



**The Parochial Church Council
of the Ecclesiastical Parish
of the Collegiate Church of
St Mary, Warwick**

Registered Charity N°: 1128087

**Reports
and
Financial Statements**
for the year ended 31 December 2022

2022

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Reference and Administrative Items

Address	Old Square Warwick CV34 4RA		
Diocese	Diocese of Coventry within the Church of England		
Website	www.stmaryswarwick.org.uk		
Charitable Status	Registered Charity No. 1128087 (since February 16th 2009).		
Trustees	The members of the PCC are currently:		
	Jayne McHale	Chairman	Chairman from 3 January 2023
	Gail Guest	Churchwarden	
	John Luxton	Churchwarden	
	Elizabeth Antrobus		Appointed April 2022
	Anne Brar		Appointed April 2022
	Victoria Bartholomew		
	Joy Curtis		Appointed April 2022
	Desmond Jack		
	Gillian James	Deanery Synod	
	Tony King,	Vice Chairman	
	Carol Warren		
	Alice Webber		
	Doreen Mills	Reader	Ex-officio
	Oliver Hancock	Director of Music	Ex-officio
	The following also served in the period:		
	Rev'd Vaughan Roberts	Chairman & incumbent	Retired 3 January 2023
	John Adams		Resigned January 2022
	David Clark		Resigned March 2022
Independent Examiner	Steven Mugglestone FCA Michael Harwood & Co. Chartered Accountants & Registered Auditors	Greville House 10 Jury Street Warwick CV34 4EW	
Banker	Lloyds Bank PLC	12 Swan Street Warwick CV34 4BJ	
Insurers	Ecclesiastical Insurance	Church Operations Benefact House 2000 Pioneer House Gloucester GL3 4AW	

REPORT OF THE PAROCHIAL CHURCH COUNCIL

The Council presents its report and Financial Statements of the Church for the year ended 31st December 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out on page 9 (and following) and comply with the Parochial Church Council Powers Measure (1956), the Churches Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019.

In December 2022 the Rector retired after faithfully serving the parish and the town for 20 years. He will be greatly missed in the many roles that he held, including Chair of the PCC. He left with our grateful thanks for all that he contributed and achieved in his time in office. The process of appointing a successor is underway and a Parish Profile has been prepared and submitted to the diocese as part of this process.

AIMS AND PURPOSES

St Mary's PCC has the responsibility to promote, within the ecclesiastical parish, the pastoral, evangelistic, social and ecumenical mission of the Church which it shared with the incumbent, the Rev'd Vaughan Roberts, until his retirement on 3 January 2023. The PCC also has the responsibility of maintaining the fabric of the historic Church of St Mary's, a Grade I listed building.

STRUCTURE, GOVERNANCE AND MANAGEMENT

St Mary's Church operates as a member of a Team Ministry together with St Nicholas', St Paul's and All Saints' Emscote and in conjunction with St Michael's Budbrooke & Chase Meadow. The Warwick Team Ministry is part of the Warwick and Leamington Deanery in the Church of England Diocese of Coventry.

The method of appointment of PCC members is set out in the Church Representation Rules and the membership consists of the incumbent (our Rector), our curate, churchwardens and other members elected by congregation members who are on the Electoral Roll of the church. All those who attend our services are encouraged to register on the Electoral Roll and stand for election to the PCC.

In addition, any Deanery Synod Representatives are automatically members of the PCC. Furthermore, we have had one ex officio member, our Reader for the full year.

The PCC is responsible for making decisions on all matters of general concern and importance to the parish. While our Operations Manager oversees the day-to-day running of the material side of church life, it is the PCC that determines general policy and decides how the funds of the PCC are to be spent.

The PCC met seven times during the year with an average attendance of 76%. The PCC operates a number of sub-committees to deal with individual aspects of parish life. These sub-committees include a Standing Committee to manage day-to-day fabric and finance matters, and committees looking at items such as Ministry, Safeguarding and Pastoral Care.

All sub-committees regularly report back to the PCC with minutes or reports of their deliberations and decisions, and these are then discussed and reviewed by the full PCC as necessary. In addition, the PCC has responsibilities for managing policies and risks related to Health and Safety, Safeguarding, Employment Regulations and Discrimination. All these areas are reviewed regularly, policies updated, and training put in place for key staff.

The PCC reviews pay and remuneration for all employees on an annual basis, taking into account the annual rate of inflation, the prevalent minimum and living wage levels and any changes in job description and responsibility.

OBJECTIVES AND ACTIVITIES

The PCC remains committed to maintaining St Mary's role in the life of the town and enabling as many people as possible to worship at our church. The church is a hub for the local area, attracting local people as well as visitors and tourists. People enter the building for a variety of reasons, worship, prayer, history and culture being but a few of these.

The Coronavirus pandemic has continued to affect our ability to meet some of our annual objectives. The PCC was able to open for visitors from Easter and has continued with its duty to keep the building in good repair. However, scaffolding and sheeting have had to be placed around the lower part of the tower to protect the public from falling masonry pending restoration work.

As always, the PCC is immensely grateful to all those who were able to give their time, knowledge and passion to make and keep the church alive and vital, and to offer a warm welcome to those who were able to enter for whatever reason.

The PCC also has a responsibility to ensure that the church operates on a sound financial footing, with good, effective and responsible business practices. The PCC remains mindful that these practices must support rather than hinder the spiritual work of the church.

The church's outward giving programme extends beyond the boundaries of CV34 to support both national and international causes. Any member of our congregation is welcome to suggest such a cause, and these are discussed, recommended and approved by the Standing Committee and the PCC.

PUBLIC BENEFIT

The trustees confirm that they have complied with the Charities Act 2011 and in planning our activities for the year we have considered the Commission's guidance on public benefit and the advancement of religion. In particular, we try to enable people to live out their faith as part of our parish community through:

Worship and prayer

Provision of pastoral care for people living in the parish

Missionary and outreach work

ACHIEVEMENTS AND PERFORMANCE

WORSHIP

During 2022 St Mary's life and ministry continued to adapt to the challenges and legacies of the Coronavirus pandemic and lockdowns. The use of livestreaming has continued even as in-church worship resumed. The PCC installed two cameras, audio equipment and recruited a team to broadcast the 10.30am service each Sunday on Facebook and YouTube.

The PCC thanks everyone who played their part in these services: clergy, lesson readers, intercessors, servers, members of St Mary's musical ministry and choir, and the livestreaming team.

The bare statistics show that the congregations for major services were:	2022	2021
Easter	347	91*
Remembrance Sunday	410	365
Christmas Eve and Christmas Day	865	555

* Affected by Covid

The average Sunday attendance of adults and young people was	95	143
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	2022	2021
The number of people on the electoral was	148	140
There were held:		
Weddings and blessings	11	8
Baptisms	7	7
Funerals and memorials	14	11

As ever a number of special services were conducted including:

Civic Service
 Regimental Service
 Jubilee of Queen Elizabeth II
 Royal British Legion 100th Anniversary Service
 Commemoration and thanksgiving for Queen Elizabeth II – attended by 520 people from across the region
 The accession of King Charles III
 Warwickshire Road Safety for victims of road traffic accidents
 Guild of ex-Choristers
 High Sherriff's Service
 Masonic service
 Kings High School Founders' Service
 Lighting the Darkness – Warwick Hospital carol service
 Carol services for three schools

There are, on average, between 15 and 30 people who watch the Sunday live stream at 10.30am and a further 50 viewers choose to watch all or part of the service later in the week. Every month between 200 and 300 views are recorded on You Tube.

The choir sings at all major services and at Sunday services during school terms. In the summer the choir sang for a week at Canterbury Cathedral. It also sang evensong at Tewkesbury Abbey and Christ Church Cathedral, Oxford.

DEANERY SYNOD

One member of the PCC sits on the deanery synod which provides the PCC with an important link between the parish and the wider structures of the church.

ST MARY'S AND THE COMMUNITY

The church was open to the public from 11 April 2022 and some 21,000 visitors came in to look around it. At the end of November the Christmas Tree festival attracted 5,300 people over the week it was staged.

The church was also the venue for 26 concerts and other events and 24 lunchtime recitals. Groups using the church as a venue include:

Armonico Consort	Kings High School and Landor Association
Collegium	Playbox Theatre
Coventry Philharmonic Orchestra	Rotary Club
Da Capo Chamber Choir	The Sixteen
Leamington Music	Warwick & Kenilworth Choral Society
St James' Singers	Warwick Words
Sing it Loud	Warwick Schools
Warwickshire College – for graduation ceremonies	Warwickshire Symphony Orchestra

In December the church hosted three sell-out showings of the Snowman film and St Mary's Choir sang carols in Warwick Town Square, on the Victorian Evening, and at Warwick Castle.

OTHER CHARITABLE WORK

For a number of years St Mary's has aimed to make annual charitable donations equal in value to approximately 10% of the income received from the King Henry VIII Endowed Trust. Given the major challenge of tower restoration, this outward giving target was not met in 2022. It is hoped to return to a more normal level of charitable donation once the tower has been repaired.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The trustees are responsible for preparing the Report of the Parochial Church Council and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees 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 operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

TREASURER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

2022 has been another interesting and challenging year for St Mary's as its life became more normal after the effects and impact of the pandemic whilst it faced the challenge of maintaining its fabric and crucially its eye-catching tower.

The year saw the benefits of the fundraising campaign towards the phase 2 costs of £1.4m to repair the tower with a surplus of £636,000 from Restricted Funds. Another £24,000 surplus arose on Unrestricted Funds. Total income of £1.1m included £607,000 grants towards the tower's repair costs and £463,000 more is expected in 2023.

Total expenditure of £459,000 included repairs to the North Turret costing £48,000 and preliminary works on the tower of £37,000. St Mary's is fortunate to receive an annual income from the King Henry VIII Endowed Trust which it can apply to the running expenses of the church; the income in 2022 was £158,000 and £152,000 was spent on the running expenses. As ever St Mary's is thankful to the Trust for the annual income, which supports the range of worship, music and accessibility, and also for the grants provided for various projects including the tower repairs.

It was a turbulent year in the stock markets and disappointingly the investments lost 11% of their value to stand at £319,000 at the year end. The funds are largely held with the CCLA which is the predominant investment manager for charities and operates a special fund for the Church of England. Because of the size, expertise and influence of the CCLA it is expected that the portfolio will recover. The PCC is satisfied that the CCLA meets its objectives of income and long-term capital growth.

Net current assets at the year-end had risen by £660,000 to £1.04m as a consequence of collecting in grants for the tower repairs. Bank balances will steadily reduce through 2023 as the repairs progress.

Considerable changes have been made to the reserves which total £1.4m at the year end. In 2012 the PCC determined to use the restricted funds of the Rance Bequest, the Caxton Book Fund and the St Mary's Library Fund for capital purposes; this decision was re-affirmed in 2022. After taking advice the Rance Bequest and St Mary's Library Fund were combined into a Capital Fund of £238,000 at the year end. The Caxton Book Fund was held through the Coventry Diocesan Trust, and it was released by that body into the restricted Tower Fund in early 2023.

The restricted Tower Fund holds £837,000 in preparation for the stonework and masonry repairs needed. The contract for this work is fixed at £1.4m and it will be carried out in 2023 with the necessary scaffolding being taken down in early 2024. In addition to the funds held at the year-end grants of £463,000 are receivable during 2023. This will take the fund to £1.3m and the balance of the costs will be financed from the Capital Fund.

Many individuals have contributed to the tower fund and they are thanked for their donations. Also thanked are the bodies which have provided major awards including Warwick District Council, Warwick Town Council, St Mary's Hall Trust, King Henry Endowed Trust (Project Pool), King Henry Endowed Trust (Town Share), the National Heritage Lottery Fund, Warwick Society, Warwick Relief in Need, Benefact Trust, Ian M Foulerton Trust, National Churches Trust and Wolfson Foundation, Headley Trust, Swire Charitable Trust, Edward Cadbury Trust, Friends of St Mary's and Garfield Weston. Without all these contributors, St Mary's would be facing a very bleak future.

The £4,000 remnants of the Restricted Fund previously created for the repair of the North Roofs has been consolidated into the Capital Fund.

The PCC has acknowledged that an account run for receiving income generated by the choir and for expenses incurred by it should be part of the restricted Music Fund and so an appropriate transfer has been made from Unrestricted Funds.

A new restricted fund for St Mary's Books has been created. Books about the history of St Mary's and also the Beauchamp Chapel are being written and will be published in 2023 and 2024 respectively. Their production costs are being met by donations and any surpluses generated from their sales will accrue to Unrestricted Funds.

The PCC has resolved that it is no longer necessary to hold a Designated Fund for the Shop and Bookstall and its balance of £23,000 has been released into Unrestricted Funds.

By virtue of the surplus for the year and the transfers to and from other funds the Unrestricted Funds at the end of 2022 have risen by £31,000 to reach £179,000.

The expectation for 2023 is a small surplus on Unrestricted Funds. With the conclusion of the Capital Campaign there will be savings of fundraising costs but there will be costs of administering the tower repair work. Also, in 2023 there will be expenditure of £70,000 to develop a pilot community and visitor engagement programme which will involve a wide range of young people from around Warwickshire and use the latest in digital technology to tell St Mary's story through the ages. This project is being supported by the National Heritage Lottery Fund. Meanwhile there remains the possibility of further major repairs to the fabric of the church which may suddenly require urgent attention.

RESERVES POLICY

It is the policy to maintain Unrestricted Funds at a level which equate to approximately 6 months of Resources Expended excluding the costs of major repairs and fundraising. This level provides sufficient funds to cover the Church running expenses and other operating costs. By this criterion the Unrestricted Funds of £179,000 at the end of 2022 represented almost 7 month's worth of all costs in 2022. Typically, however, many of these costs are charged against the restricted income received annually from King Henry VIII Endowed Trust and, if this continues to be the case, the Unrestricted Fund covers over 12 month's worth of the costs charged directly to it.

RISK

The PCC is aware of a variety of risks in the activities of the church and plans to mitigate them. The single largest risk is dealing with matters identified in the quinquennial review and having the funds available to address to take action on matters needing urgent attention. The re-arrangement of the restricted funds to create a Capital Fund provides some resilience and a limited ability to deal with necessary urgent repairs.

INVESTMENT POLICY

The Church has a small portfolio of investments with the majority mainly in collective funds managed by the CCLA the predominant investment manager for charities. The investments are held to provide income and long-term capital growth.

PLANS FOR THE FUTURE

The key elements for the future of St Mary's are: (i) to complete the restoration work of the tower; (ii) To celebrate the 900th anniversary in 2023 of St Mary's being made a Collegiate Church; (iii) Re-establish the wide-ranging ministry of the church following the pandemic; (iv) Ensure that our re-opening to visitors can be placed on a sustainable footing for the future.

Approved by the PCC and signed on their behalf on 21 May 2023 by:

Jayne McHale
Chairman

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE PCC OF ST MARY'S WARWICK

Opinion

We have audited the financial statements of PCC of St Marys Warwick (the 'charity') for the year ended 31 December 2022 which comprise of the Statement of Financial Activities, the Balance Sheet, the Statement of cash flows and notes to the financial statements, including significant accounting policies on pages 13 to 25. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, set out on page 6, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Steven Mugglestone BA (Hons) FCA

Statutory Auditor
Michael Harwoods & Co
Chartered Accountants
Greville House
10 Jury Street
Warwick
CV34 4EW

22 May 2023

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The charity constitutes a public benefit entity as defined by FRS102. The Financial Statements have been prepared on a going concern basis under the historical cost convention as modified for the revaluation of freehold property and in accordance with the Church Accounting Regulations 1997 as amended by the Church Accounting (Amendment) Regulations 2001.

They comply with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011 and applicable regulations.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

INCOMING RESOURCES

All incoming resources are accounted for on an accruals basis and grants are recognised when received. Legacies, donations, giving and other income are accounted for when received.

RESOURCES EXPENDED

Resources Expended are classified at a high level under the Parish's functional categories of expenditure, but more detail is given in the Notes to the Financial Statements. Costs included within each functional category comprise direct expenditure attributable to the activity.

Grants in respect of charitable donations are recognised when awarded.

INVESTMENTS

Investments are stated at market value at the year end.

FIXED ASSETS

Consecrated property of any kind is excluded from the financial statements by s10 Charities Act 2011.

Movable church furnishings held by the incumbent and churchwardens on special trust for the PCC, and which require a faculty for disposal, are inalienable property unless consecrated.

All expenditure on consecrated buildings and individual items under £5,000 or on the repair of movable church furnishings are written off in the year of expenditure.

STOCK

Stock is stated at the lower of cost and net realisable value.

FUND ACCOUNTING

General funds comprise the accumulated surplus or deficit on the income and expenditure account. The funds are available for use at the discretion of the PCC in furtherance of the general objectives of the Parish.

Designated funds comprise unrestricted funds which have been set aside at the discretion of the PCC for specific purposes.

Restricted funds are funds subject to specific restricted conditions imposed by donors.

GRANTS FROM TRUSTS

Grants are recognised at the fair value of the asset received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

PENSION SCHEME

The Collegiate Church of St Mary participates in the Pension Builder Scheme (PB 2014) section of the Church Workers Pension Fund (CWPF) for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

PB 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme. The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme.

OPERATING LEASES

Rentals payable under operating leases are charged as incurred over the period of the lease.

The Collegiate Church of St Mary, Warwick

Parochial Church Council — Registered Charity No: 1128087

FINANCIAL STATEMENTS for the year ended 31 December 2022

Statement of Financial Activities

For the year ended 31 December 2022

	Note	Unrestricted	Restricted	2022	2021
Incoming Resources					
Voluntary income	1	125,354	867,439	992,793	571,930
Activities for generating funds	2	39,827	11,558	51,385	23,565
Investment income	3	9,643	182	9,825	11,236
Income from church activities	4	27,972	19,130	47,102	20,281
Other income	5	17,208	-	17,208	44,287
		<u>220,004</u>	<u>898,309</u>	<u>1,118,313</u>	<u>671,299</u>
Resources Expended					
Parish share	6	25,000	-	25,000	40,930
Church running expenses	7	72,310	170,266	242,576	268,166
Church Repairs	8	11,403	73,945	85,348	306,728
Costs of Generating Funds	9	81,614	18,360	99,974	74,308
Governance costs	10	5,616	-	5,616	4,831
		<u>195,943</u>	<u>262,571</u>	<u>458,514</u>	<u>694,963</u>
Net Resources		24,061	635,738	659,799	(23,664)
Transfer from Designated Shop Fund		22,649	-	22,649	49
Transfer to Choir Restricted Fund		(13,580)	13,580	-	-
		33,130	649,318	682,448	(23,615)
Realised gains on investments		-	-	-	8,233
Unrealised losses/gains on investments		(2,203)	(37,019)	(39,222)	45,342
		30,927	612,299	643,226	29,960
Unrestricted and Restricted Funds at 1 January		148,427	563,914	712,341	682,381
Unrestricted and Restricted Funds at 31 December		<u>179,354</u>	<u>1,176,213</u>	1,355,567	712,341
Designated Shop Fund				-	22,649
Total Funds				<u>1,355,567</u>	<u>734,990</u>

All activities are regarded to be continuing.

The Notes on pages 18 to 25 form part of these financial statements.

A comparative Statement of Financial Activities for 2021 is included as Note 27.

The Collegiate Church of St Mary, Warwick

Parochial Church Council — Registered Charity No: 1128087

FINANCIAL STATEMENTS for the year ended 31 December 2022

Balance Sheet at 31 December 2022

	Note	2022	2021
Fixed Asset Investments	13	<u>318,867</u>	<u>358,089</u>
Current Assets			
Shop stocks		5,894	15,862
Debtors	14	14,572	7,636
Cash at Bank and in Hand		<u>1,067,241</u>	<u>366,454</u>
		1,087,707	389,952
Less			
Creditors - amounts falling due within one year	15	<u>(51,007)</u>	<u>(13,051)</u>
Net Current Assets		<u>1,036,700</u>	<u>376,901</u>
Net Assets		<u><u>1,355,567</u></u>	<u><u>734,990</u></u>
<i>Financed by</i>			
Restricted Funds	16	1,176,213	563,914
Designated Funds	17	-	22,649
Unrestricted Funds	18	<u>179,354</u>	<u>148,427</u>
Total Funds		<u><u>1,355,567</u></u>	<u><u>734,990</u></u>

Approved by the Parochial Church Council and signed on their behalf on 21 May 2023 by

Jayne McHale
Chairman

The Collegiate Church of St Mary, Warwick

Parochial Church Council — Registered Charity No: 1128087

FINANCIAL STATEMENTS for the year ended 31 December 2022

Statement of cash flows for the year ended 31 December 2022

	2022	2021
Net movement in Restricted & Unrestricted Funds in year	643,226	29,960
Investment losses/gains	39,222	(53,754)
Investment income	(9,825)	(11,236)
Decrease in stock	9,968	403
Increase/decrease in debtors	(6,936)	3,618
Increase in creditors	37,956	3,743
Designated Shop Fund released	(22,649)	(49)
<i>Net cash provided by/used in operating activities</i>	<u>690,962</u>	<u>(27,315)</u>
<i>Cash flows from investments</i>		
Investment income	9,825	11,236
Proceeds of investment sales	-	100,000
	<u>9,825</u>	<u>111,236</u>
Change in cash in year	700,787	83,921
Cash at bank & in hand on 1 January	366,454	282,533
Cash at bank & in hand on 31 December	<u><u>1,067,241</u></u>	<u><u>366,454</u></u>

The Collegiate Church of St Mary, Warwick

Parochial Church Council — Registered Charity No: 1128087

FINANCIAL STATEMENTS for the year ended 31 December 2022

Notes to the Financial Statements

	Unrestricted	Restricted	2022	2021
1. Voluntary Income				
Planned giving	41,270	17,321	58,591	44,199
Collections and envelopes	23,972	-	23,972	13,521
Gift Aid recovered	15,062	12,437	27,499	24,548
Donations and other collections	16,314	86,399	102,713	73,501
Income from visitors	14,893	-	14,893	4,864
King Henry VIII Endowed Trust income (Note 22)	-	158,047	158,047	149,945
Grants (Note 11)	13,843	593,235	607,078	261,352
	<u>125,354</u>	<u>867,439</u>	<u>992,793</u>	<u>571,930</u>
2. Activities for Generating Funds				
Shop takings	16,114	-	16,114	1,058
Church lettings	10,852	-	10,852	7,062
Fund raising events	12,861	11,558	24,419	15,445
	<u>39,827</u>	<u>11,558</u>	<u>51,385</u>	<u>23,565</u>
3. Investment Income				
Dividends	9,618	160	9,778	11,228
Bank interest	25	22	47	8
	<u>9,643</u>	<u>182</u>	<u>9,825</u>	<u>11,236</u>
4. Income from Church Activities				
Fees for weddings, funerals and special services	22,564	-	22,564	6,092
Music	5,408	19,130	24,538	14,189
	<u>27,972</u>	<u>19,130</u>	<u>47,102</u>	<u>20,281</u>
5. Other incoming resources				
Phone mast rent	17,000	-	17,000	17,000
Coronavirus job protection	-	-	-	27,287
Other	208	-	208	-
	<u>17,208</u>	<u>-</u>	<u>17,208</u>	<u>44,287</u>

The Collegiate Church of St Mary, Warwick

Parochial Church Council — Registered Charity No: 1128087

FINANCIAL STATEMENTS for the year ended 31 December 2022

Notes to the Financial Statements - continued

	Unrestricted	Restricted	2022	2021
6. Parish Share				
Diocesan Support Fund & Deanery Costs	25,000	-	25,000	22,172
Training & housing	-	-	-	18,758
	<u>25,000</u>	<u>-</u>	<u>25,000</u>	<u>40,930</u>
The stipend, pension and housing costs of the Vicar of St Mary's are paid directly to the Diocese by the King Henry III Endowed Trust			<u>38,931</u>	<u>39,467</u>
7. Church running expenses				
Staff costs (Note 12)	42,120	74,100	116,220	123,354
Clergy expenses	2,620	-	2,620	1,989
Insurance	-	28,485	28,485	28,009
Utilities	-	17,792	17,792	13,672
Maintenance & minor repairs	1,590	10,787	12,377	75,811
Organ & choir costs	9,767	21,723	31,490	11,070
Office expenses	155	11,460	11,615	11,780
Worship and ministry costs	16,058	5,919	21,977	2,481
	<u>72,310</u>	<u>170,266</u>	<u>242,576</u>	<u>268,166</u>
8. Church Repairs				
Tower	-	37,208	37,208	166,345
North turret	11,403	36,737	48,140	-
North roofs	-	-	-	140,383
	<u>11,403</u>	<u>73,945</u>	<u>85,348</u>	<u>306,728</u>
9. Costs of Generating Funds				
Professional fundraiser's fees	65,315	-	65,315	69,806
Shop cost of sales	9,968	-	9,968	1,107
Costs of events	6,331	-	6,331	3,395
Book production costs	-	18,360	18,360	-
	<u>81,614</u>	<u>18,360</u>	<u>99,974</u>	<u>74,308</u>
10. Governance costs				
Independent examiner's fee	4,200	-	4,200	3,000
Legal and professional costs	1,416	-	1,416	1,831
	<u>5,616</u>	<u>-</u>	<u>5,616</u>	<u>4,831</u>

The Collegiate Church of St Mary, Warwick

Parochial Church Council — Registered Charity No: 1128087

FINANCIAL STATEMENTS for the year ended 31 December 2022

Notes to the Financial Statements - continued

	Unrestricted	Restricted	2022	2021
11. Grants				
<i>Amounts received greater than £5,000</i>				
St Mary's Hall Trust	-	250,000	250,000	-
Archbishop's Council Major Works Fund	-	-	-	134,565
King Henry VIII Endowed Trust	-	100,000	100,000	42,750
Project Pool - King Henry VIII Endowed Trust	-	99,925	99,925	-
Swire Charitable Trust	-	25,000	25,000	-
Garfield Weston Trust	-	25,000	25,000	-
Benefact Trust	-	24,000	24,000	-
Headley Trust	-	20,000	20,000	-
Listed Places of Worship	10,184	9,159	19,343	61,407
Ian Foulerton Trust	-	15,000	15,000	-
Edward Cadbury Trust	-	-	-	10,000
Warwick in Need	-	10,000	10,000	-
Cathedral Music Trust	-	7,500	7,500	7,500
	<u>10,184</u>	<u>585,584</u>	<u>595,768</u>	<u>256,222</u>
Amounts up to £5,000	<u>3,659</u>	<u>7,651</u>	<u>11,310</u>	<u>5,130</u>
	<u><u>13,843</u></u>	<u><u>593,235</u></u>	<u><u>607,078</u></u>	<u><u>261,352</u></u>

12. Staff Costs	2022	2021
Wages and salaries	104,148	115,005
NI	8,143	4,373
Pension	<u>3,929</u>	<u>3,976</u>
	<u><u>116,220</u></u>	<u><u>123,354</u></u>
<i>Number of staff</i>		
Administration	2	2
Music	2	2
Visitor reception	2	2
Worship	<u>-</u>	<u>1</u>
	<u><u>6</u></u>	<u><u>7</u></u>

No employee earned in excess of £60,000 in either year.

The Collegiate Church of St Mary, Warwick

Parochial Church Council — Registered Charity No: 1128087

FINANCIAL STATEMENTS for the year ended 31 December 2022

Notes to the Financial Statements - continued

	Unrestricted	Restricted	2022	2021	
13. Investments					
Market value at 1 January	45,697	312,392	358,089	404,514	
Unrealised losses/gains	(2,203)	(37,019)	(39,222)	45,342	
Net proceeds of sale	-	-	-	(91,767)	
Market value at 31 December	<u>43,494</u>	<u>275,373</u>	<u>318,867</u>	<u>358,089</u>	
<i>Historical cost</i>	<u>54,031</u>	<u>85,670</u>	<u>139,701</u>	<u>139,701</u>	
<i>Investments are held in</i>					
CCLA income units in the CBF and COIF funds	13,660	273,283	286,943	323,195	
Shares listed on the London Stock Exchange	<u>29,834</u>	<u>2,090</u>	<u>31,924</u>	<u>34,894</u>	
	<u>43,494</u>	<u>275,373</u>	<u>318,867</u>	<u>358,089</u>	
14. Debtors					
Trade Debtors			2,683	7,636	
Prepayments			3,196	-	
Other debtors			<u>8,693</u>	<u>-</u>	
			<u>14,572</u>	<u>7,636</u>	
15. Creditors - amounts falling due within one year					
Trade Creditors			1,149	5,025	
Accruals			42,404	5,605	
Other creditors			<u>7,454</u>	<u>2,421</u>	
			<u>51,007</u>	<u>13,051</u>	
16. Restricted Funds					
	1 January 2022	Transfers	Net movement in year	Unrealised losses	31 December 2022
2022					
St Mary's books	-	-	8,282	-	8,282
Music	40,163	13,580	(6,374)	-	47,369
Caxton	44,307	-	-	(5,216)	39,091
Capital	-	269,621	-	(31,247)	238,374
King Henry VII	60,984	(60,984)	5,680	-	5,680
Rance Bequest	12,833	(12,833)	-	-	-
Restricted fund	4,182	(4,182)	-	-	-
St Mary's Library	252,606	(252,606)	-	-	-
Tower Repair	<u>148,839</u>	<u>60,984</u>	<u>628,150</u>	<u>(556)</u>	<u>837,417</u>
	<u>563,914</u>	<u>13,580</u>	<u>635,738</u>	<u>(37,019)</u>	<u>1,176,213</u>

The transfer of £13,580 is a Choir fund previously part of the Unrestricted Fund.

The Collegiate Church of St Mary, Warwick

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FINANCIAL STATEMENTS for the year ended 31 December 2022

Notes to the Financial Statements - continued

St Mary's Books is a fund for the production and publication of books about the history of St Mary's and the Beauchamp Chapel. The church has no financial exposure on sales of the books but any surplus from their sales will accrue to it.

The Music Fund covers income and expenditure relating to the choir. By agreement of the PCC this fund had £13,580 transferred to it in the year from Unrestricted Funds being the balance in a choir operated bank account.

The Caxton Fund is held by Coventry Diocesan Trustees on behalf of St Mary's. It was created in 1960 following the sale of a Caxton Book to the University of Birmingham.

The Capital Fund has been created in the year, by a PCC resolution, from the **St Mary's Library Fund** and the **Rance Bequest**. The fund is available to finance major fabric repairs.

King Henry VIII Fund receives an amount each year from the King Henry VIII Trust. This income is typically applied to *Church Running Expenses* - see also Note 22.

The Restricted Fund was created from Unrestricted Funds in 2020 and has now been consolidated into the Capital Fund. It was a vehicle for the repairs in 2021 of the North Roofs.

The Tower Repair Fund was created in 2020 to collect donations towards the costs of repairing the tower.

2021 - Comparative figures	1 January 2021	Transfers	Net movement in year	Unrealised losses	31 December 2021
Music	46,312	-	(6,149)	-	40,163
Caxton	38,762	-	-	5,545	44,307
King Henry VII	59,329	-	1,655	-	60,984
Rance Bequest	11,227	-	-	1,606	12,833
Restricted fund	10,000	-	(5,818)	-	4,182
St Mary's Library	312,759	(91,767)	31,614	-	252,606
Tower Repair	76,094	91,767	(18,641)	(381)	148,839
	554,483	-	2,661	6,770	563,914

The Collegiate Church of St Mary, Warwick

Parochial Church Council — Registered Charity No: 1128087

FINANCIAL STATEMENTS for the year ended 31 December 2022

Notes to the Financial Statements - continued

17. Designated Fund - Shop	2022	2021
1 January	22,649	22,698
Released to Unrestricted Funds	(22,649)	(49)
31 December	<u>-</u>	<u>22,649</u>

The fund was created originally to earmark funds for the shop. The PCC has decided that it is no longer necessary to designate these funds and they have been returned to Unrestricted Funds

18. Unrestricted Funds		
1 January	148,427	127,898
Transfer to Restricted Music Fund	(13,580)	-
Transfer from Designated Shop Fund	22,649	49
Net movement in year	24,061	13,522
Unrealised losses/gains	(2,203)	6,958
31 December	<u>179,354</u>	<u>148,427</u>

19. Analysis of Net Assets

2022	Investments	Net Current Assets	Total
St Mary's books	-	8,282	8,282
Music	-	47,369	47,369
Caxton	39,091	-	39,091
Capital	234,192	4,182	238,374
King Henry VII	-	5,680	5,680
Tower Repair	2,090	835,327	837,417
Unrestricted Funds	43,494	135,860	179,354
	<u>318,867</u>	<u>1,036,700</u>	<u>1,355,567</u>

2021 - Comparative figures

Music	-	40,163	40,163
Caxton	44,307	-	44,307
King Henry VII	-	60,984	60,984
Rance Bequest	12,833	-	12,833
Restricted fund	-	4,182	4,182
St Mary's Library	252,606	-	252,606
Tower Repair	2,646	146,193	148,839
Designated Fund - Shop	-	22,649	22,649
Unrestricted Funds	45,697	102,730	148,427
	<u>358,089</u>	<u>376,901</u>	<u>734,990</u>

The Collegiate Church of St Mary, Warwick

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FINANCIAL STATEMENTS for the year ended 31 December 2022

Notes to the Financial Statements - continued

20. Operating leases	2022	2021
Expiring within one year	502	-
Expiring within 2 to 5 years	<u>5,320</u>	<u>5,723</u>

21. Tower fund grants expected in 2023	2023
National Heritage Lottery Fund	250,000
Warwick District Council	100,000
Project Pool - King Henry VIII Endowed Trust	50,000
National Churches Trust	20,000
Warwick Society	20,000
Warwick Town Council	10,000
Wolfson Foundation	10,000
Warwickshire & Coventry Historic Churches	<u>3,000</u>
	<u>463,000</u>

In accordance with the Accounting Policy these grants will included, when received, in the 2023 Financial Statements.

22. King Henry VIII Endowed Trust

St Mary's is one of five churches in Warwick and Budbrooke that receive annual payments from the Trust, which was set up in 1545. The amount to be paid to the Church is set out in the Trust's Scheme, which is approved by the Charity Commission. All payments are Restricted and only to be used for the prescribed purpose for which they are given. The five churches receive 50% of the Trust's net income, allocated in accordance with the Scheme. The scheme was modified early in 2015, with the agreement of the PCCs, to change allocations following the closure of Christ Church.

The Trustees make payments directly to the Diocese to cover the stipends, pensions and housing costs for nominated clergy and lay workers within the five parishes in a set order. The balance is allocated to the PCCs. Of this St Mary's is currently entitled to 40%, which can only be used for furthering the religious and other charitable work of the Church of England within the Warwick parishes. The Trustees have the discretion to change this percentage allocation, and it is the responsibility of the PCC to ensure and demonstrate that the terms of this grant are respected.

A variation to the allocation of the church share was agreed by the Trustees and the PCCs to establish a Project Pool, managed by the Trustees, with all the PCCs of the Warwick parishes being able to bid for funds for specific projects.

St Mary's uses the income for its mission in Warwick, specifically to cover expenditure associated with its ministry, worship and fine musical tradition.

The range of worship, music and our accessibility distinguish St Mary's amongst the Warwick churches and the PCC is immensely grateful to the King Henry VIII Endowed Trust, without whose support this work would not be possible.

FINANCIAL STATEMENTS for the year ended 31 December 2022

Notes to the Financial Statements - continued

23. Commitments for 2023

St Mary's had made no capital commitments at the year-end that carried over into the following year.

There is a contractual commitment for £1.4m to make repairs to St Mary's tower. This is a fixed price contract. The repair work started at the beginning of 2023 and will be fully completed in the first quarter of 2024.

As part of the application for a grant of £250,000 from the National Heritage Lottery Fund a commitment was given to spend up to £70,000 on developing a virtual reality experience of St Mary's.

24. Going Concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the levels of funds held and the expected level of income and expenditure for twelve months from authorising these financial statements. The budgeted income and expenditure are sufficient with the level of reserves for the charity to be able to continue as a going concern.

25. Post Balance Sheet

Since the year end the Coventry Diocesan Trust has agreed that the restricted Caxton Fund can be realised and added to the Tower Fund. The Caxton Fund investments realised £39,000.

26. Related Party Transactions

There were no Related Party Transactions requiring disclosure in either 2022 or 2021.

The Collegiate Church of St Mary, Warwick

Parochial Church Council — Registered Charity No: 1128087

FINANCIAL STATEMENTS for the year ended 31 December 2022

Notes to the Financial Statements - continued

27. Comparative Statement of Financial Activities for 2021

	Unrestricted	Restricted	2021	2020
Incoming Resources				
Voluntary income	112,633	459,297	571,930	331,702
Activities for generating funds	17,423	6,142	23,565	13,514
Investment income	11,231	5	11,236	11,210
Income from church activities	20,281	-	20,281	7,364
Other income	19,868	24,419	44,287	73,335
	<u>181,436</u>	<u>489,863</u>	<u>671,299</u>	<u>437,125</u>
Resources Expended				
Parish share	40,930	-	40,930	39,868
Church running expenses	47,845	220,321	268,166	238,760
Church Repairs	-	306,728	306,728	78,792
Costs of Generating Funds	74,308	-	74,308	53,951
Governance costs	4,831	-	4,831	3,540
	<u>167,914</u>	<u>527,049</u>	<u>694,963</u>	<u>414,911</u>
Net Resources	13,522	(37,186)	(23,664)	22,214
Transfer from Designated Shop Fund	49	-	49	-
Realised gains on investments	-	8,233	8,233	-
Unrealised losses/gains on investments	6,958	38,384	45,342	19,217
	<u>20,529</u>	<u>9,431</u>	<u>29,960</u>	<u>41,431</u>
Unrestricted and Restricted Funds at 1 January	<u>127,898</u>	<u>554,483</u>	<u>682,381</u>	<u>640,951</u>
Unrestricted and Restricted Funds at 31 December	<u><u>148,427</u></u>	<u><u>563,914</u></u>	<u>712,341</u>	<u>682,382</u>
Designated Shop Fund			<u>22,649</u>	<u>22,698</u>
Total Funds			<u><u>734,990</u></u>	<u><u>705,080</u></u>