

St Paul's Church, Dorking

Annual Report and Financial Statement of the Parochial Church Council for the year ended 31st December 2016

Including the APCM Agenda for 27th April 2017
and Minutes of last year's APCM.

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**St Paul Dorking
Annual Meeting of Parishioners
and
Annual Parochial Church Meeting (APCM)**

**Thursday 27th April 2017, 8pm
at St Paul's Church**

APCM Agenda

- 1 Opening Prayer
- 2 Election of Churchwardens
- 3 Apologies for Absence
- 4 Minutes of the 2016 Meeting and Matters Arising
- 5 Elections
 - a. Deanery Synod representatives
 - b. Elected members of the PCC
 - c. Sidespeople
 - d. Independent Examiners for the accounts
- 6 Church Reports
 - a. Annual report and financial statement of the PCC (see written report)
 - b. Numbers on the electoral roll
- 7 Vicar's Address
- 8 Your Questions
- 9 Closing Prayer and Blessing

NB. Parochial Church Council membership consists of:

Clergy,
Licensed Lay Ministers,
2 Churchwardens,
Deanery Synod members (up to 3),
Other elected members (up to 15),
Co-opted members, as agreed by the PCC

**St Paul's Church
St Paul's Road West
Dorking RH4 2HT**

**Annual Report and Financial Statement
of the Parochial Church Council
for the year ended 31st December 2016**

Staff Ministry Team

Incumbent Vicar:	Rev Ruth Bushyager MSci, MA
Curate:	Rev Peter Nevins BRE, MA, MA
Associate Vicar:	Rev Jeff Yelland CEng, DipHE, STETS
Assistant Minister:	Rev Jenny Firth B Mus, PGCE, DipHE, DipMin
Children's and Youth Minister:	Steve Henwood BA(Ed)

Bank

(1) HSBC Bank plc 67 West Street, Dorking RH4 1BW	(2) CAF Bank Kings Hill, West Malling ME19 4TA
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Independent Examiner

Philip Longstaff FCA
Ellis Atkins, Chartered Accountants
1 Paper Mews, 330 High Street, Dorking, RH4 2TU

Architect

Michael Staff RIBA AABC
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Structure, Governance and Management

Constitution of the Parochial Church Council (PCC)

The PCC is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure and was officially registered with the Charity Commission as "The Parochial Church Council of the Ecclesiastical Parish of St Paul Dorking" in January 2010. Copies of the Annual Report and Financial Statement are held by the Secretary of the Diocesan Board of Finance and are also available upon written request to the PCC Secretary.

Day-to-day management

The day-to-day management of the parish is the responsibility of the Incumbent, although various functions are delegated to other individuals, including other members of the Staff Ministry Team, the Church Operations Manager and the Wardens.

Membership of the PCC

Members of the PCC are ex-officio, elected by the Annual Parochial Church Meeting (APCM) or co-opted by the PCC in accordance with the Church Representation Rules. During the year (from 1st January to 31st December 2016) the following served as members of the PCC:-

Incumbent Vicar	Rev Ruth Bushyager
Curate	Rev Peter Nevins (from September 2016)
Associate Minister	Rev Jeff Yelland (retired August 2016)
Assistant Minister	Rev Jenny Firth
Licensed Lay Minister	Dr Pat Goode (until July 2016)
Wardens	Jon Ruddock (since 2015), Sue Swain-Fossey (since 2013)
Representatives on the Deanery Synod	Graham Everness, Diana Pledge, Sylvia Yelland
Elected Members (up to APCM 2016)	Jessica Bailey, Lawrence Comber, Jayne Mockler.
Elected Members (throughout 2016) [Term in brackets]	Alex Birch [2018], Brad Bryant [2018 - resigned Dec 2016], Chris Ellis [2019 re-elected], Oliver Fricker [2018], Steve Goddard [2019 re-elected], Peter Harris [2017], Maggie Hill [2017], Megan Hill [2017 re-elected], Juliette Lister [2018], Ros Mulholland [2017], Laura Parker [2019 re-elected], Amanda Tucker [2018].
Elected Members (from APCM 2016)	Michael Doe [2017], Jonathan Papworth [2019], Esther Purdy [2019 - resigned Dec 2016].
Co-opted	Steve Henwood

Officers of the PCC

<i>Chairman:</i>	Rev Ruth Bushyager
<i>Vice-chairman:</i>	Jon Ruddock
<i>Secretary:</i>	Chris Ellis (until April), Megan Hill (from May)
<i>Treasurer:</i>	Chris Ellis
<i>Electoral Roll Officer:</i>	Judith Ellis

Recruitment, induction and training

Current PCC members and other members of the church are asked prayerfully to consider suitable candidates to join the PCC, preferably some time in advance of the APCM. Elected members of the PCC are appointed for a 3-year term, with one third completing their term of office each year. The PCC supports any new member or officer who wants to attend training run by the Diocese.

Organisation and use of Committees

PCC Executive Team ('PCC Exec')

The PCC Exec incorporates the function of a Standing Committee, which is required by Church law. This executive group, comprising the vicar, wardens and up to three further members, is empowered to execute on all matters that are required for the effective implementation of the PCC's mandate.

The PCC Exec meets regularly between PCC meetings and its principal functions are to ensure the effective, timely and wise stewardship, direction, decision making and leadership of all the vision, ministry and activity of the church. Throughout 2016 the PCC Exec continued to pursue the goal of prayerfully providing connectivity, support, resourcing and prophetic insight to the PCC and the wider leadership group.

It is intended that by using a rolling agenda, PCC Exec will review, encourage and provide direction to all those serving in leadership of our different teams and ministries to ensure the wide and varied tasks of vision implementation are being carried out in line with our Mission Action Plan.

PCC Exec Members:

Ruth Bushyager, Chris Ellis, Peter Nevins (from Sept. 2016), Jon Ruddock, Sue Swain-Fossey, Jeff Yelland (until August 2016)

Other Committees/Teams and Activities reporting to the PCC during 2016

- **Fabric Team** – providing support, guidance and recommendations to the PCC on the appropriate maintenance and management of premises for which the PCC is responsible.
Team leader: Jon Ruddock
- **Finance Team** – responsible for the day to day management of income, expenditure and payroll as well as ensuring compliance with financial regulatory procedures.
Team leader: Chris Ellis
- **Health & Safety Group** – responsible for actively monitoring Health and Safety matters.
Team leader: Nigel Catterall (Sue Swain-Fossey from January 2017)
- **Nursery Management Committee** – managing the St Paul's Church Nursery School.
Team leader: Laura Parker
- **Social Justice Ministries (SJM) Team** – encouraging, promoting and coordinating participation in the network of social justice ministries in our local area.
Team leader: John Arnold
- **World Church Team (WCT)** – responsible for promoting the church's involvement with God's work beyond the parish and making recommendations for the PCC's outward giving.
Team leader: Jonathan Papworth

Aim and Purpose

St Paul's Parochial Church Council (PCC) has the responsibility of cooperating with the incumbent, the Reverend Ruth Bushyager, in promoting in the ecclesiastical parish, the whole mission of the Church, pastoral, evangelistic, social and ecumenical. The PCC is also specifically responsible for the maintenance of the Church Centre complex of St Paul's, Dorking.

Objectives and Activities

The PCC carries out a mixture of spiritual, legal, financial, pastoral and missionary functions. The PCC shares the privileges and responsibilities of making certain decisions with the Incumbent and it co-operates with the Incumbent (or churchwardens during a vacancy) in the Church's whole mission.

The PCC provides overall governance of all that goes on at St. Paul's Church, providing a check and a balance to all matters as the elected members represent the breadth and variety of the congregation. Our goal is for the PCC to become more prayerful and supportive of all the activities concerned with implementing our vision. This is achieved by commissioning individuals and teams to focus on and implement key expressions of the St. Paul's vision. Steered by the PCC Exec, the PCC will receive regular reports and updates on the progress of all key aspects of our vision, ministry and activity to provide care, counsel, insight, direction and formal decision making.

When planning our activities for the year, the PCC has considered the Charity's guidance on public benefit and, in particular, the supplementary guidance on charities for the advancement of religion.

Objectives for 2016 (taken from the previous annual report)

The following statement of objectives for 2016 is taken from last year's Annual Report. It formed the basis of our Mission Action Plan which was reviewed regularly by the PCC during the year.

During 2016 we will focus on the following three areas as we seek to fulfil our vision to be:

a growing community of grace.

1. GROWING in numbers and core membership

- Being better at integrating new people into the body of our church

2. Building our COMMUNITY through stronger small groups

- Transforming how we resource leaders and launch new groups

3. Pressing deeper into the gospel of GRACE

- Inspiring everyone to more intentional living for Jesus

Our Mission Action Plan includes more detail about how we aim to achieve these objectives. In parallel we continue to see value in the "Seven Marks of a Healthy Church" highlighted in Robert Warren's book, and to be encouraged and challenged by these.

Church Activities

Services are held in the Church each Sunday morning at 9:00am and 10:30am. These are varied in style including Morning Prayer, Holy Communion, Morning Worship, services of baptism and, on the first Sunday of each month, a more informal "Café Church" format. On Sunday evenings during 2016 we offered a variety of services and events leading to the introduction in the autumn of a new service "The Six Thirty", a time of prayer, worship and to go deeper with God. We continue to hold a mid-week service, "Worship on Wednesdays", and a spoken service of Morning Prayer on Monday morning. Services are also led in local residential homes for the elderly.

Saltmine is the ministry for children up to the age of 14. The Saltmine groups meet regularly on Sunday mornings, and the ministry also extends to mid-week groups, special events and a holiday club. The Children's and Youth Ministry is coordinated by Steve Henwood

During the week a network of **Small Groups** meets, mostly in homes, some during the day and others in the evening. These groups generally follow the same termly teaching programme used in the morning services. The Small Groups are coordinated by Sylvia Yelland.

A team of 12 qualified **Lay Pastoral Assistants** works with the staff ministry team to provide confidential pastoral support. The team is coordinated by Ruth Cornish.

The **Church Office** provides administrative, secretarial and communications support, oversight of church buildings and liaison with the various church user groups. Throughout 2016 Penny Barker managed the Church Operations and Nicola Glass was the Church Office Assistant. Nigel Catterall served as Verger and Paul Studley served as our Properties Manager. A team of receptionists is on hand each weekday morning from 8:45am to 1pm to welcome visitors. This team of volunteers is organised by Ali Studley.

There are many other activities and groups which serve under the umbrella of the Church, of which the following are examples:

- **Alpha** – A series of interactive sessions exploring the basics of the Christian faith
Leaders: Peter & Caroline Harris
- **Early Bird Café** – A meeting point for parents, guardians, pre-school children and others
Coordinator: Rowena Birch
- **Finance** – Managing budgets, Gift Aid, Planned Giving, income and expenditure
Leader: Chris Ellis
- **Floral Decorations** – Preparing floral arrangements to decorate the church and centre
Coordinator: Ruth Paine
- **Kitchen & Catering** – Managing use and operation of the kitchen, ensuring compliance with environmental health standards and coordinating catering for major church activities
*Catering Manager: Jayne Mockler;
Kitchen Manager: Michelle Robinson*
- **Little Notes** – Live music for babies, toddlers and carers
Leader: Lou Bradbury
- **Marriage Preparation** – For couples preparing for marriage to explore together some topics to help build a strong foundation for a lasting relationship
Leaders: Jeff and Sylvia Yelland
- **New Wine (Summer)** – Connecting around the New Wine summer national gatherings for worship, teaching and ministry as a group from St Paul's as part of the wider UK church
Coordinator: Steve Lister
- **Nursery School** – Weekday early years provision
Head teacher: Tanya King
- **Prayer** – Provision of weekly prayer ministry and encouraging prayer through regular, seasonal and occasional prayer events, initiatives and training.
Leader: Amanda Tucker (to December 2016); Lawrence Comber (from January 2017)
- **Sound & Visual Support** – Providing technical support for worship, services and events
Leader: Tom Hill
- **SPOT** – A group for carers and under three year-olds on Wednesdays
Leader: Joan Darling
- **Uniformed Organisations** – Guides, Brownies, Rainbows
Leader: Alison Cotterill
- **Welcome** – Ensuring that everyone is welcomed, has access to information and opportunities for connecting with others, with a special focus on those new to St Paul's
Leader: Ian Poole
- **Work Out** – Midweek monthly meeting and network connecting faith with the world of work including those who work from home, or are in between work
Leader: Simon Gardner
- **Worship Team and Choir** – Groups leading and supporting sung worship in a variety of styles. Preparing and seeking God's heart to grow His worship ministry at St Paul's
Leaders: Tom Hill (worship team) and Helena Twentymen (choir)
- **XL** – A mid-week discipleship group for 8-14 year olds
Leader: Steve Henwood
- **Young at Heart (formerly Contact the Elderly)** – A caring social meeting, held monthly on Sunday afternoons
Leader: Maggie Hill

In addition we have designated link individuals for our active participation in Dorking Beatitudes (Rachel Studholme), Besom (Duncan Cumming), Street Pastors (Maggie White) and Churches Together in Dorking (Anne Draper).

Although some of the people who lead and help with the above activities are paid, the majority are not. Therefore the Church relies heavily on the contributions of volunteers in carrying out its ministry and without such contributions would have to curtail a substantial proportion of its work.

Policy on Outward Giving

The PCC has a policy on Outward Giving from the Church's resources which was last reviewed in 2011. 'Outward Giving' is defined as giving beyond St. Paul's Church, and as such includes within its scope and framework considerations of support for local initiatives beyond the immediate ministry of St. Paul's Church such as the Priory School Chaplaincy as well as activity overseas. A budget for Outward Giving will be set each year. The World Church Team is responsible for making recommendations to the PCC on the use of this money. From 2017, the Social Justice Ministries Team also participate in the process of making recommendations to the PCC.

Review of 2016

Church Membership and Attendance

The number of Church members on the Electoral Roll at the Annual Parochial Church Meeting in April 2016 was 253 (compared with 260 at April 2015). During 2016, excluding Easter and Christmas Day, the average total recorded attendance at all services on a given Sunday was 280 people (compared with 271 in 2015 and 256 in 2014). The total recorded attendance for all services on Easter Sunday was 352 (compared with 456 in 2015 and 402 in 2014). The total recorded attendance for all services on Christmas Eve and Christmas Day was 845 (compared with 862 in 2015 and 808 in 2014).

We saw a growth in the number of people who are members of our worshipping community - from 454 in 2015 to 513 in 2016 – 46 adults and 31 under-18s joined in 2016, while 13 adults and 5 children left the church (mostly due to moving away from the town).

In 2016, 19 people were baptised at St Paul's compared with 12 in 2015.

Annual Report of the Parochial Church Council (PCC)

The PCC held bi-monthly meetings during 2016 with its agenda focused on business matters. Additional meetings were held in November to consider the budget for 2017.

At the business meetings during 2016, the PCC received regular reports from the World Church Team, the Fabric Team, the Deanery Synod representatives, the Treasurer, the Safeguarding Advisory Committee, the Nursery and the PCC Exec.

In addition, at various times during the year separate reports were received covering the following:

- progress with implementing the Mission Action Plan;
- updates from the Electoral Roll officer;
- reports from the new Head of Prayer and Head of Social Justice ministries;
- reports from the Health & Safety Group;
- a review of the Church Office and Operations.

These reports helped to ensure that PCC members remain informed about what is happening within the various ministries, initiatives and operations of St Paul's Church, and therefore are able to provide better support for those serving in these areas. In addition to these, it was agreed that we would move towards having planned input from key areas spread throughout the year to provide further understanding and a chance to pray specifically for these areas and their leaders.

As well as the material raised in these reports, during the year the PCC considered a variety of other matters including input by the Diocesan Safeguarding Officer, the curacy and creation of the Worship Pastor role, the Diocesan Vision & Growth Strategy and the ongoing review of the Mission Action Plan.

Megan Hill (PCC Secretary)

Report on Goods, Fabric and Ornaments

Introduction

During 2016, the two churchwardens supported a successful Archdeacon's visitation, where the various records of activity and assets were scrutinised. We are pleased to note that documentation was found to be in good order.

As detailed in the 2015 Annual report, a sub-group of St. Paul's PCC, the 'Fabric Team' was created to provide support, guidance and recommendations to the PCC on the appropriate

maintenance and management of the church premises and properties for which the PCC is responsible. These now include:

- The church and church centre
- Church grounds
- Vicarage – in conjunction with Diocesan Property Dept.
- 6 Falkland Road – Children's & Youth Minister's (CYM) house
- The St. Paul's 'School House Flat'
- The Curate's house in Ashcombe Road, again in conjunction with Diocesan Property Dept.

Progress during 2016

The Fabric Team oversaw the Quinquennial works undertaken, including major works to the bell tower and the rose window, overseen by a diocesan approved architect. 90% of the work is now completed, with further guttering and minor works to follow.

Of note is that the works undertaken thus far have exceeded the planned budget, and so additional funding had to be allocated from within the budget to accommodate this. The same is likely to be true of the amount budgeted for 2017. In addition, the next quinquennial inspection takes place in 2019, and it is inevitable that additional works will be required. Whilst the PCC approved a budget for 2017 it will also be necessary to make regular and ongoing provision in subsequent years for the costs of this work.

Gas and electrical safety across properties has been assured. Significant works have commenced in Falkland Road, including electrical re-wiring, gas safety work and replacement of all windows to current industry double-glazing standards. Andrew Ruty continues to organise the clearing and maintenance of the church grounds. In 2017, it is anticipated that ground works will be completed to allow a change in access for St. Paul's nursery to the outside area. Plans for this have been approved by Mole Valley District Council.

Jon Ruddock (Churchwarden)

Dorking Deanery Synod Report

St Paul's is one of 16 churches in the Dorking Deanery. It has three lay representatives on the Synod (Diana Pledge, Sylvia Yelland and Graham Everness) whose current three-year term of office ends in 2017.

There were four Synod meetings during the calendar year:

- **8 March:** This was a joint 'open' meeting (with Leatherhead Deanery), led by Bishop Andrew, to consider the results of the 'Common Purpose' survey, completed by around 1500 people. The Diocese's vision and mission strategy document, *Transforming Church Transforming Lives*, has subsequently been published.
- **19 April.** Steve Cox, Local Mission Adviser for the Diocese of Guildford, gave a presentation on the subject of *Sharing Resources for Evangelism*. A key message was that the intellectual climate for talking about faith is more favourable than we might think, with many people much less disinterested in spiritual matters than often supposed.
- **29 June.** After a short presentation on the work of the Surrey Churches Preservation Trust and a report from Priory School Chaplain Stuart Ryland, the focus was on 'Parish Engagement in Outreach'. This covered parish visiting in Okewood Hill, Ockley and Forest Green, the St Paul's Mission Action Plan, and the Bible-distributing work of Gideons International.
- **12 November.** This was an 'away day' at The Ark, Okewood Hill, led by Sarah Hutton (the Diocese's 'Spiritual Growth' facilitator). After some exercises to review our personal spirituality, there was an opportunity to try out various different ways of praying and then to pray together for the themes under the *Transforming Church Transforming Lives* strategy.

Graham Everness (for the Dorking Deanery Synod representatives)

Report on Safeguarding of Children & Vulnerable Adults

There are currently 67 volunteers within St Paul's Church who are DBS cleared to work with children and/or vulnerable adults, although approximately 7 of these no longer play an active role.

There have been no issues of concern raised on any individual by the DBS checks done during 2016, and no changes are required to be made to the processes of running the checks.

In September 2016, the PCC agreed the creation of a Safeguarding Advisory Group to oversee the Safeguarding procedures in the church. Whilst safeguarding of the Children's & Youth Ministry remains well considered, it was identified that the procedures for Vulnerable Adults have not had as much attention in recent years. The membership of the group is:

- Parish Safeguarding Representative;
- Children's & Youth Minister;
- Pastoral Assistant Co-ordinator;
- DBS Co-ordinator, who is also a Children's Social Worker;
- A church member, who is also a Vulnerable Adults Social Worker;
- The PCC Secretary.

At the November 2016 PCC meeting, Anna Mercer was elected as Parish Safeguarding Representative, with specific oversight for Children's & Youth Ministry. With a church our size, the Safeguarding Advisory Group recommended having a second Parish Safeguarding Representative (with oversight of Vulnerable Adults) and the right individual is still being sought. In the meantime, the Pastoral Assistant Co-ordinator is drafting Vulnerable Adults Guidance.

During the past year, the following issues have been addressed:

- A PCC Safeguarding Statement has been written and approved by PCC;
- In September 2016 a Safeguarding Children & Young People Training Day was held and attended by 16 members of St Paul's and 11 members from other churches.

Matters in progress include:

- Details of all DBS checks to be recorded on church database.
- An 'Intimate Care Policy' is being developed for Crèche and Scramblers/Climbers groups.
- Ensure good communication with St Paul's Nursery in relation to child protection. Regular meetings to be set up.
- Guidelines for providing under-18s with lifts home, following Worship Academy meetings.

There have been several *Incidents*¹ logged this year; all apart from one have been small conflicts between children. All have been resolved at the time or require no further action.

There have been two cases of *Serious Concerns*² being raised. One has been followed up fully and currently requires no further action; one is under ongoing review, in liaison with St Paul's School.

Megan Hill (PCC Secretary)
Steve Henwood (Children's & Youth Minister)
Fiona Ruddock (DBS Coordinator)
on behalf of the Safeguarding Advisory Group

¹ An "incident" is classed as any event which may need further clarification. This can include racial abuse, something that startled children (e.g. a dog running into an event), or physical conflict. Incidents are logged on the CYM Incident/Accident/1st Aid forms.

² A "Serious Concern" is any concern that someone may have for the welfare of a child or young person. This can include evidence of abuse, disclosure of abuse or simply a personal disquiet that something may not be quite right. Serious Concerns are logged on the CYM Serious Concerns form.

Financial review

PCC Treasurer's Report

Summary

Total income for the year was £411k (2015: £411k). This was split between the General Fund £364k (2015: £297k) and restricted funds £47k (2015: £114k).

Unrestricted funds, of which the General Fund is the major part, recorded a surplus of £27k against a budgeted deficit of £2k. The balance in the General Fund is now £82k, although this includes money which will be required for capital expenditure on our buildings in 2017 which has not yet been designated.

To manage our financial resources to best effect the PCC operates an annual budget. The day to day management of parts of the budget are delegated to specific individuals who are closely associated with the area of ministry that the budget is intended to support. Further information about budget management and spending money on behalf of the church are given below and are available on the website.

In 2016 we did not receive any legacy gifts as we have done from time to time, but we continue to encourage our church family to consider making provision in their will in this way. As with all matters of church finance, further information or confidential discussion is available from our Treasurer.

General Fund

- Income

General Fund income for the year was £29k better than budget and was further supplemented by strong additional support to enable us to commit to employ a part time Worship Pastor for 3 years during his ordination training. We also received a number of gifts towards the specific costs of repairing the Rose Window and the bell fleche.

- Expenditure

Grants. During the year we made grants of ~£26.5k. This includes a budgeted amount from the General Fund, which corresponds to around 9% of our general income for the previous year (2015), plus donations relating to a number of specific appeals during the year. In addition the £3.4k balance of the Student Bursary restricted fund has been applied.

Quinquennial Repairs. Expenditure on the buildings in response to the 2014 Quinquennial Inspection report, particularly on the Rose Window and bell fleche reduced the designated Quinquennial Fund from £38.9k to £4.9k. Further expenditure on the church and our other properties (notably 6 Falkland Road) will be required in 2017.

Other Operational Costs. Careful management of our utilities helped reduce expenditure on these by 10% from 2015. In addition, we only spent around half of the 2015 amount on cleaning, and our insurance costs in 2016 were down from 2015 due in part to a move to paying premiums monthly. However, our routine maintenance costs were about £4,000 more than budgeted, and, as noted above, any savings in some areas of our operational costs only contributed a part of the significant level of expenditure on repairs.

Building Fund

During 2016 we were able to repay significant amounts of the loans received in 2014 to enable us to complete the building of the Church Centre. This included the full £107k loan from the Guildford Diocesan Board of Finance within the 2 year loan period and £20k of the loans from church family members, leaving £26k outstanding. We are grateful to those still giving towards repaying these loans. Payment of the majority of the balance of the retained money from the completion of the building was made in 2016 with the final small instalment paid in the first few days of 2017.

Funds

Total unrestricted funds increased by £27.4k, driven by the General Fund which increased by £46.0k. Total unrestricted funds stand at £102k.

The Building Fund increased by £41.1k (2015: £83.8k) although this is now largely represented by a building rather than cash.

Chris Ellis (PCC Treasurer)

Managing our Finances at St Paul's Church

At St Paul's Church we have an annual budget of around £325,000 to support the various areas of ministry with which we are engaged here in Dorking and further afield. The budget is set each year by the PCC to help us fulfil our God given calling in this season. The Treasurer and Finance Team manage the overall finances of the church on behalf of the PCC.

- The budget setting process

To help manage our finances and to empower those leading the different ministries and activities of the church, the PCC delegates its authority to spend money to several individuals. A benefit of devolved budget responsibility is that the budget holders should be best placed to know the link between what we're spending and their particular areas of ministry. During the autumn, in consultation with their teams, these budget holders consider the resources they need to realise and develop their ministries in conjunction with our Mission Action Plan. After individual budget requests are combined, the PCC reviews the whole picture and prayerfully sets priorities for the year ahead.

- Day to day budget management

Once the budget has been set by the PCC, budget holders are authorised to spend up to a given amount for specific purposes. We are grateful to the team of budget holders because the work they do approving and monitoring expenditure has a direct impact on our ability to use our resources wisely and effectively.

- Who can spend the Church's money?

The PCC is accountable to The Charity Commission for how the church's money is used. Nobody may spend the church's money without first being authorised by the PCC, a responsibility which may be delegated to the PCC Exec team or in turn to the Treasurer. In accordance with good practice, all payments by cheque or via the BACS system require two authorised signatories to approve them.

- What do I do if I need to buy something for the Church?

If you need to spend money on behalf of the church please obtain approval beforehand. To help with knowing who can give this approval a list of budget holders is available on the website or from the Church Office (sorted by cost code and sorted by account description). Please contact the relevant budget holder in advance.

To reclaim money that has been spent on behalf of the church, please complete the expense claim form (available in pdf or Excel) and return to the Finance Team at the address on the form accompanied with relevant receipts and the appropriate approval from the budget holder. Payments can be made via BACS direct to a bank account if bank details are provided.

Reserves policy

The PCC, as a body which should fundamentally operate through faith in God's provision, does not consider it appropriate stewardship to hold large reserves without any specific plans as to what they would be used for. However, it does consider it prudent to retain a reserve to meet sudden extra costs (such as an unanticipated repair bill) and/or to smooth out short-term differences between income and expenditure.

Therefore, in addition to holding designated funds for specific purposes such as the major quinquennial maintenance review and the building project, the PCC's objective is to retain a General Fund reserve of a minimum of £25,000. If the General Fund reserve exceeds £50,000, the PCC will consider how it will use the excess. If the General Fund reserve is below £25,000, the PCC will consider how to manage this shortfall.

During 2016 our General Fund increased, however this is in anticipation of greater expenditure on our buildings during 2017.

Risk policy

In setting an annual budget, the PCC has considered financial risks in relation to its ongoing income and its expenditure commitments. The risk to income is managed through a regular focus on financial giving to the church as part of the stewardship of its members in conjunction with ongoing publicity about operational costs, budgets and funding opportunities for new initiatives. Risks in relation to expenditure are managed through budgetary control and accountability, with regular review of costs and the operation of procurement procedures to secure best value. The PCC Policy on Remuneration & Payments ensures that we use volunteers wherever possible, thus limiting the number and associated cost of employed staff. Performance against both income and expenditure budgets is reviewed monthly with further investigation or action taken where necessary.

In addition, at the start of 2017 the Finance Team, on behalf of the PCC, undertook an assessment of internal financial controls against the best practice guidance advised by the Charity Commission (CC8).

Review of 2016 objectives

For 2016, we committed to focus on three key areas as we sought to fulfil our vision to be “a growing community of grace”.

1. **GROWING in numbers and core membership**
 - Being better at integrating new people into the body of our church
2. **Building our COMMUNITY** through stronger small groups
 - Transforming how we resource leaders and launch new groups
3. **Pressing deeper into the gospel of GRACE**
 - Inspiring everyone to more intentional living for Jesus

Our 2016 Mission Action Plan set out some of the ways that we aimed to achieve these objectives:

1. **GROWING in numbers and core membership:** Being better at integrating new people into the body of our church

In 2016, we

- Held a month of Sunday ‘serving teams marketplace’ with each serving team able to communicate their clear vision and the range of volunteer roles
- Launched a new evening service running every Sunday, aimed at the 16-30 age group
- Produced a new Organisational Chart to define our structure of ministry team leaders and help see the leadership pipeline we need to develop
- Invested in installing an outdoor display board and new banners for key events
- Hosted several Welcome Lunches and Teas and put a much greater focus at Staff Team level of keeping track with how well new people were journeying into fellowship and faith
- Bought team t-shirts and aprons with our logo

2. **Building our COMMUNITY** through stronger small groups: Transforming how we resource leaders and launch new groups

In 2016, we

- Appointed a new tier of Home Group Leaders’ Pastors to work with the Vicar to support HG Leaders in vision, training, accountability & pastoral care.
- Launched 3 ‘huddle’ groups of small group leaders
- Took a group of 16 leaders to the Willow Creek Leadership Summit in Bracknell
- Began new small groups
- Launched a new cluster of the Alpha groups, innovating with the cell, cluster, huddle model

3. **Pressing deeper into the gospel of GRACE:** Inspiring everyone to more intentional living for Jesus

In 2016, we

- Ran several Sunday sermon series and homegroup studies focussed on intentional discipleship
- Held a number of men's fellowship events e.g. Curry Nights
- Raised the number of testimonies and opportunities on Sundays for inspirational stories from the World Church team and Social Justice ministries
- Ran baptism and confirmation classes for adults and young people (11 members confirmed and 7 adults & teens baptised)
- Published a book of testimonies at Easter and at our June Confirmation and baptism service
- Appointed a Head of Prayer and a Head of Social Justice Ministries
- Held a creative week of 24/7 prayer for all ages and life stages with Thy Kingdom Come initiative
- Ran a discipleship event specifically for single people
- Began a new Preacher's Forum to help raise the level of challenge 'from the pulpit'

In 2016, aspirations that we did not achieve include:

- Running an induction course for new members based on 'Count Me In'
- Launching a new-look more modern website
- Running a First Communion series of classes in St Paul's school
- Holding a Women's breakfast

As with 2015, in 2016 we continued to be mindful of the "Seven Marks of a Healthy Church" highlighted in Robert Warren's book, "The Healthy Churches' Handbook" (CHP, 2004). However, in September 2016 the Bishop of Guildford launched the new Diocesan Vision framework, "Transforming Church, Transforming Lives" (TCTL) which identifies the following 12 Goals:

Goal 1: Making **disciples**

Goal 2: Increasing **believers**

Goal 3: Growing **youth and children's ministry**

Goal 4: Developing **lay ministers**

Goal 5: Recruiting **more clergy**

Goal 6: Cultivating **community partnerships**

Goal 7: Reaching **beyond borders**

Goal 8: Nurturing **education**

Goal 9: Encouraging **generous giving**

Goal 10: Sharing **expertise**

Goal 11: **Communicating** effectively

Goal 12: Improving **church buildings**

With all other churches in the Diocese, we are working on re-framing our Mission Action Plan around these goals, and especially in 2017 will be considering how we at St Paul's can further our role as a Resource Church in the Diocese, to contribute to these aims.

Objectives for 2017

For 2017, we need to work to align our Mission Action Plan with the Diocesan aims above. We are in the process of changing the planning cycle for the development of our Mission Action Plans, so that details are honed after the APCM in April with the new PCC in May-July, such that the autumn budget planning can work to fulfil the MAP, rather than the other way round.

For 2017, our core vision and mission priorities are likely to remain the same as 2016, and we will seek to build on progress by embedding the new changes, and beginning some new initiatives. For example, 2017 objectives are likely to include

- Re-running the serving teams marketplace, and exploring running a homegroup marketplace
- Developing discipleship and lay leadership through a new Lent theology course
- Launching new vocations groups for adults and teens
- Run a new home group leaders course
- Run our own Willow Creek Leadership event enabling many more to attend and for it to be more cost-effective
- Begin a new ministry to young fathers and toddlers
- Hold a 24/7 weekend of prayer
- Host a 'Vocations Fair' in the Spring
- Develop men's fellowship with a cycling retreat
- Begin a new ministry to strengthen marriages and support parents aiming to disciple their children
- Investing in a new-look template for our website

Statement of PCC members' responsibilities

Law applicable to charities in England and Wales requires the PCC members, who are trustees of the charity for the purposes of charity law, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the church and of its financial activities for that period. In preparing those financial statements, the PCC members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the church will continue in operation.

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

Financial Statements

Statement of Financial Activities for the year ended 31 December 2016

	Note	Unrestricted Funds £	Restricted Funds £	2016 Total £	2015 Total £
Incoming resources					
Incoming resources generated from funds					
Voluntary income	2a	327,299	44,159	371,458	379,050
Investment income	2b	13,100	166	13,266	11,183
Incoming resources from charitable activities	2c	23,496	-	23,496	14,011
Other incoming resources: Nursery School	3	-	2,979	2,979	7,327
Total incoming resources		363,895	47,304	411,199	411,571
Resources expended					
Charitable activities					
Grants	4	26,450	3,424	29,874	27,983
Activities directly related to church work	5	185,380	829	186,209	163,932
Church management and administration	6	48,687	10	48,697	51,720
Expenditure on the church	7	55,099	22,555	77,654	32,670
Governance costs		1,470	-	1,470	3,400
Total resources expended		317,086	26,818	343,904	279,705
Net incoming/(outgoing) resources before transfers		46,809	20,486	67,295	131,866
Transfers between funds	2d	(19,402)	19,402	-	-
Net movement in funds		27,407	39,888	67,295	131,866
Reconciliation of funds					
Balances brought forward		74,578	2,112,961	2,187,539	2,055,673
Net incoming resources before transfers		27,407	39,888	67,295	131,866
Agency collections		-	-	-	-
Balances carried forward		101,985	2,152,849	2,254,834	2,187,539

Balance Sheet for the year ended 31 December 2016

	Note	2016	2015
		£	£
Fixed assets	9		
Church equipment		9,054	749
Church centre		2,153,947	2,174,720
Property		148,500	148,500
Total fixed assets		2,311,501	2,323,969
Current assets			
Debtors and prepayments	10	17,703	14,824
Cash at bank and in hand		120,110	217,794
Total current assets		137,813	232,618
Creditors: Amounts falling due within one year	11a		
Other current liabilities		19,980	67,546
Total current liabilities		19,980	67,546
Net current assets		117,833	165,072
Total assets less current liabilities		2,429,334	2,489,041
Creditors: Amounts falling due after more than one year	11b		
Loans		26,000	153,000
Church Commissioners		148,500	148,500
		174,500	301,500
Total Net Assets	12	2,254,834	2,187,541
Represented by Funds	12		
Unrestricted funds:			
General fund		81,704	35,670
Designated funds:			
Quinquennial fund		4,862	38,908
Worship Pastor		15,418	-
World Church		-	-
Restricted funds		-	-
Buildings		2,127,840	2,086,678
Music		-	-
Nursery		24,781	21,802
Student Bursary		-	3,424
Vocational training		-	829
Agency collections		229	229
Total funds		2,254,834	2,187,539

Approved by the Parochial Church Council on 13th March 2017, and signed on its behalf by:

Ruth Bushyager (Chair)

Chris Ellis (Hon. Treasurer)

The notes on pages 17 to 26 form part of these accounts.

Notes to the financial statements for the year ended 31 December 2016

1. Accounting policies

The PCC is a public benefit entity within the meaning of FRS 102. 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 FRS 102 (2016) as the applicable accounting standards and the 2016 version of the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP [FRS 102]). The financial statements have been prepared under the historical cost convention.

The accounts 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 or those that are informal gatherings of church members.

Funds

- **General 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.
- Funds **designated** for a particular purpose by the PCC are also unrestricted.
- **Restricted** funds are those that were given for a specific purpose, and cannot be used for any other purpose without specific permission from the donor.

Incoming resources

- Collections are recognised when received by the PCC.
- Planned giving receivable under Gift Aid is recognised only when received.
- Income tax recoverable is recognised in the year in which the related income is received.
- Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement and the amount due.
- Dividends are accounted for when due and payable.
- Investment entitlements are accounted for as they accrue.
- Rental income from letting of church premises is recognised when the rental is due.

Resources used

- Grants and donations are accounted for when paid over, or when awarded if that award creates a binding obligation on the PCC.
- The diocesan parish share is accounted for when paid.

Fixed assets

- Consecrated and beneficed property of any kind is excluded from the accounts by 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 accounted as inalienable property unless consecrated. There is insufficient cost information available to show their value in these accounts.
- All expenditure incurred in the year on consecrated or beneficed buildings, on individual items under £1,000, or on the repair of movable church furnishings is written off.
- Equipment used within the church premises is depreciated on a straight line basis over 4 years. Individual items of equipment with a purchase price of £1,000 or less are written off when the asset is acquired.
- The church centre is depreciated on a straight line basis over 100 years. Kitchen equipment is depreciated on a straight line basis over 10 years.

Current assets

- Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectable.
- Short term deposits include cash held on deposit either with the CBF Church of England Funds or at the bank.

2. Incoming resources

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
2a) Voluntary income				
Tax efficient donations (including Give As You Earn, CAF and donations under Gift Aid)	224,326	19,183	243,509	229,547
Tax recovery	56,597	7,254	63,851	62,760
Church collections and sundry donations	40,009	17,722	57,731	83,280
Envelopes under Gift Aid	6,347	-	6,347	3,284
Envelopes not under Gift Aid	20	-	20	179
	327,299	44,159	371,458	379,050

2b) Investment income

Rent	12,673	-	12,673	10,650
Dividends	288	-	288	340
Interest received	139	166	305	193
	13,100	166	13,266	11,183

2c) Income resources from charitable activities

Fees	1,884	-	1,884	1,835
Events	5,919	-	5,919	1,797
Lettings	7,847	-	7,847	4,803
Early Bird café	1,994	-	1,994	1,878
Children & Youth Ministry income	5,852	-	5,852	3,698
	23,496	-	23,496	14,011

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
2d) Transfers between funds				
From General Fund to Building Fund for the repayment of a loan from the Guildford Diocesan Board of Finance	(19,402)	19,402	-	-
	(19,402)	19,402	-	-

3. St Paul's Church Nursery School

The financial results of St Paul's Church Nursery School are consolidated into the statement of financial activities for the church, and are shown separately below.

Statement of Financial Activities	2016 £	2015 £
Income		
Fees	14,703	15,269
Subsidised Fees	535	903
Early Years Funding Entitlement	50,124	49,573
Deposits Reclaimed	-	10
Fundraising Profits	651	750
Workforce Development Fund Grant	936	-
Government Funding for Teacher Training	-	4,900
Self Evaluation Fund	-	400
Donations	10	95
Bank Interest	9	5
	66,968	71,905
Expenditure		
Staff Costs	55,115	56,149
Training & Recruitment	1,030	773
- From Workforce Development Fund	936	-
General Maintenance Costs	222	135
Contribution towards use of Church room	3,572	3,314
Classroom resources	1,557	2,006
Stationery & Administration	633	1,557
Planning Costs for Outside Area	519	-
Subsidised Places Provision	1,426	2,078
	65,009	66,012
Net income/(resources used) for Nursery stand-alone accounts	1,959	5,893
Transfer from General Fund to Subsidised Places Fund	1,426	2,078
Subsidised Places Fund used	-535	-903
Income from Early Years Pupil Premium	129	259
Net income/(resources used) for consolidated accounts	2,979	7,327
Balance Sheet	2016 £	2015 £
Assets		
Bank current accounts and cash	25,080	25,755
Fee debtors	573	264
Other debtors	438	156
Total assets	26,091	26,175
Liabilities		
Fee deposit creditors	1,110	1,500
SCC creditor	-	1,358
HMRC creditor	-	918
Other creditors	200	597
Total liabilities	1,310	4,373
Net Assets	24,781	21,802
Represented by funds:		
General fund	21,702	19,743
Subsidised Places fund	2,691	1,800
Early Years Pupil Premium fund	388	259
Total funds	24,781	21,802

4. Grants

Amounts were given as follows:

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Outreach support				
Potter's Youth Ministry (Kenya)	3,000	-	3,000	3,000
Juan Carlos & Penny Marces (Peru)	3,000	-	3,000	3,000
Latin Link	3,000	-	3,000	3,000
WEC	3,000	-	3,000	3,000
Hand in Hand (New Hope Orphanage, Kenya)	3,000	-	3,000	3,000
Kenya Maseno South Diocese (Umoja Project)	-	-	-	3,000
Maseno South hostel	-	-	-	2,361
Kenya Soul Survivor	-	-	-	2,163
Beatitudes (Dorking)	1,000	-	1,000	1,000
Besom (Dorking)	1,000	-	1,000	1,000
Tearfund	4,750	-	4,750	1,000
Toilet Twinning	-	-	-	939
CMS [2016: A&J Cacouris; 2015: P Wick]	4,000	-	4,000	750
Ecumenical Council for Corporate Responsibility	-	-	-	500
Priory School Chaplaincy	680	-	680	210
Student Bursary	-	3,424	3,424	-
Bank charges incurred in transferring cash	20	-	20	60
Total grants	26,450	3,424	29,874	27,983

5. Activities directly related to church work

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Ministry costs				
Parish share	106,537	-	106,537	102,440
Vicar's expenses	1,407	-	1,407	1,874
Vicarage running costs	1,476	-	1,476	1,115
Curate expenses	20	-	20	-
Curate Housing	6,534	-	6,534	-
Children & Youth Minister salary+expenses	24,824	-	24,824	24,246
Children & Youth Minister pension costs	719	-	719	705
6 Falkland Road house costs	1,324	-	1,324	956
6 Falkland Road mortgage interest	10,019	-	10,019	9,900
Children & Youth Minister council tax	1,515	-	1,515	1,951
Worship Pastor salary+expenses	4,028	-	4,028	-
Worship Pastor pension costs	90	-	90	-
Non-Stipendiary Minister expenses	1,790	-	1,790	2,688
Ordained Local Minister expenses	156	-	156	-
	160,439	-	160,439	145,874
Worship and Services				
Visiting speaker expenses	97	-	97	50
Regular service resources	694	-	694	713
Café church	851	-	851	718
Other special service resources	1,524	-	1,524	918
Early Bird café expenditure	-	-	-	124
Community outreach resources	417	-	417	255
Technical resources for worship	1,442	-	1,442	1,947
Music, including musicians' pay	5,340	-	5,340	5,237
	10,365	-	10,365	9,962
Training and discipleship				
Subscriptions	670	-	670	704
Books	291	-	291	223
Children's & Youth Ministry	5,660	-	5,660	4,243
Alpha	614	-	614	238
Gifts	404	-	404	208
Soul Survivor	797	-	797	78
Training and development	2,029	829	2,858	2,402
Other Events	4,058	-	4,058	-
Worship Team	53	-	53	-
	14,576	829	15,405	8,096
Total activities related to church work	185,380	829	186,209	163,932

6. Church management and administration

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
6a) Central services				
Office staff pay and expenses	17,098	-	17,098	16,759
Office staff pension costs	377	-	377	342
Church utilities	12,948	-	12,948	14,436
Church & Centre cleaning	2,529	-	2,529	4,822
Verger	1,536	-	1,536	1,348
Photocopier costs	2,475	-	2,475	1,455
IT support including website	1,774	-	1,774	1,694
Telephone	1,729	-	1,729	1,619
Stationery	466	-	466	794
Postage	6	-	6	162
Tea & Coffee	2,140	-	2,140	1,986
Cleaning Materials	995	-	995	709
Costs of School House flat	598	-	598	358
	44,671	-	44,671	46,484
6b) Other operational costs				
Church insurance	3,951	-	3,951	5,129
Bank interest and charges paid	65	10	75	107
	4,016	10	4,026	5,236
Total management and administration	48,687	10	48,697	51,720

During the year, the PCC employed Steve Henwood (a co-opted member of the PCC) as Children's & Youth Minister, Penny Barker as Church Operations Manager (part-time), and Nicola Glass as Assistant Office Manager (also part-time) and, from September, Tom Hill (the husband of a PCC member) as Worship Pastor (part-time).

In addition, the PCC made payments for the services of a verger, a music coordinator (then from April as a choir director), some other musicians and cleaners.

There were no employees whose emoluments amounted to over £60,000 in the year.

There were no other disclosable transactions in respect of PCC members, persons closely connected with them, or other related parties.

7. Expenditure on the church

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Repairs and routine maintenance	11,851	-	11,851	7,542
Quinquennial Repairs	39,953	-	39,953	-
Equipment	1,136	-	1,136	688
Depreciation	2,159	22,555	24,714	24,440
	55,099	22,555	77,654	32,670

8. Governance costs

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
Independent examination fee	1,470	-	1,470	3,400

9. Fixed Assets

		Church Centre £	Equipment £	Property £	Total £
Cost	At 1 Jan 2016	2,204,736	139,408	148,500	2,492,644
	Additions	1,782	10,464	-	12,246
	As 31 Dec 2016	2,206,518	149,872	148,500	2,504,890
Depreciation	At 1 Jan 2016	30,016	138,659	-	168,675
	Additions	22,555	2,159	-	24,714
	As 31 Dec 2016	52,571	140,818	-	193,389
Net book value	At 1 Jan 2016	2,174,720	749	148,500	2,323,969
	As 31 Dec 2016	2,153,947	9,054	148,500	2,311,501

'Property' is the house at 6 Falkland Road (from May 2010 occupied by the Children's and Youth Minister). This was purchased on 16 August 1989 with a loan from the Church Commissioners, shown under "Creditors: amounts falling due after more than one year". All income and expenditure is accounted for in the Statement of Financial Activities.

Equipment includes a photocopier, enhancements to the PA system and projection systems which are fully depreciated. In 2016 new sound equipment and office computers were purchased to be depreciated over 4 years.

10. Debtors & Prepayments

	2016	2015
	£	£
Sundry debtors	367	38
Gift Aid recoverable	16,326	14,366
Nursery debtors	1,010	420
Prepayments	-	-
	17,703	14,824

11. Liabilities

	2016	2015
	£	£
11a) Amounts falling due within one year		
Pension contributions	300	4,082
Audit fee	4,870	3,400
Nursery creditors	1,310	4,373
Agency collections	1,328	3,232
Accruals	7,722	8,009
Church centre retention	4,450	44,450
	19,980	67,546
11b) Amounts falling due after more than one year		
Church Commissioners	148,500	148,500
Other loans	26,000	153,000
	174,500	301,500

The long term loan from the Church Commissioners is the mortgage on 6 Falkland Road, which is secured on the property. The other loans are unsecured and repayable in 2019 and 2024.

12. Analysis of Net Assets by Fund

The fund balances are as follows:

	Unrestricted Funds	Restricted Funds	Total 2016	Total 2015
	£	£	£	£
Fixed assets	157,554	2,153,947	2,311,501	2,323,969
Current assets	105,910	31,903	137,813	232,619
Liabilities	(161,480)	(33,000)	(194,480)	(369,047)
Fund balance	101,984	2,152,850	2,254,834	2,187,541

The movements and balances on the unrestricted fund, including the designated Quinquennial Fund and Worship Pastor Fund, are as follows:

	1 Jan 2016	Incoming	Outgoing	31 Dec 2016
	£	£	£	£
General	35,670	342,571	(296,535)	81,706
Quinquennial	38,908	5,906	(39,953)	4,861
Worship Pastor	-	15,418	-	15,418
Total unrestricted	74,578	363,895	(336,488)	101,985

The movements and balances on the restricted funds are as follows:

	1 Jan 2016	Incoming	Outgoing	31 Dec 2016
	£	£	£	£
Nursery	21,802	66,434	(63,455)	24,781
Student bursary	3,424	-	(3,424)	-
Vocational training	829	-	(829)	-
Buildings	2,086,678	63,727	(22,565)	2,127,840
Agency collections	229	-	-	229
Total restricted	2,112,962	130,161	(90,273)	2,152,850

13 Associated Charities

13a) Field Legacy

John William Field, who died in 1914, bequeathed to the church a sum of money which today is invested in 463 CBF (Central Board of Finance) Investment Fund shares valued on 31/12/2016 at £6,924 (2015: £6,267, an increase during the year of £657). The dividends from these shares are held in a CBF Church of England deposit account and may be applied at the discretion of the Churchwardens to any of the following:

- the maintenance and repair of the fabric of the church;
- the expenses of the Services therein; and
- the support and maintenance of the church's Sunday School.

Name of Charity	St Paul's Churchwardens Field Legacy Account
Trustees	The Churchwardens
Bank	Central Board of Finance
Income received	2016: £205 (2015: £241).

13b) Queen Anne's Bounty

In 1877 (ref 17/039F) a donation of £500 was made to the Queen Anne's Bounty, the income from which was to be applied to the repair of the church. At the start of 2016 the capital was invested in 40 CBF Investment Fund shares valued as at 31/12/2015 at £541 held by Guildford Diocesan Board of Finance. In March 2016 the PCC passed a resolution enabling it to receive the value of these shares and the accumulated income to be applied to repairs on the church. In total £922.58 was received which was applied towards the repair of the bell fleche.

13c) Hyde Bequest

In his will of October 1974, Mr A R Hyde bequeathed the income from £500 for the "general purposes of the Parish Church of St Paul." Currently the capital is invested in 658 CBF Investment Fund Units valued at 31/12/2016 at £9,840 (2015: £8,906, an increase during the year of £934) held by Guildford Diocesan Board of Finance. The income is paid into the main church bank account and is applied by the PCC. The bequest requires that the PCC maintains permanently in good and seemly condition the grave Number 1607 in Plot 29 in the Reigate Road Cemetery at Dorking including the surrounds thereof and renovates from time to time and in good time all lettering thereon.

Name of Charity	Hyde Bequest
Income received	2016: £288 (2015: £340)

**Independent Examiner's report to the Members of the Parochial Church Council of the
Ecclesiastical Parish of St. Paul's Dorking**

I report on the accounts of the Parochial Church Council of the Ecclesiastical Parish of St Paul's Dorking for the year ended 31st December 2016, which are set out on pages 15 to 26.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. 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 needed.

It is my responsibility to:-

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to 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 presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's report

In the course of my examination, no matter has come to my attention:

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

**P D LONGSTAFF FCA
PARTNER**

Date **2017**

St. Paul's Church Dorking Annual Meeting of Parishioners and Annual Parochial Church Meeting (APCM)

Minutes of the meeting held in St. Paul's Church
on Sunday 24th April 2016 at 11.45am

Chair: Rev. Ruth Bushyager

Present: 108 people in attendance.

1. Welcome and Prayer

2. Election of Churchwardens

Jon Ruddock and Sue Swain-Fossey were thanked for their faithful service, often behind the scenes. Both were nominated to serve as Churchwardens for the coming year and were duly elected.

3. Apologies for absence

Apologies for absence were received from 20 people.

4. Minutes of the 2015 APCM and Matters Arising

It was proposed by Pat Goode and seconded by John Pilkington that the minutes of the Annual Parochial Church Meeting held on 26th April 2015 were a correct record. This was carried without objection. There were no matters arising from these minutes.

5. Elections

5.1 Elected members of the PCC

Ruth Bushyager expressed thanks for all the time and effort given by the seven individuals whose terms of office have now come to an end. Seven nominations were received for the vacancies as elected representatives on the PCC. These are for: Megan Hill, Esther Purdy, Michael Doe, Laura Parker, Jonathan Papworth, Chris Ellis and Steve Goddard. Accordingly they are duly elected. Allocation of individual new members to the particular vacancies will be agreed before the PCC meeting in May. Ruth thanked these members for their prayerful consideration of these roles.

5.2 Sidespeople

The following list of people willing to serve as Sidespeople was submitted by the wardens and approved without objections: Peter Bamber, Sue Beckett, Jane Blackadder, Jonathan Bilson, David Cape, David & Felicity Charles, Chris Elsey, Steve & Heather Goddard, Janet Greenhorn, Jane Hall, Sue Higham, Sylvia Melchonne, Tim McEntire, David Osbourne, Christine Riley, Coleen Risness, Andrew Rutt, Lawrence Will.

Reserves: John Firth, Susan Froy, Irene Packham

5.3 Independent Examiner for the accounts

Chris Ellis informed the meeting that we have used Ellis Atkins as independent examiners and auditors of the church's accounts and financial statement for several years. Chris proposed that this arrangement continues, seconded by Katie Mackay, and it was approved without objection.

6. Church Reports

6.1 PCC Annual Report and Financial Statement

Ruth Bushyager encouraged the meeting to read the 2015 Annual Report, highlighting several areas in which the church is growing healthily.

The Treasurer, Chris Ellis, thanked his predecessor, Lawrence Comber, for all his time and energy managing our finances over the last few years. This was greatly supported by the church. Chris also mentioned a couple of other individuals on the finance team who faithfully serve in the background:

- Alison Everness for all her work on invoices, payments, financial admin, expenses payments;
- Judith Ellis for all her time spent managing income, giving, gift aid claims and payroll; and,
- Colin Taylor who for several years has quietly and efficiently done the banking on behalf of the church.

Chris explained that whilst there is a more detailed breakdown of finance in the Annual report, last year our general giving increased to £300,000, supported by about £105,000 which is given specifically for the building fund. The vast majority of these substantial amounts come from within the congregation, who were thanked for such generosity.

Chris further highlighted processes which exist to manage this money:

- Firstly, PCC has oversight of the budget with input from individual budget holders as and when specific requirements arise; and,
- Secondly there is a team of people involved with ministries in the church who have delegated financial responsibility to resource these areas. They were thanked for their diligent management of the church's money. It was emphasised that these channels exist to ensure ongoing careful financial management; therefore everyone was encouraged to speak to the relevant budget holder if there is a need to purchase something.

A breakdown of the income was provided with our largest spend on Ministry costs. It was emphasised that a third of our income is given as part of the Parish Share which is used to staff and resource churches and the Diocese in many ways. Crucially it supports churches in more deprived areas that would otherwise have very little to resource their work.

Chris thanked individuals who had chosen to leave money to the church in their wills. This has recently been received and he expressed gratitude to those who had wanted their legacy to continue.

Finally, Chris highlighted that we were in the process of paying back the Diocesan loan of £107,000, and the expectation was that it would be repaid by Autumn 2016. Once this had been achieved the loans received by members of the church family would also be returned. Chris thanked those who continue to give financially to support the repayment of the church buildings.

In response to the finance report, the following comments or questions were raised:

1. Katie Mackay asked for an update on the finances required to support the incoming Curate. It was explained that last year's increase in giving has enabled us to make provision for the curate this summer. Additionally, we are able to reinstate a reserve that we had which we had been dipping in to. Ruth highlighted that as a church we only have to pay for the rent, as the Diocese pays for the curate's stipend. She added that this is an example of where we see greater outcome from the amount we contribute in our annual parish share.
2. Eileen Smith asked if there was a requirement to elect the Verger. Ruth confirmed that this role does not need to be elected and thanked Nigel Catterall for all his work.
3. Pam Poole highlighted that last year the matter of whether we pay the living wage was unclear. Chris confirmed that there are two levels of minimum wage and the church is committed to paying the higher wage.
4. Ruth thanked Chris for all his work spent on the finances.

6.2 Electoral Roll

The Electoral Roll Officer, Judith Ellis, reported that there are now 253 people on the roll (down from 260 last year).

7. Questions

The following questions were raised:

- 7.1 Nora Hilson identified that the growth of this church was amazing, however increasingly it seems we are becoming two churches - old and young. Whilst it is natural that we all have different requirements, but would be nice to have more occasions to worship together. Ruth highlighted that there is always a tension in managing one church with multiple congregations, and that research shows that as soon as a premises is 70-80% full, it stops growing. She informed that there had been a big emphasis over last year on intergenerational events such as Father's Day picnic and Maundy

Thursday Supper. Furthermore, last year's summer services were one united 10am service, to which there was a very mixed reaction. She also emphasised the importance of consistency so that individuals with less regular attendance don't feel embarrassed if they arrive late to a one off united event. The reality of a big church is that we start to feel less like a family. We are a medium to large sized church, working with existing structures for a smaller church. Opportunities like 'cluster' small groups will allow for gatherings of between 50 and 70 to meet up where a family environment can be more easily achieved.

7.2 Katie Mackay suggested it would be a good idea to encourage more interaction between the 9am and 10.30am services over coffee. This was enthusiastically received.

7.3 Elizabeth Teasdale commented on a preference for a greater range of hymns and music within services, and the inclusion of the organ and choir in the 10.30am service. Ruth highlighted that the focus of the services will be on the target demographic and this may result in a greater separation between the 'traditional' 9am service and the 'contemporary' 10.30am service. Whilst it is important to be outwardly focused, this may come at a cost to some of our personal preferences to ensure that we are consistent with reaching everyone in the parish. A greater range of services will also enable broader diversity of worship.

7.4 Jane Blackadder thanked Nicola and Penny for all their work in the office.

7.5 Sue Swain-Fossey thanked Ruth for all she does as our incumbent.

8. **Closing Prayer**

The meeting closed with prayer at 12.20pm.