>					
Interest, dividends		1,714	418	2,132	1,577
Rent		13,281		13,281	2,762
Subtotal		14,995	418	15,413	4,339
<b>TOTAL INCOME &amp; ENDOWMENTS</b>		<b>647,270</b>	<b>25,845</b>	<b>673,115</b>	<b>656,111</b>

### Note 3 - Expenditure

	Note	Unrestricted Funds	Restricted & Endowme nt Funds	TOTAL 2018	FUNDS 2017
		£	£	£	£
<b>a) Charitable activities:</b>					
<b>Mission &amp; Charitable Giving</b>					
-Church Overseas: Mission		35,900	15,962	51,862	39,996
- Relief & development		13,550	1,872	15,422	27,725
-Home mission etc.		43,320	142	43,462	36,744
-Secular charities		6,550	380	6,930	6,612
Vicar & wardens' grants		1,208	1,875	3,083	966
<b>Subtotal</b>	<b>14</b>	<b>100,528</b>	<b>20,231</b>	<b>120,759</b>	<b>108,743</b>
<b>Expenses directly relating to the work of the Church:</b>					
Parish Share to Diocese		164,317		164,317	163,175
Clergy expenses & accommodation		4,480		4,480	6,067
Ministry Staff salaries	8	161,025		161,025	141,336
Ministry Staff expenses & accommodation		5,263		5,263	3,939
Interns		-		-	2,451
Youth /children's work		7,202		7,202	8,321
Training		1,311		1,311	345
Evangelism/Publicity		3,607		3,607	8,931
Debt Advice Centre		3,000	5,196	8,196	3,000
Pastoral/Materials		777		777	2,247
Worship & Music		3,786		3,786	2,291
Upkeep of services/ ministry		1,494		1,494	1,136
Church /hall running expenses					
- Heat & Light		16,347		16,347	14,328
- Insurance		5,714		5,714	4,983
- Maintenance		26,897		26,897	16,037
Caretaker's salary & accommodation	8	16,060		16,060	15,595
Administrator & secretary's salaries	8	62,072		62,072	58,072
Consultancy- ICT and comms	8	11,646		11,646	-
Office & Stationery		10,050		10,050	11,003
Governance (Audit fee)		4,920		4,920	4,650
Youth Weekends		1,536		1,536	1,649
Cost of events		3,466		3,466	3,792
Books & SU Notes		1,351		1,351	2,213
Major Building works and equipment		19,644		19,644	
Net Asset Depreciation	7	12,491		12,491	11,531
<b>Subtotal</b>		<b>548,456</b>	<b>5,196</b>	<b>553,652</b>	<b>487,092</b>
<hr/>					
<b>TOTAL EXPENDITURE ON CHARITABLE ACTIVITIES</b>		<b>648,984</b>	<b>25,427</b>	<b>674,411</b>	<b>595,835</b>

#### 4. Unrestricted Funds

- a. The Church Building Maintenance Fund is for major repair and maintenance work on church buildings, and major equipment replacement. Repairs include works identified in the quinquennial inspection by the church's architect. The last inspection took place in 2014. £10,000 has been transferred to this fund at year end to help meet the cost of expected roof repairs in 2019.
- b. The Church Development Fund is for the provision of enhanced facilities and new equipment.
- c. The Salaries Reserve provides a reserve to cover our commitments on employee costs. It is based on a level of three months' gross salary costs.
- d. The General Purposes Fund is our general reserve for day to day expenditure. The surplus will be carried forward to help fund running costs for 2019 and 2020.
- e. The PCC makes donations to missions and charities from a "mission tithe", calculated as 15% of unrestricted income. The Unallocated Mission Tithe is the balance of this amount yet to be allocated to mission activities as at year end.
- f. The Capitalisation/Depreciation fund represents amounts charged in the Statement of Financial Activities but not set against the general or other funds.

	<b>Opening Balance 1.1.18 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers between funds £</b>	<b>Closing Balance 31.12.18 £</b>
<b>Church Building</b>	95,199	180		10,000	105,379
<b>Development</b>	59,916	21,879	(19,644)		62,151
<b>General</b>	97,185	650,638	(642,275)	(8,635)	96,913
<b>Salaries reserve</b>	60,000			5,000	65,000
<b>Mission Tithe</b>	30,008			(6,365)	23,642
<b>Deprc/Cap/ Invest</b>	3,979,975		(12,742)		3,967,233
<b>TOTAL</b>	<b>4,322,283</b>	<b>672,697</b>	<b>(674,662)</b>	<b>-</b>	<b>4,320,318</b>

#### 5. Endowment Funds

The balances on these funds at the balance sheet date, comprising the accumulated surplus of income over expenditure, available to be spent on these purposes, were as follows:

<b>2017</b>		<b>Income</b>	<b>Expenditure</b>	<b>2018</b>
<b>Net</b>				<b>Net</b>
<b>£</b>		<b>£</b>	<b>£</b>	<b>£</b>
5,878	Choir and Church Music	292		6,170
3,685	Garden of Rest	105		3,790
2,671	Poor	21		2,692
10,649	Investment revaluation		(168)	10,481
<u>22,883</u>		<u>418</u>	<u>(168)</u>	<u>23,133</u>

## 6. Investments

The PCC holds investments for the Choir & Church Music Fund and Garden of Rest Fund, each set up with a legacy from a member of the church. The capital of the Funds, which cannot be spent in the normal course of events, is invested in the Investment Fund of the Central Board of Finance of the Church of England.

The PCC also holds an investment from its general fund in the Investment Fund of the Central Board of Finance of the Church of England. The historic cost of this investment is £10,000.

The market valuations of these investments at the beginning and end of 2018 were:

	31.12.17	31.12.18
	£	£
Choir & Church Music Fund	2,829	2,787
Garden of Rest Fund	8,438	8,313
General Fund	<u>14,459</u>	<u>14,207</u>
	25,726	25,307

The decrease in value of these investments is shown in the Statement of Financial Activities.

The Investment Revaluation Fund represents the book value of assets held for the Choir and Church Music and Garden of Rest Funds.

The Poor Fund includes income earned on the investments of the Thurnham Charity, a separate charity established by bequest for the assistance of the poor of the parish.

## 7. Fixed Assets

### a) Land and Buildings

Property owned by the PCC for its own purposes includes the church hall complex and the curate's house. This is included in the accounts at historic cost. Under FRS102, this is taken as the market value as at 31 December 2013. There has been no movement in the cost, depreciation or net book value of property assets during 2018.

b) **Equipment**

The PCC owns equipment which is shown in the accounts at its depreciated value at 1 January 2018, plus any additions and less depreciation charges for the year and any disposals or impairments, as below. Equipment is depreciated over its expected useful life, normally 3 years for ICT and 10 years for other equipment. Equipment shown below includes PVpanels, the access control system, kitchen appliances, the office photocopier, AV systems in the hall and the electric piano.

During 2018 a new digital organ was purchased at a cost of £14,170. In accordance with our accounting policies, as disposal of this organ would be subject to the granting of a faculty by the Diocese, the value has been written off in year. It has therefore been excluded from the capital additions shown below.

	£
Cost at 1 January 2018	134,623
Additions/ (Disposals)	<u>-</u>
Cost at 31 December 2018	134,623
Depreciation at 1 January 2018	65,531
Depreciation in year	<u>12,491</u>
Depreciation at 31 December 2018	78,022
Net Book Value 1 January 2018	69,092
Net Book Value 31 December 2018	56,601

**8. Staff Costs**

During the year the PCC employed a full time Youth Minister, Children's Minister, Worship Minister, Pastoral Minister, Administrator and Caretaker; and a part time Associate Vicar, Connections Pastor, Secretary and CAP Debt Advice support worker. Total salary costs were as below:

	£
Direct salaries	209,784
Employer's National Insurance	15,366
Employer's Pension contribution	<u>15,946</u>
Total	241,096

In addition to these salaries, the caretaker is provided with accommodation. No staff fall in the over £60,000 pay band.

The PCC participates in the Church of England Defined Contributions Scheme (DCS) within the Church Workers Pension Fund. The PCC contributes 8.5% of basic salary, and employees can opt, but are not required, to make a contribution.

In addition to paid staff, unpaid volunteers make a substantial contribution to all the activities of the church, including children's and youth work, music and worship, catering, small groups and administrative support. Given the



difficulties of calculating a monetary value for this activity, it is not included in the accounts.

#### **9. Commitments and liabilities**

There are no outstanding liabilities at year end.

#### **10. PCC Members' (trustees) remuneration, expenses and donations**

Staff members who are also PCC members (administrator and secretary) have received remuneration as in note 8 above.  
Expenses totalling £3,787 were paid to clergy.

Apart from these payments, and the related parties transactions identified in note 11, no member of the PCC or any party related to the PCC has received any remuneration, expenses or other benefit during the year.

#### **11. Related Party Interests**

The following related party interests have been identified, and transactions incurred.

<b>Trustee</b>	<b>Related party</b>	<b>Transaction</b>
Lindsey McLeod	Trustee, Open Door St Albans	Mission donation £480
Chris Hill	Trustee, SHARE Trust	Mission donation £5,875
Andrew Pike	Trustee, JENGA	Mission donation £4,975

During 2018 PCC members made donations to St Paul's totalling £84,184.

#### **12. Legacies**

No legacies were received during 2018.

#### **13. Capital Commitments**

There were no capital commitments at 31 December 2018.

#### 14. Grants to Missions and Charities

The following grants and donations were made to missions and charities during 2018

2017	Organisation	From General Fund £	From Restricted Donations £	2018 Total £
	5 Oaks Media	2,230		2,230
2,500	2:67 project	1,500		1,500
2,750	A Rocha	3,750		3,750
500	Age UK Herts	500		500
91	Air Ambulance, Herts	-		-
	Archbishop's Communion Fund	2,000		2,000
2,000	Asian Students (Children of the Dump)	-		-
600	Azalea Women's Refuge	600		600
250	Alpha -HTB	300		300
500	Barnabas fund	500		500
750	Bible Society	750		750
300	CARE	300		300
300	CARE for the Family	300		300
750	Childrens Society	750		750
750	Christian Aid	750		750
4,007	Christians Against Poverty	4,000		4,000
700	Credit union	700		700
1,000	CMJ	5,800		5,800
1,000	CMS	1,000		1,000
750	Concordis	750		750
500	CPAS	500		500
750	Crusaders	900		900
2,000	Downings	3,000		3,000
950	Double Joy Farm	750		750
	Emzini School S Africa (Hartin			
1,325	foundation)	3,000		3,000
300	Evangelical Alliance	300		300
489	FEED		142	142
2,800	FRMME (Andrew White Baghdad)	1,000	1,800	2,800
300	Fusion	300		300
	Great Lakes Outreach	1,400		1,400
91	Guide Dogs for the Blind		100	100
500	Grove House (Iain Rennie Hospice)	500		500
1,000	Hatfield Rd day care centre	1,000		1,000
100	Herts welcomes Syrians			
300	Innervation Trust			
135	Japanese Church	540		540
	JENGA	4,500	475	4,975
	Just Love	300		300
300	Relationships Foundation	300		300
540	Kiwoko Hospital		540	540
	Kumquat	300		300
16,310	Leakes	2,000	450	2,450
	Chaco Church Trust	3,000		3,000

<b>2017</b>	<b>Organisation</b>	<b>From General Fund £</b>	<b>From Restricted Donations £</b>	<b>2018 Total £</b>
3,500	Living Room	3,500		3,500
1,450	Local Schools	1,450		1,450
	Luton Roma Trust	100		100
8,500	Mission Without Borders	5,000		5,000
250	Mission Direct (Brazil)			
	Motor Neurone Disease Association		100	100
1,000	Mother Union Literacy	1,000		1,000
300	New Wine Networks	300		300
	Oak Church, Stevenage	4,500		4,500
750	OMF	750		750
480	Open Door nightshelter	300	180	480
500	Open Doors	500		500
500	Prison Fellowship/Angel Tree	500		500
150	Radio Verulam	150		150
500	Scripture Union	500		500
4,000	SHARE Trust - Avondale	2000		2000
2,300	SHARE Trust	3,500	375	3,875
500	St Albans Bereavement Network	300		300
2,000	Leo & Sam Sandu, Moldova	2,850		2,850
1,100	St John's, Farley Hill	1,100		1,100
8,100	STEP	5,000		5,000
100	Teach Beyond	1,000		1,000
750	TEAR Fund	750	882	1,632
300	UCCF	300		300
250	Univ Herts CU	250		250
22,309	Individuals	13,650	6,387	20,037
	Uganda Youth Mission Trip		6,925	6,925
	Vicar & Wardens Fund gifts	1,209	1,875	3,084
<b>107,777</b>	<b>Total</b>	<b>100,529</b>	<b>20,231</b>	<b>120,759</b>