



Annual Report
and
Financial Statements

Year ended 31 December 2022

Registered Charity No. 1133066

PCC Annual Report for the year to 31 DECEMBER 2022

	The Parochial Church Council of St Paul's Letchworth
Registered charity number (if any)	1133066
Charity's principal address	179 Pixmore Way, Letchworth, Hertfordshire. SG6 1QT

Names of the PCC Members who manage the charity:

Name	Office (if any)	Dates acted if not for whole year	Notes
Rev Jeni McQuaid	Incumbent		
Rev Amanda Ferris	Associate Vicar		
Rachel Snow	Assistant Curate		
Derek Snow	Church warden	From May 2022	
Irene Adam			Elected Member
Keith Blundell	PCC Secretary		" "
Rachel Cheffy		To June 2022	" "
Chris Dingwall	Treasurer		Co Opted May 2022
Beccie Galloway		From April 2022	Elected Member
Anne Hignell		From November 2022	" "
Pam Hull			" "
Chris Hulme		From April 2022	" "
Miriam John		From April 2022	" "
Judith Nash			" "
Paul Owen			" "
Helen Pattinson		From August 2022	" "
Dan Pinco			" "
Paul Thomson			" "
Emily Wilkinson			" "
Madeleine Nicholas	Synod Rep.		
Maureen Phillips	Synod Rep.	To November 2022	
Judith Nash	Synod Rep.		
Emma Vernon	Children and Families Worker		Observer
Claire McDonnell	Youth Worker		Observer

Names and addresses of advisors:

Architects	Iain Frearson, 20 Shott Lane, Letchworth Garden City, Hertfordshire, SG6 1SE
Bankers	National Westminster Bank, Station Place, Letchworth. SG6 3AL
Deanery Synod representatives (entitled to attend PCC)	Madeleine Nicholas Maureen Phillips Judith Nash

Structure, governance and management

Description of the charity's trusts

How the Church is constituted

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

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

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

PCC and Committees

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

PCC meets its objectives achieved through:

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

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

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

Our Purpose – *“To Show the Light and Love of Jesus for all”*

The first notable thing about this report, is that rather than being written by a Churchwarden, it comes from your Vicar, who would implore you to continue to pray for a warden (actually, two wardens!) but also begs your forgiveness for any errors in the below as it is being written during Easter preparations.

This year feels as if it has been a year of two halves. From April to Christmas, it really felt as if we were still finding our feet after the most extraordinary few years as a church. Gone were the days of restrictions such as masks, no singing and social distancing, but we certainly didn't feel “back to normal” either.

Christmas however felt like a real turning point, with increased numbers attending our services since 2019 (which is our last real benchmark). Carols by Candlelight and our Christingles were packed to the rafters and I for one was giddy with relief!

From Christmas to present day we have seen Sunday services top 200 most weeks and although we're not quite at our previous attendance of 235 per week, there is certainly the atmosphere of energy, life, and worship that we were accustomed to. Thanks to Emma Vernon and her wonderful team (which has grown significantly) we frequently see upwards of 40 children in church on a Sunday.

Although several of us have done what we could to support the Youth work while Claire was on maternity leave, we are overjoyed that she has begun her phased return to work, she will be back to full time by August. No one is happier than the young people! We have grown the team and recently taken year 8 to Saturday Celebrations at Soul Survivor Watford which they loved (they are willing to go again, which is as enthusiastic as teenagers ever get, I think!)

The addition of a midday, midweek Communion service with sung worship has been well received and well attended.

Moving refreshments back into church after the 10am has proven very popular and significantly increased the number of people staying and socialising after the service. we will stick with this for now, although the option to review always remains open should things change.

The take up of Connect Groups has increased, and we are delighted to see that one of those groups have formed a new Home Group.

The brave (and I believe Spirit led) decision by the PCC to appoint an Associate Vicar has resulted in Rev. Nick Smith joining us 3 days per week. I want to commend Nick for the way in which he is building relationships and getting stuck into the life of the church (not least by donning a Centurion outfit for our Easter Journey!) I have every confidence that our pastoral care and discipleship will strengthen as a result of the extra ministry support and therefore the retention of our established church family.

God in his redemption has used the vacancy in churchwarden to strengthen other teams such as the maintenance team, grounds team and home communion team. We need everyone involved in the life of the church and I am so grateful to those who have stepped up.

The quinquennial inspection revealed the urgent need to conduct roof repairs to the tune of £220,000. This presented a huge challenge as we don't hold reserves over the required minimum, choosing instead to invest our money in mission and ministry. I felt convicted that we were to focus not on raising money, but on raising our faith. Within three weeks and without a word to the public we received £100,000 which was truly the grace of God and the remarkable generosity of the individuals who gave. At the time of writing, we have just under £20,000 to go.

Our Mission Action Plan continues to deliver;

- The new evening for women, Beloved was attended by 55 women in October and 101 in March! The latter raised over £500 towards the roof and a wonderful evening of deepening friendship and inviting new guests was enjoyed.
- 3 Alpha courses were run, with increasing attendance increasing to a peak of 21 guests last term.
- The SIX:30 service has grown to an average of 45 people per week.
- Community Café is now monthly again, and we consistently welcome over 100 guests.
- Our young people have attended Soul Survivor Watford, one of the most fruitful ministries for teenagers in the country, and we will return as often as possible.
- 42 of us attended New Wine in the summer of 2022, PCC unanimously supported adopting the festival as our annual holiday. We have 65 guests signed up for 2023 at time of writing.
- Messy Easter, Messy Christmas and Holiday Club continue to be highlights in our children's work.
- There is increased connectivity between all our ministries, and we see more new congregation members worshipping on Sunday having "joined the dots" from other ministries such as Toddlers and Alpha.
- Luncheon Club is increasing its regularity which is a great source of rejoicing for many.
- Connect Groups continue to provide accessible and low key ways to meet new people and Home Groups continue to be places of deep friendship and discipleship.
- The reforming of a Home Communion Team has provided vital pastoral support to those who are house bound.
- Three issues of St Paul's Magazine were published with a new focus on existing church family offering a chance to get to know one another a little more.

Our sister church All Saints continues to flourish under the special care and attention of Associate Vicar Rev. Amanda Ferris. Their numbers are growing and the buildings project there continues with the removal of the organ and the renovation of the Vestry. St Mary's Old Letchworth joined the Benefice, also under Amanda's care, after a local pastoral reorganisation and have

	<p>made a wonderful addition to the breadth of the style of worship we are now able to offer.</p> <p>All that you read above is underpinned and supported by our Administrator Vicky Cameron who deals with more on a daily basis than I think any of us realise and I wish to express my deep gratitude to her.</p> <p>In all that we do, the PCC, as trustees have had regard to the guidance issued by the Charity Commission on public benefit document.</p>
Summary of the main activities during the year	<p>Our activities are:</p> <p>Regular public worship open to all; administration of the sacraments, including preparation for baptism and marriage; conducting funerals; the provision of sacred space for personal prayer and contemplation; pastoral work, including visiting the sick and bereaved; Christian teaching through talks, courses and small groups; taking religious assemblies in schools; youth work with a Christian ethos; promoting the whole mission of the church through a range of activities for older people; work with young children and their families - parents and toddlers; collaborating with our Ecumenical brothers and sisters in Letchworth on a range of community activities, including the provision of a Food Bank and The Ark, a drop in centre for homeless and vulnerable adults; supporting other charities in the UK and overseas.</p>
Safeguarding	<p>The PCC has complied with its duty under Section 5 of the Safeguarding and Clergy Discipline Measure 2016 (duty to have regard to the House of Bishops' guidance on safeguarding children and vulnerable adults).</p>

Financial review

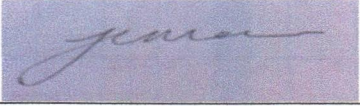

Brief statement of the charity's policy on reserves	<p>The PCC is committed to maintaining the following reserves:</p> <ul style="list-style-type: none"> • Capital Fund - representing the PCC's strategic interest in the curate's accommodation • Working Capital reserve – equivalent to 3 months expenditure
<ul style="list-style-type: none"> • Financial results 	<p>The principal sources of income and expenditure are set out in the financial statements for the year. The funds available to the PCC at year-end remain adequate to achieve its objectives in 2023.</p> <p>Provisions are in place to meet the estimated costs arising from 5-yearly quinquennial reviews. The PCC will continue to seek funding in the next financial period for the repairs to the North Aisle roof, including fund-raising and financial grants.</p>

Declaration

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

Signed on behalf of the PCC

On 3 April 2022

	
Rev Jeni McQuaid	Keith Blundell
Minister	Secretary

Statement of financial activities

	Note	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Income					
Voluntary Income	2	207,238	151,664	358,902	245,652
Income from fees and charges	2	28,296	0	28,296	16,638
Income from local mission activities		0	3,326	3,326	321
Income from investments		1,787	0	1,787	45
Other		611	1,036	1,647	265
Total incoming resources		237,932	156,026	393,958	262,921


Expenditure					
Ministry	3	31,298	1,927	33,225	50,998
Parish share		86,409	0	86,409	84,212
Support provided to missionaries		18,453	0	18,453	21,201
Cost of generating fees and charges		31,599	0	31,599	26,595
Costs of local mission activities		3,579	9,016	12,595	6,073
Buildings and other runnings costs	3	175,910	1,906	177,816	150,998
Total resources used		347,248	12,849	360,097	340,077

Net income/(expenditure)		(109,316)	143,177	33,861	(77,156)
Transfer between funds		141,836	(141,836)	0	0
Total funds brought forward		2,009	25,187	27,196	104,352
Total funds carried forward		34,529	26,528	61,057	27,196

Balance Sheet

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	5	9,912	9,912
Total fixed assets		9,912	9,912
Current assets			
Debtors	6	17,651	9,140
Cash and cash equivalents	7	261,381	129,516
Total current assets		279,032	138,656
Creditors: amounts falling due within one year	8	7,887	2,842
Net current assets		271,145	135,814
Total assets less current liabilities		281,057	145,726
Provisions for liabilities	9	220,000	118,530
Total net assets		61,057	27,196
Funds	10		
Restricted funds		34,529	25,187
Unrestricted funds		26,528	2,009
Total funds		61,057	27,196

Approved on behalf of the board of trustees:



 Chris Dingwall
 Treasurer

Date: 03/04/2023

Notes to the financial statements

1 Significant accounting policies

Basis of accounting

These financial statements are presented in pounds sterling. All values are rounded to the nearest pound. The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) issued on 16 July 2014 and the Charities Act 2011. The charity constitutes a public benefit entity as defined by FRS 102.

There has been no change to the accounting policies (valuation rules and method of accounting) since last year.

The principal accounting policies adopted are set out below.

Going concern basis

The financial statements have been prepared on the basis that the charity is a going concern.

Recognition of income

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

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

Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.

Grants and donations

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

Gift Aid tax reclaims on donations and gifts

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

Gifts in kind, donated services and volunteer help

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

Investment income

This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.

Tangible fixed assets

Tangible fixed assets costing in excess of £5,000 will be capitalised over the estimated useful life of the asset. Expenditure below £5,000 is treated as expenditure in the year taking place.

Debtors

Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

Cash and cash equivalents

Cash and cash equivalents comprise on hand and demand deposits that are subject to an insignificant risk of changes in value.

Liability recognition

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

Provisions for liabilities and charges

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

2 Analysis of Income

	Unrestricted £	Restricted £	2022 £	2021 £
Voluntary Income				
Covenanted giving	165,118	1,983	167,101	165,430
Collections	3,156	0	3,156	1,926
Donations and gifts	2,134	127,226	129,360	36,165
Gift Aid tax recoverable	36,830	22,455	59,285	42,131
Total	207,238	151,664	358,902	245,652
Income from fees and charges				
Weddings and funerals	6,648	0	6,648	6,426
Church hall lettings	21,648	0	21,648	10,212
Total	28,296	0	28,296	16,638

3 Expenditure Analysis

	Unrestricted £	Restricted £	2022 £	2021 £
Ministry				
Clergy	2,018	0	2,018	2,582
Children and families	19,611	1,330	20,941	27,511
Youth work	9,669	597	10,266	20,905
Total	31,298	1,927	33,225	50,998

	Unrestricted £	Restricted £	2022 £	2021 £
Buildings and other running costs				
Church building	135,613	0	135,613	117,700
Equipment non capital and maintenance	7,648	1,906	9,554	6,026
Administration costs	31,899	0	31,899	26,672
Independent examiner fee	750		750	600
Total	175,910	1,906	177,816	150,998

Church building expenditure includes a provision made for major works arising from the Quinquennial review (see notes 9 & 10).

4 Staff costs

	2022 £	2021 £
Staff Costs		
Wages and salaries	45,791	57,606
Social security costs	612	844
Pension costs	3,699	3,456
Total	50,102	61,906

St Paul's contributes 6% of salaries to employee personal pension schemes. Members of PCC receive no fees, allowances or travelling expenses for serving on the PCC.

Average number of employees in the year:

	No.	No.
Ministry team	2.0	2.0
Administration	0.6	0.6
Total	2.6	2.6

5 Tangible assets

	2022 £	2021 £
Cost at 1 January 2022	9,912	9,912
Cost at 31 December 2022	9,912	9,912

6 Debtors

	2022 £	2021 £
Trade debtors	0	0
Gift Aid tax recoverable	14,619	8,756
Taxation and social security	3,033	0
Other debtors	0	0
Prepayments and accrued income	0	384
Total	17,651	9,140

7 Cash and cash equivalents

	2022 £	2021 £
Short term deposits	221,531	109,744
Cash at bank and in hand	39,850	19,772
Total	261,381	129,516

8 Creditors and accruals falling due within one year

	2022 £	2021 £
Trade creditors	151	1,546
Accruals and deferred income	7,196	1,122
Other creditors	540	174
Total	7,887	2,842

9 Provisions for liabilities

	2022 £	2021 £
Balance at the start of the reporting period	118,530	10,418
Amounts added in current period	118,234	108,112
Amounts charged against the provision in the current period	16,764	0
Balance at the end of the reporting period	220,000	118,530

Amounts charged against the provision in the current period include expenditure incurred towards the Quinquennial works, and expenditure relating to the removal of asbestos from the church hall that was included within the provision set in 2021.

The provision has been increased to reflect the total £220,000 estimated costs (including contingencies) for the entirety of the necessary works to the church roof as detailed within the Quinquennial report dated June 2021, using estimates provided within the structural survey provided to the PCC in February 2022.

The provision has been charged to the General Fund. Any deficit within the General Fund at the time when provision is due will be covered by the Buildings Fund (which has been the recipient fund of the "Raising the Roof" fundraising campaign this financial year) and other unrestricted funds.

10 Funds

Fund Name	Type	Fund Balance			Fund Balance
		Brought Forward	Income	Expenditure	Carried Forward
		£	£	£	£
General	General	(62,903)	379,768	347,248	(30,383)
Capital	Designated	9,912	0	0	9,912
Working Capital	Designated	55,000	0	0	55,000
AV and Worship	Restricted	0	1,160	1,125	35
Buildings	Restricted	10,605	132,012	781	141,836
Buildings (Provision)	Restricted	0	0	141,836	(141,836)
Children's Work	Restricted	3,954	2,462	3,139	3,277
Children's Welfare	Restricted	0	50	0	50
Church Holidays and Retreats	Restricted	0	8,062	2,115	5,947
Community Café	Restricted	54	7,497	2,058	5,493
Connect Diocese	Restricted	191	0	85	106
Energy Fund	Restricted	0	1,279	0	1,279
Flowers	Restricted	976	20	589	407
Home Worship Packs	Restricted	566	0	271	295
Little Eden	Restricted	3,048	0	108	2,940
Luncheon Club	Restricted	1,299	445	507	1,237
Toddlers	Restricted	1,298	1,327	760	1,865
Uniform Bank	Restricted	0	57	39	18
Warm Space	Restricted	0	1,288	533	755
Welfare	Restricted	2,163	100	142	2,121
WLTD0	Restricted	5	17	0	22
Youth Worker	Restricted	1,028	250	597	681
Total		27,196	535,794	501,933	61,057

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

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

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

The changes within the General fund represent the excess of income and endowments over expenditure and includes the expenditure associated with the increase in the provision as advised by the estimated costs within the June 2021 Quinquennial report. Any deficit within the fund once the provision is due will be covered by the restricted Buildings fund.

In addition to the figure for the Buildings Fund, the PCC has been informed of their successful application to the Beds and Herts Historic Churches Trust for a grant worth £8,000 towards the North Aisle repairs.

Analysis of net assets between funds

Analysis of net assets between funds		Designated	Restricted	
	General funds	Funds	Funds	Total 2022
	£	£	£	£
Fixed assets	0	9,912	0	9,912
Current assets	55,668	55,000	168,364	279,032
Creditors and provisions	(227,887)	0	0	(227,887)
Transfers between funds	141,836	0	(141,836)	0
Total net assets	Total	(30,383)	26,528	61,057

11 Transactions with related parties

The Church of England and its Diocese in St Albans is a related party. Payments were made to the Diocese of St Albans as follows:

	2022	2021
	£	£
Parish Share	86,409	84,212
Total	86,409	84,212

Parish share is a contribution to the running costs of the Diocese and includes Ministry stipendiary costs.

	2022	2021
	£	£
Wedding and funeral fees	4,343	2,667
Total	4,343	2,667

Diocesan fees are recovered in full as part of the fees charged.

Fee income is included in note 2: income from fees and charges.

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

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

There were no other transactions with related parties.

Independent Examiner's Report to the Trustees of St Paul's Letchworth

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2022 which are set out on pages 7 to 13.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

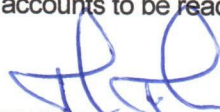
Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

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

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



Mark Moberly BFP FCA

18th APRIL 2023

MTM, Chartered Accountants
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Welwyn Garden City
Hertfordshire
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