

The PCC of St Michael's, Framlingham
Annual Report and Financial Statements
for the year to 31 December 2022

Aim and purposes:

St. Michael's Parochial Church Council (PCC) has the responsibility of co-operating with the Priest-in-Charge, the Reverend Christopher Davey, in promoting 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 of St Michael, St Michael's Rooms and for the management of the project to replace St Michael's Rooms with a new building, Castle Community Rooms.

Administrative information:

St. Michael's is part of the Diocese of St Edmundsbury and Ipswich within the Church of England. The correspondence address is The Church Office, Castle Community Rooms, Church Street, Framlingham IP13 9BQ. The PCC is a body corporate (PCC Powers Measure 1956, Church Representation Rules 2006) and became a registered charity on 23rd February 2009, Charity Number 1128206, with the Charity Commission.

PCC members who have served from the Annual Parish Meeting in 2022 are:

Elected Members:

Peter Lamb
Adrian Morgan
Margaret Wilkins
Wendy Phelan
Edith Peck
Jeffery Burt
Chris Wasmuth
Catherine Johnson
Caroline Foster (Vice Chair)
Peter Smith
Alan Rabjohn
Sabrina Crooks

Incumbent:

Christopher Davey

Associate Priest:

Mary Lamb

Readers:

Edith Peck
Terry Gilder

Warden:

Sandy Rowles

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Deanery Synod:

Sandra Whalley-Maude

Alan Rabjohn

Edith Peck

Objectives and Activities:

The PCC is committed to encouraging people to worship at our church and to become part of our parish community. The PCC maintains an overview of worship throughout the parish and makes suggestions on how our services can involve the many groups that live within our parish. Our services and worship put faith into practice through sacrament, scripture, prayer and music.

When planning our activities, the incumbent and the PCC work together to enable Christian people to live out their faith as part of our parish community through:

- o Worship and prayer;
- o Learning about the Gospel;
- o Developing their knowledge and trust in God;
- o Provision of pastoral care for people living in the parish;
- o Work with children and young people;
- o Missionary and outreach work.

In addition to this the PCC exercise their responsibility to maintain the fabric of our Church of St. Michael, St Michael's Rooms and for the management of the project to replace St Michael's Rooms with a new building, Castle Community Rooms.

Achievements and Performance

Worship and Prayer:

A range of services is offered on Sundays and during the week and over the course of the year that endeavour to meet the spiritual needs of our community.

For example, Sunday morning 8.00am Book of Common Prayer Communion provides a quiet, and reflective environment for traditional worship.

The main service on Sundays is the 9.30 Parish Eucharist which is enhanced by a sermon and music provided by our choir and organ. On the first Sunday of the month a different style of service is held, a Family Communion, which is more inclusive and specifically welcomes children and young people to be totally engaged in the worship. On the third Sunday there is 'Alive@4' afternoon service for families with activities and tea and occasionally there are services for remembrance, for Healing and Wholeness, or other services. A mid-week Holy Communion service is held at 10.30 a.m. each Wednesday. The Major Feast Days of the Church's year are observed throughout the year.

During 2022 in a more settled pattern of worship numbers of worshipers have grown as people have become more confident in this.

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As well as our regular services, we enable our community to celebrate and thank God at the milestones of the journey through life. Through baptism we thank God for the gift of life, in marriage public vows are exchanged with God's blessing and through funeral services friends and family express their grief and give thanks for the life which is now complete in this world and to commend the person into God's keeping.

During the year we have celebrated 4 baptisms, 6 weddings and held 23 funerals in our church (or at the crematorium) this year.

Many people are involved in the spiritual and practical work of the parish and this is how it should be as we use our gifts together and respond to the challenges and opportunities of a considerable growth in the population of the town.

Growing in God – Our Mission in Framlingham:

The PCC continue to focus on growth and particularly service both to the town but also the wider community. During 2022 we supported local and international charities with financial donations. We have opened our church on Tuesdays as part of Framlingham warm spaces initiative. We continue to be a collection point for the local food banks and with other churches help deliver supplies to local families. Our twice monthly coffee morning, Toast Rack, welcomes people into church for refreshment and community.

Deanery Synod:

Three members of the PCC sit on the Deanery Synod. This provides the PCC with important links between the parish and the wider structures of the church.

The Church:

Our church is open to our community for private prayer during daylight hours throughout the year. During 2022 the architect carried out the quinquennial inspection of the church building and regular maintenance of the building and churchyard monuments was done.

The Church Yard wall which remains the responsibility of the PCC even though the church yard closed over twenty years ago collapsed in the autumn of 2021. This will present a large challenge for the PCC who will need to plan for its rebuilding and, as no insurance claim is associated with the collapse, will need to secure funding for the rebuilding and repair. The Town Council are undergoing major tree works by removing the Lime Trees along this boundary and work cannot commence until this work is complete.

Huge thanks are owed to Sandy Rowles and those who assist her and who have helped doing repairs large and small spending their time to save us considerable amounts of money.

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St Michael's Rooms/Castle Community Rooms:

During 2022 the demolition of St Michael's Rooms after 130 years of service to the community took place and a new Community/church building named Castle Community Rooms was built and handed over to the PCC. The hall was in use by the first hirer the next working day after handover and has been acclaimed as a warm, friendly and spacious venue. The level of occupancy by users is very high. All but the last few thousand pounds of funding has been achieved thanks to grants and donations and our thanks go to the build team and the fundraising team for their work. The remainder of funding will be achieved by the time the final bills are due in December 2023. The building will be run by a management committee as a sub committee of the PCC.

A restricted fund and associated bank account remain in place for this project.

Ecumenical Relationships:

The church is a member of Churches Together in Framlingham. It meets regularly to discuss matters relating to all the churches in Framlingham, and to plan and implement joint activities.

Financial Review:

There has been an Independent Examination of the accounts. The total receipts on ordinary (unrestricted) funds were £107,016 (2021: £83,861) and are detailed in the Financial Statements. £107,819 (2021: £73,099) was spent to provide the Christian Ministry from St Michaels Church, which includes the contribution of £58,000 (2021: £45,069) to the Diocesan Parish Share. Net incoming resources for the year, taking into account restricted and designated funds, reflected an excess of income over expenditure of £63,938 (2021: £77,910).

Reserves policy:

The PCC's reserves policy is to seek to hold £20k in unrestricted reserves to cover running costs in the event of a major problem, and a building repair reserve of £15k to cover the outcome of any urgent work identified.

Our thanks to our treasurer Margaret Wilkins who has so ably managed the church's accounts and its finances, and all the other members of the PCC for their valuable contribution to our ministry and for keeping the church running.

Volunteers:

We would like to thank all the volunteers who work so hard to make our church the lively and vibrant community it is, helping the worship, the caring, our learning and our building.

Structure, governance and management:

The method of appointment of PCC members is set out in the Church Representation Rules. At St. Michael's the membership of the PCC consists of the incumbent, associate priest, reader, churchwardens, Deanery Synod representatives, and members elected by those members of the congregation who are on the electoral roll of the church. The PCC from time to time appoints co-opted members. All those who attend our services / members of the congregation are encouraged to register on the Electoral Roll and stand for election to the PCC.

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The PCC members are responsible for making decisions on all matters of general concern and importance to the parish including deciding on how the funds of the PCC are to be spent.

The full PCC met 9 times during the year.

Thanks to those who have served and contributed to our shared life and development.

Approved by the PCC on 30 April 2023 and signed on their behalf by:

Revd. Chris Davey (Priest in charge)

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Audit dispensation

A dispensation from the accounts scrutiny requirements of section 144(2) of the Charities Act 2011 has been granted under Regulation 34(3)(b) of the Charities (Accounts and Reports) Regulations 2006 in respect of the year ended 31 December 2022 and allows an independent examination to take place in place of an audit for this year.

Independent examiner's report to the members of the Parochial Church Council of St Michael's, Framlingham ('the PCC')

This report has been prepared following an independent examination of the accounts of the PCC for the year ended 31 December 2022, in accordance with section 145 of the Charities Act 2011 ('the Act') and the Church Accounting Regulations 2006 ('the Regulations').

The independent examination has taken place instead of an audit in accordance with the dispensation granted on 14 November 2022.

Responsibilities of members of the PCC

As members of the PCC, you are responsible for maintaining proper accounting records and for preparing accounts which have been prepared in accordance with the Regulations.

You are also responsible for determining whether, in respect of the year (and the preceding two years), the PCC meets the conditions for exemption from an audit of the accounts set out in section 144(1) of the Act and the Regulations, and for providing me with information and explanations required for my examination.

Responsibilities of the independent examiner

As an independent examiner I have a statutory duty to state in my report whether any matter has come to my attention in connection with the examination which gives me reasonable cause to believe that in any material respect:

- accounting records have not been properly kept in accordance with section 130 of the Act; or
- the accounts do not accord with the accounting records or do not comply with the Regulations.

I also have a statutory duty to disclose in my report matters coming to my attention in connection with the examination to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Scope of the independent examiner's work

My work was carried out in accordance with general directions setting out the duties of an independent examiner issued by the Charity Commission and as contained in the Church guidance.

My examination included a review of the accounting records kept by the PCC and a comparison of the accounts presented with those records. It also included a review of the accounts and consideration of any unusual items or disclosures identified and seeking explanations from the PCC concerning any such matters.

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Independent examiner's statement

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

- accounting records were not kept in accordance with section 130 of the Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Regulations other than any requirement that the accounts give a true and fair view, which is not a matter considered as part of an independent examination.

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

Dominic Carter
FCA

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STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted funds £	Restricted funds £	Designated funds £	Total 2022 £	Total 2021 £
INCOMING RESOURCES						
Incoming resources from donors	2a	81,245	4,214	-	85,459	82,132
Other voluntary incoming resources	2b	10,101	99,131	753	109,986	137,641
Incoming resources from operating activities						
To further the PCC's objectives	2c	10,885	570	-	11,455	13,390
To generate funds	2d	179	2,244	-	2,423	7,588
Income from investment	2e	254	195	-	449	94
Other incoming resources	2f	4,353	1,015	-	5,367	3,317
Total incoming resources		107,016	107,369	753	215,139	244,163
RESOURCES EXPENDED						
Cost of generating funds	3a	-	713	464	1,177	2,167
Activities directly relating to the work of the Church	3b	90,643	41,809	396	132,848	153,908
Governance costs	3c	17,175	-	-	17,175	10,178
Total resources expended		107,819	42,522	860	151,201	166,252
Net incoming resources		(802)	64,848	(107)	63,938	77,910
Gain on investments		-	(365)	-	(365)	392
		(802)	64,483	(107)	63,573	78,303
Balance brought forward at 1 January 2022		56,532	159,518	6,567	222,617	144,313
Balance carried forward at 31 December 2022		55,730	224,001	6,460	286,190	222,617

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BALANCE SHEET AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Tangible assets	5	1,203,979	-
Investments	6	2,750	3,115
		1,206,729	3,115
CURRENT ASSETS			
Stock		2,800	3,500
Debtors	7	18,952	39,974
Cash at bank and in hand		165,694	176,301
		187,446	219,775
CURRENT LIABILITIES			
Amounts falling due within one year	8	(1,107,985)	(273)
NET ASSETS			
		286,190	222,617
FUNDS			
Unrestricted	4	55,730	56,532
Restricted	4	224,001	159,518
Designated	4	6,460	6,567
		286,190	222,617

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NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

a Basis of preparation

The accounts have been prepared under the historical cost convention.

b Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the objectives of the charity.

Restricted funds are subject to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

Designated funds are unrestricted funds earmarked for particular purposes.

c Fixed assets

Investments held as fixed assets are revalued at market value at the balance sheet date.

The gain or loss is taken to the Statement of Financial Activities.

Land and buildings are initially measured at cost and subsequently cost less depreciation.

The annual depreciation charge is calculated based on the estimated useful life and the estimated residual value of the asset.

d Capital grants

Income from capital grants is recognised on the accrual model of grant accounting. The grant income is initially recognised as a deferred income creditor and released to the Statement of Financial Activities over the useful life of the asset.

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2. INCOMING RESOURCES

	Unrestricted funds £	Restricted funds £	Designated funds £	Total 2022 £	Total 2021 £
2a. Incoming resources from donors					
Committed giving under Gift Aid	44,019	-	-	44,019	46,104
Committed giving not gift aided	16,630	2,531	-	19,160	6,603
Planned giving via pew envelopes	2,399	-	-	2,399	1,883
Planned giving - income tax recovered	14,930	-	-	14,930	2,285
Income tax recoverable	-	1,683	-	1,683	22,457
Collection plate	3,268	-	-	3,268	1,800
Legacies and bequests	-	-	-	-	1,000
	<u>81,245</u>	<u>4,214</u>	<u>-</u>	<u>85,459</u>	<u>82,132</u>
2b. Other voluntary incoming resources					
Grants	218	1,131	-	1,349	250
Flowers	3,657	-	753	4,410	310
Donations/appeals	6,226	-	-	6,226	1,200
Castle Community Rooms	-	86,689	-	86,689	120,881
Sing Praise	-	11,311	-	11,311	15,000
	<u>10,101</u>	<u>99,131</u>	<u>753</u>	<u>109,986</u>	<u>137,641</u>
2c. Incoming resources from operating activities to further PCC objectives					
Church lettings	625	570	-	1,195	205
Church Hall lettings	-	-	-	-	4,113
Other fees	4,892	-	-	4,892	3,781
Wall safe	5,367	-	-	5,367	5,292
	<u>10,885</u>	<u>570</u>	<u>-</u>	<u>11,455</u>	<u>13,390</u>
2d. Incoming resources from operating activities to generate funds					
Other fund raising	179	2,244	-	2,423	7,588
	<u>179</u>	<u>2,244</u>	<u>-</u>	<u>2,423</u>	<u>7,588</u>
2e. Income from investment					
Investment income	254	195	-	449	94
	<u>254</u>	<u>195</u>	<u>-</u>	<u>449</u>	<u>94</u>
2f. Other incoming resources					
Clergy expenses	93	-	-	93	25
VAT refunds	3,289	-	-	3,289	1,132
Utilities	968	-	-	968	1,041
Printing and stationery	3	-	-	3	12
Bell ringers	-	1,015	-	1,015	1,107
	<u>4,353</u>	<u>1,015</u>	<u>-</u>	<u>5,367</u>	<u>3,317</u>
Total incoming resources	107,016	107,369	753	215,139	244,163

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3. RESOURCES EXPENDED

	Unrestricted funds £	Restricted funds £	Designated funds £	Total 2022 £	Total 2021 £
3a. Costs of generating funds					
Fund raising	-	713	-	713	521
Church hall expenses	-	-	464	464	1,646
	-	713	464	1,177	2,167
3b. Activities directly relating to work of Church					
Diocesan Parish Share	58,000	-	-	58,000	45,069
Clergy expenses	243	-	-	243	31
Church running expenses	5,806	-	-	5,806	3,847
Insurance	4,177	-	-	4,177	4,340
Church maintenance	20,656	-	-	20,656	9,692
Salary of organist	-	-	-	-	2,982
Donations	346	800	-	1,146	1,248
Flowers	1,357	-	396	1,753	558
Wedding fees	-	640	-	640	815
Other FOSM expenditure	-	7,289	-	7,289	68
Castle Community Rooms	-	16,388	-	16,388	74,885
Sing Praise	-	16,560	-	16,560	10,373
Bank charges	60	132	-	192	-
	90,643	41,809	396	132,848	153,908
3c. Governance costs					
Printing and stationery	1,240	-	-	1,240	440
Administrator	5,616	-	-	5,616	5,616
Miscellaneous costs	10,319	-	-	10,319	4,121
	17,175	-	-	17,175	10,178
Total resources expended	107,819	42,522	860	151,201	166,252

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4. FUND SUMMARY

	As at 1.1.22 £	Surplus/ (deficit) £	As at 31.12.22 £
Unrestricted Funds			
PCC General Fund	56,532	(802)	55,730
Restricted Funds			
Tombs Fund	9,616	251	9,867
Friends of St Michael's Fund	38,678	(830)	37,848
Bells Fund	3,408	449	3,857
Friends of Delhi Brotherhood	553	(74)	479
Sing Praise	14,411	(5,249)	9,162
Castle Community Rooms	91,246	70,302	161,548
Gain/(loss) on investments	1,605	(365)	1,240
	159,518	64,483	224,001
Designated Funds			
Church Hall Fund	5,937	(463)	5,474
Church Flower	469	357	826
Food Bank	161	-	161
	6,567	(107)	6,460
	222,617	63,573	286,190

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5. TANGIBLE FIXED ASSETS

	£
Cost	
At 31 December 2021	-
Additions	1,203,979
At 31 December 2022	<u>1,203,979</u>
Depreciation	
At 31 December 2021	-
Charged in year	-
At 31 December 2022	<u>-</u>
Net book value	
At 31 December 2021	-
At 31 December 2022	<u><u>1,203,979</u></u>

6. INVESTMENTS

The following investments are held with the Diocesan Board of Finance and the interest is paid into the church account. The income from the Buckmaster charity is for the repair and maintenance, upkeep and improvement of the church.

The investments are included on the balance sheet at market value at 31 December and any gain or loss is taken to the Statement of Financial Activity.

	Buckmaster £	Fabric & Organ £	Bell Ropes £	Total £
Value at 31 December 2021	174	158	2,783	3,115
Movement in valuation	(20)	(19)	(326)	(365)
Value at 31 December 2022	<u>154</u>	<u>139</u>	<u>2,457</u>	<u>2,750</u>

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7. DEBTORS

	2022	2021
	£	£
Tax recoverable from Gift Aid	16,952	36,956
Church Hall lettings	-	2,233
Prepayments	2,000	785
	<u>18,952</u>	<u>39,974</u>

8. CREDITORS

	2022	2021
	£	£
Accruals	84,177	49
Christmas collection charity donation	570	224
Deferred income	1,023,238	-
	<u>1,107,985</u>	<u>273</u>

Deferred income relates to capital grants accounted for on the accrual model. See also Note 1(d).

9. ANALYSIS OF NET ASSETS

	Unrestricted	Restricted	Designated	Total	Total
	Funds	Funds	Funds	2022	2021
	£	£	£	£	£
Tangible assets	-	1,203,979	-	1,203,979	-
Investments	-	2,750	-	2,750	3,115
Current assets	56,300	124,687	6,460	187,446	219,775
Current liabilities	(570)	(1,107,415)	-	(1,107,985)	(273)
	<u>55,730</u>	<u>224,001</u>	<u>6,460</u>	<u>286,190</u>	<u>222,617</u>

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10. EMPLOYEES

2022	2021
£	£

During the year the number of employees paid for by the charity was:

<u>1</u>	<u>2</u>
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2022	2021
£	£

Employment costs
Organist

5,616	5,616
-	2,982
<u>5,616</u>	<u>8,598</u>

Payment to highest paid employee

<u>5,616</u>	<u>5,616</u>
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11. PAYMENTS TO TRUSTEES

2022	2021
£	£

During the year payments to trustees for services were as follows:

<u>11,223</u>	<u>10,373</u>
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One trustee received payment for the provision of services to the charity. The services were provided on an arm's length basis and were in addition to normal trustee duties.

The expense is included in the Statement of Financial Activities, within activities directly relating to the work of the Church. The trustees are satisfied that the expenditure is in the best interests of the charity and is reasonable in relation to the service provided.