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PAROCHIAL CHURCH COUNCIL OF ST PAUL'S CHURCH, CLAPHAM

PCC SUMMARY REPORT - 2021

OBJECTIVES

The vision of St Paul's is to provide a place of worship in Clapham in the liberal modern catholic tradition. The St Paul's Parochial Church Council ('PCC') has the responsibility of supporting the vicar Rev. Canon Jonathan Boardman and managing the wider team that works with him, promoting in the ecclesiastical parish the whole mission of the Church, pastoral, social and ecumenical. Further information is set out in the 2022 Annual Parochial Church Meeting report.

REVIEW OF 2021

During 2021 St Paul's continued to focus on spiritual growth, growing the congregation and trying to develop parish and wider community links. We believe that there is a strong opportunity to raise our profile within Clapham, as a church with a distinctive offering. We need to see growth in the congregation as a priority, in particular more young families, but without becoming representative of one section of society to the exclusion or discouragement of another.

FINANCIAL REVIEW AND RESERVES POLICY

Following the full effects of the pandemic felt in 2020, 2021 was obviously a more "normal" year for St Paul's, with a positive impact on the PCC's finances. St Paul's continued to benefit from the generous giving of the church's many supporters, which much benefits St Paul's. It was also possible in 2021 once again to arrange a Summer Fair and a Bonfire Party, both of which are important fund-raising events. St Paul's Opera was able also to reinstate part of its normal schedule of performances.

For 2021, St Paul's voluntary income (including tax reclaimed), supported by some generous one-off donations from regular supporters, rose to £110,561 from £94,586 in 2020. Income from events increased significantly to £37,879 from £7,701 last year. Church lettings plus expenditure recharged to St Paul's Community Centre rose slightly to £12,618 from £12,137 in 2020, reflecting some increased expenses. Other income in 2021 included grants totalling £4,991. Hence total PCC income in 2021, including St Paul's Opera, rose to £169,155, from £114,472 in 2020.

Total expenditure in 2021, including St Paul's Opera, rose significantly also, to £172,187 compared to £117,098 in the previous year. This mainly reflected a significant increase in the costs of major repairs at the church and in the churchyard, plus of course the costs of running regular fund-raising events. All other regular church costs in 2021 were broadly comparable to the previous year, although it was possible in 2021 to contribute the rather larger sum of £5,422 to other good causes, compared to £671 in 2020.

Hence in overall terms, St Paul's again incurred a small deficit of £3,033 in 2021, compared to a deficit of £2,626 the year before. This 2021 deficit resulted in a decrease in total PCC Funds during 2021 to £175,063, from £178,096 at the end of 2020. Of the 2021 total PCC Funds, £140,320 is held in the General Fund, with £34,744 in Restricted Funds, including £14,000 in the St Paul's Opera Fund, which is expected to be donated to a newly independent St Paul's Opera during 2022. Given that almost all the PCC's Funds are held in cash or other liquid assets, St Paul's continues to be in a resilient financial position to face its Mission for the future.

The PCC aims to hold in Unrestricted Funds a minimum of 6 months regular operating costs, which for 2021 were approximately £50,000, (2020 £50,000), well covered by reserves of approximately £140,000 (2020 £130,000).

RISK POLICY

The PCC seeks to identify and to mitigate the key risks that it encounters in all aspects of the activities of St Paul's Church. This includes risks to the spiritual life, financial matters, meeting statutory and legal requirements, operations and reputation. The PCC plans to review once a year each area of risk.

GOVERNANCE AND MANAGEMENT

The Parochial Church Council (PCC) is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council (Powers) Measure 1956, as amended, and the Church Representation Rules. The PCC is also registered with the Charity Commission with the Charity No. 1172605. Further information regarding membership of St Paul's PCC is set out in the 2022 Annual Parochial Church Meeting report.

PAROCHIAL CHURCH COUNCIL OF ST PAUL'S CHURCH, CLAPHAM

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Members of the Parochial Church Council of St Paul's Church, Clapham, are responsible for preparing the PCC Summary Report and these Financial Statements in accordance with applicable law and United Kingdom Accounting Standards.

The law applicable to charities in England and Wales requires members of the PCC to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the PCC and incoming resources and application of resources of the PCC for the period.

In preparing these Financial Statements, 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 estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

PCC members are responsible for keeping proper 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the PCC and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT EXAMINER'S REPORT

TO THE PAROCHIAL CHURCH COUNCIL OF ST PAUL'S CHURCH, CLAPHAM

I report to the Parochial Church Council on my examination of the financial statements of St Paul's Church, Clapham (the charity), for the year ended 31 December 2021.

Responsibilities and basis of report

As the members of the Parochial Church Council you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011, the Church Accounting Regulations 2006 governing the individual accounts of PCCs, with the Regulations' "true and fair view" provisions, together with FRS102 (2016) as the applicable accounting standards and the 2016 version of the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP FRS102).

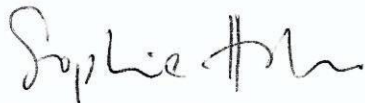
I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Charities Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's statement

I have completed my examination. I confirm that no 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 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements to be reached.



Sophie Holborn FCCA

WSM Advisers Limited
Chartered Accountants
Connect House
133-137 Alexandra Road Wimbledon
London SW19 7JY

Dated: 27 March 2022

PAROCHIAL CHURCH COUNCIL OF ST PAUL'S CHURCH, CLAPHAM

STATEMENT OF FINANCIAL ACTIVITIES

YEAR TO 31ST DECEMBER 2021

		2021	2021	2021	2020
		Unrestricted	Restricted	Total	Total
	Notes	Funds	Funds	Total	Total
		£	£	£	£
INCOME					
Voluntary income	2.1	101,869	8,692	110,561	94,586
Activities for generating funds	2.2	21,474	16,405	37,879	7,701
Lettings and recharge	2.3	12,618	-	12,618	12,137
Income from investments	2.4	680	-	680	194
Income from charitable activities	2.5	856	-	856	(694)
Other income	2.6	300	6,261	6,561	547
		137,796	31,359	169,155	114,472
EXPENDITURE					
Cost of generating funds	3.1	7,979	13,067	21,046	4,358
Giving by St Paul's Church	3.2	5,422	-	5,422	671
Ministry	3.3	61,852	-	61,852	63,795
Worship	3.4	14,204	-	14,204	13,429
Administration	3.5	26,019	-	26,019	20,285
Buildings	3.6	12,363	31,281	43,644	14,559
		127,839	44,348	172,187	117,098
NET INCOME/(EXPENDITURE)		9,957	(12,989)	(3,033)	(2,626)
FUNDS BROUGHT FORWARD		130,363	47,733	178,096	180,722
FUNDS CARRIED FORWARD		140,320	34,744	175,063	178,096

All transactions are derived from continuing activities.

PAROCHIAL CHURCH COUNCIL OF ST PAUL'S CHURCH, CLAPHAM

BALANCE SHEET AS AT 31ST DECEMBER 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Church equipment	6	1,567	2,753
CURRENT ASSETS			
Debtors	7	15,974	21,302
Cash at bank	8	165,887	157,386
		<u>181,861</u>	<u>178,687</u>
LIABILITIES			
Creditors: Amounts falling due in one year	9	8,365	3,344
TOTAL NET FUNDS		<u>175,063</u>	<u>178,096</u>
Represented by:			
RESTRICTED FUNDS			
Buildings Fund		19,501	28,562
St Paul's Opera Fund		14,000	17,928
Growing Leaders Fund		1,243	1,243
	10	<u>34,744</u>	<u>47,733</u>
UNRESTRICTED FUNDS			
General Fund		140,320	130,363
		<u>175,063</u>	<u>178,096</u>

These Financial Statements were approved by the Parochial Church Council on 27th March 2022 and signed on its behalf by:



Michael R McNish
PCC Treasurer

Notes 1 to 12 form part of these Financial Statements.

PAROCHIAL CHURCH COUNCIL OF ST PAUL'S CHURCH, CLAPHAM

NOTES TO THE FINANCIAL STATEMENTS -

YEAR TO 31ST DECEMBER 2021

1. Accounting Policies

Basis of Accounting

The PCC is a public benefit entity within the meaning of FRS102. The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006 governing the individual accounts of PCCs, and with the Regulations' "true and fair view" provisions, together with FRS102 (2016) as the applicable accounting standards and the 2016 version of the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP (FRS102)). The financial statements have been prepared under the historical cost convention.

Restricted Funds represent donations received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund.

Unrestricted Funds are general funds which can be used for PCC ordinary purposes.

Income Recognition

Regular giving, collections and similar donations are recognized when received. Tax reclaimed on giving is recognized at the same time as the donations to which it relates. Grants and legacies are accounted for when the PCC is legally entitled to the amounts due. Dividends and interest are accounted for when receivable. All other income is recognized when it is receivable. All incoming resources are accounted for gross.

Expenditure Recognition

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. Parish Support Fund contributions are accounted for when due. All other expenditure is generally recognized when it is incurred and is accounted for gross.

Fixed Assets

Consecrated and beneficed property is not included in the accounts in accordance with s.10(2)(a) and (c) of the Charities Act 2011.

Moveable church furnishings held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property and listed in the church's inventory, which can be inspected at any reasonable time. Equipment used within the church premises and certain renovations to those premises are depreciated on a straight line basis over four years.

Individual items of church equipment with a purchase price of under £1,500 are expensed when acquired.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial instruments

The PCC has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the PCC's balance sheet when the PCC becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously

Going concern

At the time of approving the financial statements, PCC members have undertaken an assessment of the adequacy of the resources available to the PCC and have taken in to account the impact of the coronavirus on the PCC as well as the expected support to businesses available from the government measures in place through the period of disruption caused by coronavirus. PCC members have a reasonable expectation the PCC has adequate resources to continue in operational existence for the foreseeable future and accordingly continue to adopt the going concern basis of accounting in preparing the financial statements.

PAROCHIAL CHURCH COUNCIL OF ST PAUL'S CHURCH, CLAPHAM

NOTES TO THE FINANCIAL STATEMENTS

YEAR TO 31ST DECEMBER 2021

	2021	2021	2021	2020
	Unrestricted	Restricted	Total	Total
	Funds	Funds	Total	Total
	£	£	£	£
2 INCOME				
2.1 Voluntary income				
Regular giving	74,453	-	74,453	67,682
Other giving and collections	7,903	-	7,903	4,022
Donations	-	7,154	7,154	5,000
Tax reclaimable on giving	19,513	1,538	21,051	17,882
	<u>101,869</u>	<u>8,692</u>	<u>110,561</u>	<u>94,586</u>
2.2 Activities for generating funds				
Summer Fair	9,420	-	9,420	-
Bonfire Party	11,801	-	11,801	-
St Paul's Opera	-	16,405	16,405	5,400
Other events	253	-	253	2,301
	<u>21,474</u>	<u>16,405</u>	<u>37,879</u>	<u>7,701</u>
2.3 Lettings and recharge				
Church lettings	1,419	-	1,419	700
Expenses recharged to St Paul's Community Centre	11,199	-	11,199	11,437
	<u>12,618</u>	<u>-</u>	<u>12,618</u>	<u>12,137</u>
2.4 Income from investments				
Bank and other interest	680	-	680	194
2.5 Income from charitable activities				
Parochial fees	856	-	856	(694)
2.6 Other income				
Insurance claim	-	1,270	1,270	-
Grants	-	4,991	4,991	547
Bank goodwill payment	300	-	300	-
	<u>300</u>	<u>6,261</u>	<u>6,561</u>	<u>547</u>
TOTAL INCOME	<u>137,796</u>	<u>31,359</u>	<u>169,155</u>	<u>114,472</u>

PAROCHIAL CHURCH COUNCIL OF ST PAUL'S CHURCH, CLAPHAM

NOTES TO THE FINANCIAL STATEMENTS

YEAR TO 31ST DECEMBER 2021

		2021	2021	2021	2020
		Unrestricted	Restricted	Total	Total
	Notes	Funds	Funds	Funds	Funds
		£	£	£	£
3 EXPENDITURE					
3.1 Cost of generating funds					
Summer Fair		3,130	-	3,130	-
Bonfire Party		4,284	-	4,284	-
St Paul's Opera		-	13,067	13,067	3,083
Other events		565	-	565	1,275
		<u>7,979</u>	<u>13,067</u>	<u>21,046</u>	<u>4,358</u>
3.2 Giving by St Paul's Church					
Selected charities	4	5,422	-	5,422	671
3.3 Ministry					
Parish Support Fund		60,000	-	60,000	62,500
Hospitality & Travel		1,455	-	1,455	1,295
Training & Mission		397	-	397	-
		<u>61,852</u>	<u>-</u>	<u>61,852</u>	<u>63,795</u>
3.4 Worship					
Organist & Music		9,253	-	9,253	7,964
Organ & Sound maintenance		936	-	936	1,612
Supplies & Print		2,830	-	2,830	2,668
Depreciation		1,186	-	1,186	1,186
		<u>14,204</u>	<u>-</u>	<u>14,204</u>	<u>13,429</u>
3.5 Administration					
Staff costs	5	18,482	-	18,482	14,923
Communications & IT		2,597	-	2,597	2,822
Supplies & Equipment		1,139	-	1,139	388
Professional fees & Bank charges		3,800	-	3,800	2,152
		<u>26,019</u>	<u>-</u>	<u>26,019</u>	<u>20,285</u>
3.6 Church & Churchyard					
Insurance		4,065	-	4,065	4,047
Utilities		3,069	-	3,069	2,921
Cleaning		3,811	-	3,811	3,613
General maintenance		1,418	-	1,418	2,652
Church major works		-	17,276	17,276	1,326
Churchyard major works		-	14,005	14,005	-
		<u>12,363</u>	<u>31,281</u>	<u>43,644</u>	<u>14,559</u>
TOTAL EXPENDITURE		<u>127,839</u>	<u>44,348</u>	<u>172,187</u>	<u>117,098</u>

PAROCHIAL CHURCH COUNCIL OF ST PAUL'S CHURCH, CLAPHAM

NOTES TO THE FINANCIAL STATEMENTS

YEAR TO 31ST DECEMBER 2021

	2021 £	2020 £
4 GIVING BY ST PAUL'S CHURCH		
Bishop of Southwark's Lent Call	-	171
Southwark Welcare	350	250
St Paul's, Malta restoration fund	300	-
Churches together in Clapham	235	-
Water Aid	750	-
Trees for Cities	750	-
Ace of Clubs, Clapham	48	-
The Robes Project	2,290	-
Medecins Sans Frontieres	350	-
Clapham Foodbank	350	-
Other	-	250
	<u>5,422</u>	<u>671</u>
5 STAFF COSTS		
Wages and salaries	18,482	14,923
Social security costs	-	-
	<u>18,482</u>	<u>14,923</u>
During 2021 the PCC of St Paul's Clapham employed one person part-time (2020 - one person part-time). One other person works part-time at the church and is self-employed. That person is also a member of the PCC.		
6 FIXED ASSETS - CHURCH EQUIPMENT		
Cost		
1 January 2021	4,743	
Additions	-	
31 December 2021	<u>4,743</u>	
Depreciation		
1 January 2021	1,990	
Charge for year	1,186	
31 December 2021	<u>3,176</u>	
Net book value		
31 December 2020	<u>2,753</u>	
31 December 2021	<u>1,567</u>	
7 DEBTORS AND PREPAYMENTS		
Tax reclaimable	4,825	17,882
St Paul's Community Centre	2,799	2,282
Grants claimed	4,991	-
Due to St Paul's Opera	3,037	590
Other	322	547
	<u>15,974</u>	<u>21,302</u>

PAROCHIAL CHURCH COUNCIL OF ST PAUL'S CHURCH, CLAPHAM

NOTES TO THE FINANCIAL STATEMENTS

YEAR TO 31ST DECEMBER 2021

IN THE YEAR ENDED 31 DECEMBER 2020

	2021 £	2020 £		
8 CASH AT BANK				
NatWest General account	60,268	54,919		
NatWest St Paul's Opera account	20,145	17,338		
Nationwide BS savings account	85,475	85,128		
	<u>165,887</u>	<u>157,386</u>		
9 CREDITORS				
Amounts falling due within one year:				
Giving due to others	3,340	500		
Due by St Paul's Opera	1,916	-		
Accruals	3,109	2,844		
	<u>8,365</u>	<u>3,344</u>		
10 RESTRICTED FUNDS				
	2021 £	2021 £	2020 £	2020 £
Church & Churchyard Fund				
Balance brought forward		28,562		28,562
Income:				
Donations	7,154		-	
Tax reclaimed	1,538		-	
Insurance claim and grants	6,261	14,953	-	-
Expenditure:				
Church major works		(17,276)		-
Churchyard major works		(14,005)		-
Transfer from St Paul's Opera Fund		7,267		-
Balance carried forward		19,501		28,562
St Paul's Opera Fund				
Balance brought forward		17,928		15,611
Income:				
Ticket sales and other fundraising	14,891		1,800	
Donations	1,377		3,010	
Tax reclaimed	138	16,405	590	5,400
Expenditure:				
Operating costs		(13,067)		(3,083)
Transfer to Church & Churchyard Fund		(7,267)		-
Balance carried forward		14,000		17,928
Growing Leaders Fund				
Balance carried forward		1,243		1,243
TOTAL		34,744		47,733

The Church & Churchyard Fund exists to welcome donations towards their improvement.
The St Paul's Opera Fund represents the cumulative surplus to date arising from SPO events.
The Growing Leaders Fund supports the costs of training church members in the deanery.

PAROCHIAL CHURCH COUNCIL OF ST PAUL'S CHURCH, CLAPHAM

NOTES TO THE FINANCIAL STATEMENTS

YEAR TO 31ST DECEMBER 2021

11 FUNDS - ALLOCATION OF ASSETS AND LIABILITIES

2021	General	Church & Churchyard	St Paul's Opera	Growing Leaders	Total
	£	£	£	£	£
Fixed Assets	1,567	-	-	-	1,567
Debtors	12,937	-	3,037	-	15,974
Cash at bank	132,265	19,501	12,879	1,243	165,887
	146,768	19,501	15,916	1,243	183,428
Creditors	(6,449)	-	(1,916)	-	(8,365)
Net assets	140,320	19,501	14,000	1,243	175,063

2020	General	Church & Churchyard	St Paul's Opera	Growing Leaders	Total
	£	£	£	£	£
Fixed Assets	2,753	-	-	-	2,753
Debtors	20,712	-	590	-	21,302
Cash at bank	110,243	28,562	17,338	1,243	157,386
	133,707	28,562	17,928	1,243	181,440
Creditors	(3,344)	-	-	-	(3,344)
Net assets	130,363	28,562	17,928	1,243	178,096

12 RELATED PARTY TRANSACTIONS

There were no related party transactions in the course of the year (2020 none).

13 POST BALANCE SHEET EVENT

During November 2021 St Paul's Opera informed the PCC that it intended to take steps to operate independently from the PCC with effect from 1 January 2022.

During March 2022 St Paul's Opera further informed the PCC that it had applied to the Charities Commission to become a Charitable Incorporated Organisation.

Since 1 January 2022 agreement has been reached between the PCC and St Paul's Opera regarding a number of matters, including that all but £14,000 of the PCC's St Paul's Opera Fund be transferred to the PCC's Church & Churchyard fund as at 31 December 2021. And also that the £14,000 balance of the St Paul's Opera Fund at that date be credited to St Paul's Opera, to be remitted to St Paul's Opera on request to the PCC in due course.