



St. Paul's Church East Molesey

Annual Report and Financial Statements For the year ended 31 December 2020

The Parochial Church Council of the Ecclesiastical Parish of East Molesey, St. Paul
is a registered charity number 1127837
Church code 617144

*Church Road
East Molesey
Surrey KT8 9DR*

*0208 941 2071
office@stpaulmolesey.org.uk*

[http:// www.stpaulmolesey.org.uk](http://www.stpaulmolesey.org.uk)

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Report of the Parochial Church Council

Objectives and activities

The Parochial Church Council of the Ecclesiastical Parish of East Molesey, St. Paul (the "PCC") has the responsibility of co-operating with the incumbent, Revd. Anne Farmer, in promoting the mission of the Church as partners in the work of the gospel ministry.

The PCC, having had regard to the Charity Commission's guidance on public benefit, consider that in following these priorities and by furthering the whole mission of the Church (pastoral, evangelistic, social and ecumenical), a benefit is provided to the public in particular by:

- providing facilities for public worship, pastoral care and spiritual, moral and intellectual development, both for its members and for anyone who wishes to benefit from what the Church offers; and
- promoting Christian values, and service by members of the Church in and to our community, to the benefit of individuals and society as a whole.

It also has oversight of the financial affairs of St. Paul's Church East Molesey ("St. Paul's") and maintenance responsibilities for the buildings thereof.

Financial Review of the Year

2020 was a year in which we faced significant overheads to maintain the structure of our church. Parishioners will remember that for several years we have been investing in major works to our Church property. In recent times, these have included a new church door, repairs to the church garden exterior wall, and landscaping of the church gardens. In 2020, a further £50,349 was deployed to continue with these remediation works: namely £15,796 on the church roof, £23,705 on the Parish Room roof and significant necessary updates to the drainage and electrical circuits.

In addition, some £9,825 was spent in gearing up for re-ordering works in our Church as part of St Paul's Enhancement Project ("SPEP"). As at December 2020, all of the urgent remediation work had been completed and we can look forward to the benefits of re-ordering works in the coming years.

It is always alarming to see money go 'out the door', but in fact we have been putting funds aside over many years and most of such expenditure has been met out of our Building funds (designated and restricted) which are the result of generous giving by many parishioners.

Thus, whilst the overall outturn: an excess of expenditure over income that gave rise to a deficit of some £54,000 (2019: deficit of £15,000) would, in a normal year, be shockingly bad, the ongoing position is rather more encouraging:

	£
Excess of expenditure over income in 2020	54,000
Exclude Major Remediation and Enhancement (SPEP) works	60,000
Normalised deficit	6,000

Meanwhile, to most people, the most outstanding impact in 2020 was that of the covid-19 lock-down. As with churches up and down the country, this caused a significant drop in loose plate collections, hall hire income and income from fees. Many churches would be grateful to have kept their 2020 operating deficit to £6,000 and we must be grateful that we have coped with the impact of lock-down as well as we have.

Giving by parishioners held up well and we were also blessed with a £5,000 legacy. We continue to strive for careful control of costs.

Looking forward, at December 2020 we had used up funds set aside for building works and we will want to raise further funds to safeguard ourselves against any unforeseen maintenance requirements of such an old building. All over the world, building materials and other costs have shot up over the last 12 months and this needs to be factored into our planning. The parish does have funds saved up but we should not rely on the generosity of past parishioners, including the Truefitt Legacy. The financial shocks arising from the covid-19 lock-down have highlighted the need to keep prudent reserves.

Statement of Trustees Responsibilities

The members of the PCC, who are the Trustees of the charity for the purposes of charity law, are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law, regulations and accounting standards.

Law applicable to charities in England and Wales requires the members of the PCC to prepare financial statements for each financial year which give a true and fair view of the PCC's financial activities during the year and of its financial position at the end of the year. In preparing these financial statements, the members of the PCC are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the PCC will not continue in operation.

The members of the PCC are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the PCC and enable them to ensure that the financial statements comply with the applicable law. They are also responsible for safeguarding the assets of the PCC and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Structure, Governance and Management

The Parochial Church Council of the Ecclesiastical Parish of East Molesey, St Paul is a Church of England parish in the Diocese of Guildford. It is a registered charity, number 1127837, with registered address at 101 Palace Road, East Molesey, Surrey KT8 9DU.

As a parish church within the Church of England (CofE), St. Paul's is constituted within the Parochial Church Councils (Powers) Measure 1956. Members of the PCC are either ex-officio or elected by the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules and, by dint of membership, become the charity's Trustees. All Church attendees are encouraged to register on the Electoral Roll and to consider standing for election to the PCC. Prospective new PCC members / trustees are advised of PCC membership and Trusteeship duties and responsibilities by means of receipt and discussion of the CofE PCC Standing Orders and the Trusteeship booklet produced jointly by the Archbishop's Council and the Charity Commission.

The PCC meets on a regular basis and is responsible for policy approvals and decisions, significant non-routine expenditure approval, identification, assessment and mitigation of risks, and other significant decision-making including the ratification of any proposals submitted by church sub-committees.

The Standing Committee, a sub-set of the PCC membership, meets between PCC meetings and may take decisions on the PCC's behalf. The Rev Anne Farmer, incumbent, serves as Chairman of the PCC.

During the year, and up to the date of approval of this Annual Report and Financial Statements, the following served as members of the PCC:

	Churchwarden		PCC		Deanery Synod	
	Full period 1 Jan 2020 to date hereof	Part period	Full period 1 Jan 2020 to date hereof	Part period	Full period 1 Jan 2020 to date hereof	Part period
Incumbent						
Rev. Anne Farmer			✓			
Lay Minister						
Tony Harris			✓			
Churchwardens						
Gabrielle Clarke	✓		✓			
Paul Hancock	✓		✓			
Laity						
Dayle Hume			✓			
Helen Birchall			✓			
Jenny Wood			✓			
Richard Castillo			✓			
Linnet Frederik			✓		✓	
Jane Sachdev				A ⁱ		A ⁱ
Harriet Hill				A ⁱ		
James Bunsell (Treasurer)				A ⁱ		
Nathalie France				A ⁱⁱ		
Samuel Chowdhry				A ⁱⁱ		
Judy Lanaway				T 2021		
David Lanaway				T 2021		T 2020
Brenda Mallett				T 2020		
Suzanne Payne				T 2020		
Peter Aron				R 2020		

Aⁱ Appointed 6 October 2020

T Term expired (+ year)

Aⁱⁱ Appointed 23 May 2021

R Resigned (+ year)

Reserves

Reserves held reflect two different objectives:

- (a) Restricted funds are funds which have been given to the PCC for a specific purpose and which are held pending disbursement in accordance with the mandate for which they were given.
- (b) Unrestricted funds reflect the accumulated unspent net income: these funds are held for prudence in providing a buffer to meet projected or unusual or exceptional needs.

Further details of the reserves held are set out in note 9 to the Financial Statements. There are no funds in deficit.

Approved by the Parochial Church Council on 28th October 2021



Rev. Anne Farmer
Incumbent

Independent Examiner's Report to the Members of the Parochial Church Council of East Molesey, St. Paul's

I report on the accounts for the year ended 31st December 2020, which are set out on pages 7 to 14.

Respective responsibilities of the Trustees and Independent Examiner

The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the '2011 Act'), and that an independent examination is required.

It is my responsibility to:

- a) examine the accounts under section 145 of the 2011 Act;
- b) follow such procedures laid down in the General Directions given by the Charity Commissioners under section 145(5)(b) of the 2011 act; and
- c) state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission.

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

Independent examiner's statement

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

- 1) which gives me reasonable cause to believe that in any material respect the requirements
 - a) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - b) to prepare accounts which accord with these accounting records and comply with the accounting requirements of the Charities Acthave not been met; or
- 2) which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Martin Perrin MA, FCA, Chartered FCSI
28th October 2021

39 Station Road
Thames Ditton
Surrey KT7 0PA

Statement of Financial Activities

For the year ended 31 December 2020

	Note	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Unrestricted Funds £	Restricted Funds £	Total 2019 £
Income	2						
Voluntary income		79,844	6,527	86,371	98,172	7,287	105,459
Activities for generating funds		100	-	100	227	-	227
Church activities		9,804	-	9,804	16,538	-	16,538
Income from investments		8,517	-	8,517	2,176	-	2,176
Other incoming resources		-	-	-	-	-	-
Total income		98,265	6,527	104,792	117,113	7,287	124,400
Expenditure	3						
Cost of generating voluntary income		-	-	-	30	-	30
Church activities		146,532	12,224	158,756	117,760	21,672	139,432
Governance costs		-	-	-	-	-	-
Total expenditure		146,532	12,224	158,756	117,790	21,672	139,462
Net incoming/(outgoing) resources		(48,267)	(5,697)	(53,964)	(677)	(14,385)	(15,062)
Transfers between funds		-	-	-	-	-	-
Net movement in funds		(48,267)	(5,697)	(53,964)	(677)	(14,385)	(15,062)
Balances brought forward		294,639	7,573	302,212	295,316	21,958	317,274
Balances carried forward		246,372	1,876	248,248	294,639	7,573	302,212

The notes on pages 9 to 14 form part of these financial statements.

Balance Sheet

As at 31 December 2020

Charity number 1127837

	Note	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Unrestricted Funds £	Restricted Funds £	Total 2019 £
Fixed Assets							
Tangible fixed assets		-	-	-	-	-	-
		-	-	-	-	-	-
Current assets							
Debtors and prepayments	7	(647)	1,876	1,229	-	-	-
Cash		249,026	-	249,026	302,837	-	302,837
		248,379	1,876	250,255	302,837	-	302,837
Current liabilities	8	(2,007)	-	(2,007)	(8,198)	7,573	(625)
Net current assets		246,372	1,876	248,248	294,639	7,573	302,212
Net Assets		246,372	1,876	248,248	294,639	7,573	302,212
Parish Funds	9	246,372	1,876	248,248	294,639	7,573	302,212

The notes on pages 9 to 14 form part of these financial statements.

These financial statements were approved by the Parochial Church Council on 28th October 2021.

Signed on behalf of the Parochial Church Council

Revd Anne Farmer
Incumbent

Notes to the Financial Statements

For the year ended 31 December 2020

1 Accounting policies

(a) General information

The Parochial Church Council of the Ecclesiastical Parish of East Molesey, St Paul is a registered charity, number 1127837 and having its registered address at 101 Palace Road, East Molesey, Surrey KT8 9DU.

The principal activities of the Parochial Church Council are described in the Report on page 2.

(b) Basis of preparation

The financial statements have been prepared on an accruals basis and in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (as updated), the Church Accounting Regulations 2006 and the Charities Act 2011.

The financial statements have been prepared under the historical cost convention.

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

The PCC have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Parochial Church Council has adequate resources to continue in operational existence for the foreseeable future. For this reason the PCC continue to adopt the going concern basis in preparing the financial statements.

(c) Funds

General funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for application to the general purposes of the PCC.

Designated funds are those General funds which have been set aside by the PCC for a particular purpose.

Restricted funds are those funds that must be spent on restricted purposes and details of the funds held and restrictions are provided in note 9.

(d) Incoming Resources

Voluntary income and capital sources

Offerings and collections are recognized when received by or on behalf of the PCC. Planned giving receivable under Gift Aid is recognized only when received. Tax recoverable on Gift Aid donations is recognized when the donation is recognized.

Grants and legacies to the PCC are accounted for when the PCC is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the PCC is reasonably certain.

Notes to the Financial Statements

For the year ended 31 December 2020

Statutory Parochial fees are receivable on weddings, funerals and other events, and that part of the fees due to the PCC are included in these accounts. The PCC also collects and pay over fees due to the Diocese of Guildford.

Rental income from the letting of church property is recognized on an accruals basis.

Dividends are accounted for when received. The impact of account upon receipt rather than ex-date is not considered material.

Interest entitlements are accounted for as they accrue or, where not material, upon receipt.

The value of services provided by volunteers is not accounted for in these financial statements.

(e) Resources Used

Activities directly relating to the work of the Church are expensed as incurred.

The Diocesan Parish Share is accounted for when due.

(f) Fixed assets

Consecrated property and movable church furnishings

Consecrated and beneficed property of any kind is excluded from the financial statements pursuant to s.10.2 of the Charities Act 2011. Movable church furnishings held by the Vicar and Churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property unless consecrated: they are listed in the Church's inventory, but are not recorded as assets of the PCC.

All expenditure incurred in the year on consecrated or beneficed buildings, and the repair of movable church furnishings is written off in the year they are incurred.

Church Hall

Historic costs of building the Church hall were expensed as incurred. Current monies expended on surveying and architects fees have likewise been expensed as incurred.

Fixtures, fittings and office equipment

Small value items under £1,000 are treated as operating expenses. Where office equipment is capitalised, it is written off over its expected useful life, normally between 3 and 5 years.

Notes to the Financial Statements

For the year ended 31 December 2020

2 Incoming resources

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Unrestricted Funds £	Restricted Funds £	Total 2019 £
Voluntary income						
Planned giving:	54,102	3,761	57,863	55,411	-	55,411
Collections	1,633	-	1,633	6,987	-	6,987
Other donations, appeals	3,092	479	3,571	20,488	7,287	27,775
Tax recoverable	12,931	2,287	15,218	14,786	-	14,786
Legacies	5,000	-	5,000	500	-	500
Grants from public bodies	3,086	-	3,086	-	-	-
	79,844	6,527	86,371	98,172	7,287	105,459
Activities for generating funds						
Social events & activities	-	-	-	-	-	-
Sale of Tradecraft goods	100	-	100	227	-	227
Other	-	-	-	-	-	-
	100	-	100	227	-	227
Church activities						
Fees	1,726	-	1,726	4,000	-	4,000
Hall Lettings	8,078	-	8,078	12,538	-	12,538
Other	-	-	-	-	-	-
	9,804	-	9,804	16,538	-	16,538
Income from investments						
Bank interest	8,517	-	8,517	2,176	-	2,176
	8,517	-	8,517	2,176	-	2,176
Other incoming resources						
Insurance claims	-	-	-	-	-	-
	-	-	-	-	-	-
Total incoming resources	98,265	6,527	104,792	117,113	7,287	124,400

Notes to the Financial Statements

For the year ended 31 December 2020

3 Resources expended

		Unrestricted Funds £	Restricted Funds £	Total 2020 £	Unrestricted Funds £	Restricted Funds £	Total 2019 £
Cost of generating voluntary income							
Cost of activities		-	-	-	30	-	30
		-	-	-	30	-	30
Church activities							
Missionary & Charitable Giving	4	4,107	327	4,434	3,741	425	4,166
Parish Share and clergy costs to Diocese		69,002	-	69,002	69,618	-	69,618
Salaries, wages and honoraria	5	6,702	-	6,702	17,848	-	17,848
Costs of ministry and mission		4,070	-	4,070	3,634	242	3,876
Church running & maintenance	10	11,787	160	11,947	16,455	-	16,455
Major Remediation and Enhancement works		48,437	11,737	60,174	-	21,005	21,005
Upkeep of churchyards		141	-	141	4,127	-	4,127
Church Hall costs		-	-	-	-	-	27,261
Management & admin costs		2,286	-	2,286	2,337	-	2,337
		146,532	12,224	158,756	117,760	21,672	139,432
Governance costs							
Independent examiner		-	-	-	-	-	-
		-	-	-	-	-	-
Total resources expended							
		146,532	12,224	158,756	117,790	21,672	139,462

Notes to the Financial Statements

For the year ended 31 December 2020

4 Missionary and charitable giving

Charitable giving out of St Paul's Church funds was disbursed as follows:

	Unrestricted Funds	Restricted Funds	Total 2020	Total 2019
	£	£	£	£
Children's Society	793	-	793	627
Children's church	-	-	-	630
Christian Aid/Crisis	723	-	723	801
Church Pastoral Society	108	-	108	-
Compassion UK	-	327	327	425
East Elmbridge Food Bank	620	-	620	-
Molesey Churches/ Elmbridge				
Night Shelter	723	-	723	940
Hope Gardens	723	-	723	250
Macmillan Cancer Support	-	-	-	13
Mary Francis Trust	217	-	217	-
Red Cross	-	-	-	480
Royal British Legion	100	-	100	-
Royal Marsden Hospital	100	-	100	-
Total	4,107	327	4,434	4,166

5 Staff costs

	2020 £	2019 £
Wages, salaries and other staff costs	4,112	14,203
Social security costs	-	-
Other honoraria and staff costs	2,590	3,645
Total resources expended	6,702	17,848

The average number of full or part-time equivalent employees in the year was 3 (2019: 4).

No trustee (PCC member) received any remuneration or received any other employment benefits during the year or prior year. Clergy are not included in the staff costs above as they are office holders not employed by the PCC. In addition to employees, the cost of certain other service providers is included in Other honoraria and staff costs.

6 Payments to PCC members

2 (2019: 1) trustees received expenses to the value, in total, of £1,989 (2019: £2,913) in respect of Church and Church Hall repairs, Churchyard maintenance, travel and other costs incurred on behalf of the PCC.

7 Debtors and prepayments

	2020 £	2019 £
Gift aid tax recoverable	1,229	-
Accrued income and other debtors	-	-
	1,229	-

Notes to the Financial Statements

For the year ended 31 December 2020

8 Creditors – amounts falling due within one year

	2020 £	2019 £
Accruals and deferred income	1,501	625
Other creditors	506	-
	2,007	625

9 Funds

General funds

	Opening Balance £	Income £	Expenditure £	Adjustments £	Closing balance £
Undesignated general funds	260,947	98,265	(114,104)	-	245,108
Designated funds:				-	-
Building fund	32,428	-	(32,428)	-	-
Organ maintenance	1,264	-	-	-	1,264
	294,639	98,265	(146,532)	-	246,372

Restricted funds

Restricted funds are funds which have been given to the PCC for a specific purpose and which are held pending disbursement in accordance with the mandate for which they were given:

	Opening Balance £	Income £	Expenditure £	Adjustments £	Closing balance £
Building repair and maintenance	5,929	5,808	(11,737)	-	-
Organ maintenance	708	719	(160)	-	1,267
Leisem fund	936	-	(327)	-	609
	7,573	6,527	(12,224)	-	1,876

10 Major Remediation and Enhancement works

Major Remediation and Enhancement works can be analysed as to:

	Total 2020 £	Total 2019 £
Remediation works	50,349	21,005
St Paul's Enhancement Project	9,825	-
Total	60,174	21,005

11 Related party transactions

There were no transactions with any trustee in their capacity as trustee. Reimbursements for normal out of pocket expenses incurred in the performance of various duties as Clergy, or as members of a PCC committee, as the case may be, are set out in note 6 above.