



**Annual Report and
Financial Statements
For the year ended
31 December 2022**

**The Parochial Church Council
of the Parish of
St Mary Magdalen Sheet**

Registered Charity number 1128244

ANNUAL REPORT 2022

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ST MARY MAGDALEN SHEET – ANNUAL REPORT

Aims and Purposes

Since the incumbent Rev. Richard Saunders retired in June 2021, St Mary Magdalen's Parochial Church Council (PCC) continues to take responsibility of cooperating with the churchwardens, Karen Glanville (stood down April 2022), Lynette Spong (elected April 2022) and Philip Taylor, in promoting, in the ecclesiastical parish, the whole mission of the Church (pastoral, evangelical, social and ecumenical). In October, the Churchwardens were advised that the Diocese had agreed to the recruitment of a priest-in-charge for St Mary Magdalen. They liaised with the Archdeacon, Rev. Will Hughes, and the Area Dean, Rev. Susie Collingridge, over the process of advertising the position, with a plan for the post to be advertised by the beginning of 2023.

Objectives and Activities

The PCC is committed to enabling as many people as possible to worship at our church and to become part of our church 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 and work within our parish. Our services and worship put faith into practice through prayer and scripture, music and sacrament.

When planning our activities for the year we have considered the Charity Commission's guidance on public benefit and in particular the supplementary guidance for charities on the advancement of religion. We try to enable ordinary people to live out their faith as part of the parish community.

We do this through:

- Worship and prayer; learning about the Gospel and developing knowledge and trust in Jesus.
- Provision of pastoral care for those living in the parish and for church members.
- Outreach and mission work and support.

This year we have continued to develop our work with children and families. An under-fives group has been set up for young families during the 10am Sunday service. And a growing number of primary school children attend The Ark (for school years 1-6) on Sundays, led by dedicated team of volunteers. Some new volunteers have also been successfully recruited.

St Mary Magdalen's youth work continues and is growing both in number and in opportunities for outreach. Outreach is expected to grow in 2023 following a plan evolved this year (2022) to extend the involvement of our Youth Worker in the work of the King's

Arms, a Christian Charity based in Petersfield which supports young people between ages 11 to 18.

The Youth and Children's Work group has been re-established and is now meeting every two months, to promote a variety of ways to encourage young people and children to develop their faith and spirituality.

We have also continued to support mission organisations in this country and overseas and to carry out our Mission Action Plan.

In line with the Government's guidelines, there has been an easing of Covid restrictions in church, to the extent that masks are only worn by choice in three designated pews. We have continued to offer live-streaming services to support those who prefer to worship at home for Covid related or other reasons.

Home groups and prayer meetings now take place in homes and online.

Our Church has re-established a regular of cycle of family and communion services on Sundays and Wednesdays. A new feature has been the establishment of a new monthly evening service on Sundays which offers opportunities for prayer and praise in a less formal format

Achievements and Performance

Worship and Prayer

In addition to Sunday services, we hold a communion service each Wednesday morning. Baptisms are usually held during a Sunday service or at noon. Weddings and funerals also take place. Our church building is open each day; all are welcome to use it for personal spiritual contemplation.

All are welcome to attend our services.

The electoral roll stands at 181.

Deanery Synod

Two lay members of the PCC sit on the Deanery Synod. We also have one lay member elected to Diocesan Synod and on the Bishop's Council. This provides us with an important link between the parish and the wider structures of the church. We are also represented on the Deanery Pastoral Committee and the Deanery Finance Committee.

Pastoral Care

St Mary Magdalen's Pastoral Team oversees the visiting of those parishioners at home who are unable to get to church, typically due to illness or frailty. Communion is taken to the housebound. At times when it has not been possible to visit because of the pandemic, we have kept in touch by phone. We have kept in touch with Care Homes and visited when possible and according to the policies of individual Care Homes. Our Safeguarding Officer ensures all required checks are carried out and that people attend training and receive updates as required.

Outreach and Mission

'Oasis', our Fresh Expression of church for older people has gradually returned to the normal schedule of monthly events at the Half Moon, Sheet and other events such as 'Holiday at Home' and a film afternoon at Christmas. This has been made possible by the continued employment of a part-time Seniors' Chaplain who leads a support team of volunteers.

Youth group meetings have also resumed in-person. Young people participate in a regular cycle of social events, excursions and sessions during the week and on Sunday, to explore faith and understanding of the Bible. Visits have also resumed to local senior and primary schools.

We continued with the 'NewSheet' monthly publication this year, and have resumed delivering this by hand as well as electronically.

Helping those in need is a demonstration of our faith. The Mission Sub-group of the PCC distributed £12,000 to a combination of local, national and overseas charities. Additional money was donated courtesy of special collections, for example to the Childrens' Society from Christmas services, and we supported local homeless charities at harvest time. We advertise collection points for food for the local foodbank in our weekly 'Sheet Sheet' leaflet.

Members of St Mary's became involved in a joint venture with the Sheet Village Association in response to growing concerns about the cost of living, especially in relation to energy costs and keeping homes warm. A 'Winter Warmer Café' was set up and staffed by volunteers at Sheet Village Hall. The aim was to provide a warm space to all, every Friday afternoon from November '22 until the end of March '23. Refreshments, including homemade cakes baked by a team of volunteers, were offered without charge. The 20-25 people who attended enjoyed the warm convivial environment, with the carol singing at Christmas being a highlight.

Concerns about the spread of infection at the beginning to the year meant that the annual Women's Brunch in the Spring did not take place this year.

Ecumenical Relationships

We are part of a Group Ministry with St Peter's, Petersfield and St Mary's, Buriton and a member of Petersfield Area Churches Together (PACT). We join in Petersfield Deanery and Portsmouth Diocese activities and services.

Buildings and garden

We take great care of our church building and of the surrounding garden. This year we have carried out various minor maintenance tasks. A Quinquennial Inspection was carried out at the end of November, with an assessment that the church *'appears to be overall in a good condition and to be very well looked after by an attentive PCC, with much good work undertaken since the last inspection'*.

Having now achieved our Eco-church bronze award, we're now working towards our silver award.

Financial Review

Our current finance team continues to work hard to ensure robust procedures remain in place and are followed. We are grateful to all those who help with such things as collection counting and banking. *Currently, the Treasurer is applying to open a new local bank account to enable the safe deposit of cash collections following the closure of the local HSBC branch we usually used; CAF Bank have yet to introduce an alternative means for banking cash. In the meantime, we are making arrangements to travel to the nearest HSBC branch that will accept cash in Portsmouth. We have acquired a portable card reader for direct debit donations. Success with this device has been limited by lack of personnel available to help with transactions; we have applied for one of the limited number of fixed card readers from the Church of England.*

We continue to use Data Development's Finance Co-ordinator software package for our main accounts, which allows us to import data whilst maintaining confidentiality from the Donations Co-ordinator package used for our gift aid records.

We continue to encourage members who gift aid to switch over to the Diocesan Parish Giving Scheme (PGS).

Details of our finances can be found below. We are into the ninth year of employing a full time Youth Worker (YW) and the sixth year of employing a part time Seniors' Chaplain (SC). The congregation has continued to give generously to fund our YW and the Henry Smith Charity has given us an extra 2 years of grants to fund the SC until 2024.

We have three main funds in our accounts: Seniors' Chaplain; Youth Worker; and General. There are also various minor funds.

Our expenditure was down on previous years for pandemic related reasons. However, we are fortunate in that the majority of our income is from regular standing order giving rather than plate cash collections or income from hall lettings. Despite Covid-19 which led to a slow return to church attendance, our giving has remained steady during 2022, firmly supported by the PGS. Sadly, we have lost a number of generous donors as the aging of our congregation has taken its toll.

We are very grateful to all who give generously to fund the church and its mission and we continue to keep the congregation informed about our financial position. We are also particularly grateful to have been included in a parishioner's will and benefited from a very generous legacy specifically for "the support and promotion of mission or outreach by the Church members in this country or abroad".

Reserves Policy

Our policy, which is reviewed by the PCC each May, is to have £30,000 of Fund Reserves available in order to cover emergency needs and avoid cash flow difficulties. It is to be held in General and Designated funds, noting that the £30k includes the Project Fund (c.£19K). Taking the PCC-designated projects fund and general funds together current reserves are about £40,000.

Volunteers

We would like to thank all those who work so hard to make our church the lively and vibrant community it is and those who have worked hard and creatively to enable us to adapt to the restrictions the pandemic has brought. Many people give much in all sorts of areas: from children's & youth work to supporting the elderly, in practical ways on the building and garden, on managing the church's finances, in preaching and leading and providing music for our various services.

Our staff team is greatly enhanced by the voluntary help of two Self-Supporting Ministers and two Licensed Lay Ministers (Readers). Amanda Micklethwaite continues to oversee our children's work on Sunday mornings. Julie Slade has continued to lead our Pastoral Team alongside her role as Seniors' Chaplain. We are grateful to all of them for their contributions.

Paid staff

Rebecca Whelan has continued in her very efficient and helpful way as our Parish Administrator during the year. David Loveless has continued to work effectively as our full-time Youth Worker. Julie Slade has continued in her role as part-time Seniors' Chaplain. She has been very effective in providing support to older people in these difficult times.

Structure, governance and management

The method of appointment of PCC members is set out in The Church Representation Rules. Membership consists of any clergy and lay ministers licensed to the parish, churchwardens, deanery synod representatives and elected members. All regular members of the congregation are encouraged to join the electoral roll and thus be eligible to stand for election to the PCC.

The PCC is responsible for making decisions on all matters of general concern and importance to the parish including how any money is spent and for approving an agreed independently examined set of accounts each year. It met 6 times in 2022. The PCC is supported by a number of sub-groups, namely:

- Standing Committee
- Fabric Group
- Finance Group
- Missions Group
- Worship Group
- Youth & Children's Group

All of these sub-groups report back to the PCC with minutes from their meetings received by all PCC members and discussed as required.

Safeguarding

We have continued to take safeguarding seriously during the year. Elaine Heywood was our Parish Safeguarding Officer until she stood down in February. One of our churchwardens, Philip Taylor, then took over as our Safeguarding Officer. Between them, they have taken the lead in ensuring that we recruit safely when appointing people to roles working with children, young people or vulnerable adults. The Safeguarding Officer is a member of the PCC and Standing Committee and Safeguarding is a standing item on our PCC and Standing Committee agendas. The PCC considers that it has complied with its duty to have due regard to the House of Bishops' Safeguarding Policy and Practice Guidance. We have worked to ensure that those

working with children or vulnerable adults undertake the training recommended by the diocese.

Administrative Information

St Mary Magdalen church is situated in Farnham Road, near Sheet village green. It is part of the Diocese of Portsmouth within the Church of England. The correspondence address is the parish office which is adjacent to the vicarage at 2, Pulens Lane, Petersfield, Hampshire GU31 4DB.

The PCC is registered with the Charity Commission – our charity number is 1128244.

During 2022 the following people served as PCC members:

Ex officio members

Incumbent: Vacant

Honorary Assistant Clergy: Peter Micklethwaite
Andrew Edmunds

Churchwardens: Karen Glanville (until APCM in April)
Lynette Spong (from APCM in April)
Philip Taylor

Diocesan Synod: Keith Doyle (until September)
Robert Slade (from September)

Deanery Synod: Jenny Parkes
Robert Slade
Keith Doyle (ex-officio) (until September)

Elected: Eric Davies
Rosie Jay
Jed Temple
Shaun Whelan
Rebecca Whelan
Angus McAllister (from APCM in April)
Ashleigh McAllister (from APCM in April)
Amanda Micklethwaite (from APCM in April)
Gabi Fernee
Elaine Heywood
Tim Horne
Mark Mogridge
Lynette Spong (until APCM in April)
David Loveless (until APCM in April)
Robert Slade (until APCM in April)

Ex Officio: Keith Doyle (until September)

Reader Representative: Linda Clist

Co-opted: David Loveless

It should be noted that the PCC employs the following people, of whom some serve on the PCC and others are married to PCC members. We ensure that these people are not present when matters relating to their employment or remuneration are discussed at meetings of the PCC and its subgroups.

Rebecca Whelan, Parish Administrator
David Loveless, Youth worker
Julie Slade, Seniors' Chaplain

Bankers

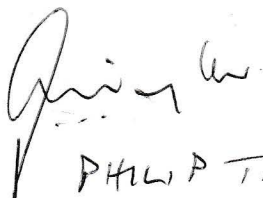
Current Account: CAF Bank, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ

Deposit and Investment Accounts: CCLA Investment Management Ltd, Senator House, 85 Queen Victoria Street, London, EC4V 4ET

Independent Examiner

Independent Examiners Ltd.
Unit 2,
The Broadbridge Business Centre,
Delling Lane,
Bosham, PO18 8NF

Approved by the PCC on ^{20/3/23} and signed on their behalf by Philip Taylor (PCC Lay Chair)


PHILIP TAYLOR

INDEPENDENT EXAMINER'S REPORT ON THE ACCOUNTS

Report to the Parochial Church Council (the trustees) of St Mary Magdalen, Sheet, on the accounts for the year ended 31st December 2022, set out on page

Respective responsibilities of trustees and examiner

The organisation's trustees are responsible for the preparation of the accounts. The organisation's trustees consider that an audit is not required for this year (under section 144 of the Charities Act 2011) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for an independent examination, it is my responsibility to:

- examine the accounts (under section 145 of the Act),
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 145(5)(b) of the Act, as amended), and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the organisation 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 statement

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 trustees have not met the requirements to ensure that:

- proper accounting records are kept (in accordance with section 130 of the Act); and
- accounts are prepared which agree with the accounting records and comply with the accounting requirements of the Act; or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

J Irvine-Smith FCIE
Independent Examiners Ltd
Unit 2 Broadbridge Business Centre
Delling Lane
Bosham
West Sussex
PO18 8NF



Date: 23rd March 2023

PCC OF ST MARY MAGDALEN, SHEET
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	TOTAL 2022 £	TOTAL 2021 £
INCOME							
Income from:							
Donations and Legacies	2a	136,016	271	44,875	0	181,162	172,680
Other Trading Activities	2b	0	0	0	0	0	0
Investments	2c	476	0	0	0	476	174
Charitable Activities	2d	0	0	9,014	0	9,014	5,651
Other	2e	0	0	0	0	0	0
TOTAL INCOME		136,492	271	53,889	0	190,652	178,505
EXPENDITURE							
Expenditure on:							
Raising Funds	3a	0	0	0	0	0	0
Charitable Activities	3b	118,363	11,720	53,876	0	183,959	177,197
TOTAL EXPENDITURE		118,363	11,720	53,876	0	183,959	177,197
NET INCOME/ (EXPENDITURE)		18,129	(11,449)	13	0	6,693	1,308
Transfers Between Funds	5	(15,128)	11,787	3,341	0	0	0
Gains/(Losses) on Investments	1	(23)	0	(495)	(152)	(670)	466
NET MOVEMENT IN FUNDS		2,978	338	2,859	(152)	6,023	1,774
Total Funds Brought Forward		20,398	19,388	6,270	3,234	49,290	47,516
TOTAL FUNDS CARRIED FORWARD		23,376	19,726	9,129	3,082	55,313	49,290

Movements on all reserves and all recognised gains and losses are shown above. All of the organisation's operations are classed as continuing.

The notes on pages 13 to 20 form part of these financial statements.

PCC OF ST MARY MAGDALEN, SHEET

**BALANCE SHEET
AS AT 31 DECEMBER 2022**

		Unrestricted Funds	Designated Funds	Restricted Funds	Endowment Funds	31-Dec 2022 Total	31-Dec 2021 Total
	Notes	£	£	£	£	£	£
Fixed Assets							
Tangible assets	1	0	0	0	0	0	0
Investments	1 (a)	1,895	0	1,929	3,082	6,906	5,154
Current Assets							
Debtors	8	2,222	0	0	0	2,222	1,302
Short Term Deposits	7	13,074	19,726	7,200	0	40,000	39,411
Cash at bank and in hand	6	11,440	0	0	0	11,440	6,547
Total Current Assets		28,631	19,726	9,129	3,082	60,568	52,414
Creditors: amounts falling due within one year	9	5,255	0	0	0	5,255	3,124
NET ASSETS		23,376	19,726	9,129	3,082	55,313	49,290
Revenue Funds of the Charity							
Unrestricted Funds	5	23,376	0	0	0	23,376	20,398
Designated Funds		0	19,726	0	0	19,726	19,388
Restricted Funds		0	0	9,129	0	9,129	6,270
Capital Funds:							
Restricted Funds	5	0	0	0	0	0	0
Endowment Funds		0	0	0	3,082	3,082	3,234
Total Funds		23,376	19,726	9,129	3,082	55,313	49,290

The notes on pages 13 to 20 form part of these financial statements.

Approved by the Trustees on 20/3/23 and

Signed on their behalf by L.C. Spang Trustee

PCC OF ST MARY MAGDALEN, SHEET

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES

The accounts are prepared under the historical cost convention, in accordance with the Church Accounting Regulations 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with FRS 102 (effective 1 January 2019) - (Charities SORP (FRS 102)) and the Charities Act 2011, with the exception of investment assets, which are shown at market value.

The financial statements 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, nor those that are informal gatherings of church members.

The Charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost unless otherwise stated in the relevant accounting policy notes.

Assessment of Going Concern

Preparation of the accounts is on a going concern basis. The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

Cash Flow

The charity has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement.

Changes to accounting estimates

No changes to accounting estimates have occurred in the reporting period.

Material prior period errors

No material prior year errors have been identified in the reporting period.

Funds

Endowment funds are funds, the capital of which must be maintained; only income arising from investment of the endowment may be used either as restricted or unrestricted funds depending upon the purpose for which the endowments was established.

Restricted Funds represent (a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or the bequest, and (b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that

Designated funds are funds that the PCC has reserved for specific purposes. Although these are in principle unrestricted funds, these funds may only be expended on the specific purpose designated by the PCC.

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

Incoming Resources

Planned giving, collections and donations are recognised when received. Tax refunds are recognised when the incoming resources to which they relate are received. Grants and Legacies are accounted for when the PCC is legally entitled to the amounts due. Dividends are accounted for when receivable. Interest is accrued. All other income is recognised when it is receivable. All incoming resources are accounted for gross.

Gifts in Kind

included in the accounts as gifts only when sold or distributed by the PCC. Gifts in kind for use by the PCC are included in the SOFA as incoming resources when receivable.

Donated Services and Facilities

These are only included in incoming resources (with an equivalent amount in resources expended) where the benefit to the PCC is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the PCC of the service or facility received.

Volunteer Help

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

Government Grants

The charity has received an East Hampshire District Council Grant of £282.87 towards running a warm Friday Café in the reporting period.

Resources Expended

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC. The diocesan quota or parish share is accounted for when due. Amounts received specifically for Mission are dealt with as restricted funds. All other expenditure is generally recognised when it is incurred and is accounted for gross.

Liability Recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the PCC to pay out resources.

Governance Costs

Includes costs of the preparation and examination of statutory accounts, the costs of the trustees' meetings and cost of any legal advice to trustees on governance or constitutional matters.

PCC OF ST MARY MAGDALEN, SHEET

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2022

Redundancy

The PCC made no redundancy payments during the reporting period.

Pensions

The PCC operates a defined contribution pension scheme. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

Offsetting

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

Fixed Assets

Consecrated and Beneficed property is excluded from the accounts by s.10(2) of the Charities Act.

No Value is placed on movable church furnishings held by the church wardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be inalienable property. All expenditure incurred during the year on consecrated or beneficed buildings and movable church furnishings, whether maintenance or improvement, is written off as expenditure in the SOFA and separately disclosed.

Property and Investments Recorded in the Diocesan Accounts

Property:

A conveyance of land at Inmans Lane on the 27 May 1935 established a Trust whereby the land was to be used for no other purpose except as a residential site for an "assistant curate in charge" at Sheet. A parsonage was built on that land. This was sold in 1988 and a new residence bought at 2 Pulens Lane. On the 28 February 1992 a Deed was signed between the PCC of St Mary Magdalen, Sheet and the Portsmouth Diocesan Board of Finance, which stated that:

"In the event of the property no longer being required as a parsonage house for the Benefice, it, or the net proceeds of sale, will be held on the original Trust, or any ecclesiastical purposes which may be permitted by a scheme of the Charity Commissioners for England and Wales obtained only at the instigation of the PCC."

In simple terms this means that the PCC is the beneficial owner of the Vicarage. Sheet is the only parish in the Diocese in this unique position, however the fact was not recognised for many years. The PCC has agreed that their interest in the property at 2 Pulens must be recorded in the Annual Accounts.

During the current inter regnum the property is let by the Diocese who receive the rent.

The value of the property is recorded in the Diocesan Accounts and therefore cannot form part of the Accounts of St Mary Magdalen, however we are authorised to record the value provided we show the same figure as appears in the Diocesan Accounts. The Diocesan policy for the revaluation of properties has changed and only 20% of properties are to be valued each year. 2 Pulens Lane is not in the list for this year so its value will remain unchanged until a new valuation is received from the Diocese.

The property at 2 Pulens Lane has been valued as follows:

	Date	Valuation
	31st Dec	£
Initial Valuation	1999	185,000
Last Valuation	2018	600,000

a) Investments

The CCLA deposit account ('Parsonage') was held by the Diocesan Board as custodian trustee and was closed in Aug 22. The value at closure was £2,422.33 (ie £2,411.47 carried forward in Jan 22 plus £10.86 interest). The funds were ultimately used to buy 116.19 shares in the CBF Church of England Investment Fund - Income Shares ('Legacy Account'). The original trust surrounding the Inmans Lane Property stated that "....in the event of surplus sale proceeds....the surplus would be held by the Diocesan Board as custodian trustee with an income being paid over to the PCC towards the cost of its Curate." (NB: This was dated 13th January 1966 - prior to Sheet having a Vicar.) The original capital was £2,307 and, at the 31st December 2022, the value of the Parsonage Fund remains fixed at £2,307 held within the 'Legacy Account'.

The Miss Nixon Endowment Fund was invested in The CBF Church of England Fixed Interest Securities Fund - Income Shares, in line with the original investment made prior to the loss of funds. The investment made was £921.00 dated 25th March 2015 and bought 586.89 shares. To consolidate the three investment accounts, this account was also closed (Oct 22) for a value of £782.79 (much less than Dec 21 Bid Market Value of £927.23). The £782.79 then bought 37.55 Shares in the CBF Church of England Investment Fund - Income Shares ('Legacy Account'). Prior to closure, Dividends of £23.12 were paid into General Funds (Current Account) during 2022.

The Legacy Trust Fund is invested in The CBF Church of England Investment Fund - Income Shares ('Legacy Account'), in line with the original investment made prior to the loss of funds. The investment made was £2271.00 dated 25th March 2015 and bought 180.74 shares. To these have been added the proceeds from closing the Parsonage Account (116.19 shares) and Nixon Account (37.55 shares) making a total of 334.48 shares. The bid market value of these at the 31st December 2022 was £6905.64 encompassing each of the following funds with values apportioned based on shares: Parsonage (£2,307.10 plus £91.75 General), Nixon (£775.25) and Old Legacy (£1,928.92 plus £1,802.62 General). Dividends of £111.07 were paid into General Funds (Current Account) during 2022.

The Deposit account is held with the CBF Church of England Deposit Fund. This stood at £40,000 at the 31st December 2022. Interest of £317.00 was paid into General Funds during 2022. Interest payments are made direct into the current account.

PCC OF ST MARY MAGDALEN, SHEET

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. INCOME FROM:

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	TOTAL 2022 £	TOTAL 2021 £
a) Donations and Legacies						
Planned Giving	103,603	0	18,989	0	122,592	115,662
Gifts and Donations	250	0	0	0	250	6,216
Gift Aid Tax Recoverable	26,132	54	4,674	0	30,860	29,785
Church Collections	3,531	0	0	0	3,531	1,449
One Off Gifts and Donations	0	0	0	0	0	2,500
Other Income	0	217	49	0	266	10
Legacies and Grants	2,500	0	20,163	0	22,663	16,000
Churcher's College Chaplain's Honorarium	0	0	1,000	0	1,000	1,000
Other Funds Generated	0	0	0	0	0	58
	136,016	271	44,875	0	181,162	172,680
b) Other Trading Activities	0	0	0	0	0	0
c) Investments						
Bank Interest and Dividends	476	0	0	0	476	174
d) Charitable Activities						
Fees - Weddings and Funerals	0	0	9,014	0	9,014	4,134
Grant - HMRC Job Retention Scheme	0	0	0	0	0	1,517
	0	0	9,014	0	9,014	5,651
e) Other						
Insurance Claim	0	0	0	0	0	0
	0	0	0	0	0	0
TOTAL INCOME	136,492	271	53,889	0	190,652	178,505

PCC OF ST MARY MAGDALEN, SHEET

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022**

3. EXPENDITURE ON:

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	TOTAL 2022 £	TOTAL 2021 £
a) Raising Funds							
Costs of Fetes and Other Events		0	0	0	0	0	0
Cost of Church Activities (fully funded)		0	0	0	0	0	0
Hall Hire for Lunches		0	0	0	0	0	0
		0	0	0	0	0	0
b) Charitable Activities							
Direct charitable costs							
Mission Giving	5	0	11,500	0	0	11,500	12,000
Diocesan Parish Share		80,337	0	0	0	80,337	81,244
Ministry Costs							
Worship		1,952	0	0	0	1,952	2,020
Pastoral		100	0	50	0	150	69
Outreach		1,079	175	863	0	2,117	2,084
Vicarage		0	0	0	0	0	132
Hire of Hall		3,041	0	100	0	3,141	1,298
Wedding and Funeral Costs		0	0	5,828	0	5,828	2,661
Staffing Costs	9					0	
Administrator *		13,531	0	0	0	13,531	10,825
Verger and Wedding Clerk		1,620	0	0	0	1,620	1,296
Youth Worker		0	0	30,291	0	30,291	29,741
Seniors Chaplain		0	45	15,812	0	15,857	15,367
Musicians' Fees		100	0	0	0	100	50
Youth & Children Work		1,246	0	932	0	2,178	1,440
Magazine Expenses		1,240	0	0	0	1,240	400
Training		677	0	0	0	677	190
Parish Office		1,092	0	0	0	1,092	1,074
Church Running Costs		4,344	0	0	0	4,344	3,663
Church Maintenance		3,035	0	0	0	3,035	8,127
Other Gifts and Donations		170	0	0	0	170	68
General Expenses		289	0	0	0	289	167
Support and Governance costs							
Administration		3,610	0	0	0	3,610	2,411
Independent Examiners Fee		900	0	0	0	900	870
TOTAL EXPENDITURE		118,363	11,720	53,876	0	183,959	177,197

4. SUPPORT COSTS

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	TOTAL 2022 £	TOTAL 2021 £
Administration and Governance (as above, also includes Administrator costs *)	18,041	0	0	0	18,041	14,106

All support costs are for the work of the church

PCC OF ST MARY MAGDALEN, SHEET

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022**

5. FUNDS	Balance 01-Jan-22 £	Income £	Expenditure £	Gain/(Loss) on Investmt. £	Transfers £	Balance 31-Dec-22 £
REVENUE FUNDS						
UNRESTRICTED						
General Fund	20,398	136,492	118,363	(23)	(15,128)	23,376
Total Unrestricted	20,398	136,492	118,363	(23)	(15,128)	23,376
DESIGNATED						
After Service Coffee	337	0	0	0	0	337
Mission and Outreach Fund	0	0	11,500	0	11,500	0
Projects Fund	19,050	0	0	0	0	19,050
Seniors Chaplain Fund	1	0	45	0	45	1
Women's Brunch Fund	0	271	175	0	242	338
Total Designated	19,388	271	11,720	0	11,787	19,726
Total Unrestricted & Designated	39,786	136,763	130,083	(23)	(3,341)	43,102
RESTRICTED						
Friday Café	0	324	100	0	0	224
Lady Joan Taxi Fund	426	0	50	0	0	376
Oasis Fund	1,838	0	863	0	0	975
Organ Restoration Fund	833	0	0	0	0	833
Seniors Chaplain Fund	633	19,900	15,812	0	(45)	4,676
Wedding and Funeral Fund	0	9,014	5,828	0	(3,186)	0
Youth Bibles	116	0	0	0	0	116
Youth Worker Fund	0	24,651	31,223	0	6,572	0
Total Restricted	3,846	53,889	53,876	0	3,341	7,200
CAPITAL FUNDS						
Legacy Trust	2,424	0	0	(495)	0	1,929
Total Restrictive Capital Funds	2,424	0	0	(495)	0	1,929
Miss Nixon-Endowment Investment	927	0	0	(152)	0	775
Sheet Old Parsonage Land Trust	2,307	0	0	0	0	2,307
Total Endowment Capital Funds	3,234	0	0	(152)	0	3,082
Totals	49,290	190,652	183,959	(670)	0	55,313

Funds at 31st December 2022 are represented by:

	Unrestricted funds £	Designated funds £	Restricted funds £	Restricted capital funds £	Endowment capital funds £	TOTAL 2022 £
Current account	11,440	0	0	0	0	11,440
Deposit account	13,074	19,726	7,200	0	0	40,000
CCLA Investment	1,895	0	0	1,929	3,082	6,906
Debtors	2,222	0	0	0	0	2,222
Creditors	(5,255)	0	0	0	0	(5,255)
	23,376	19,726	7,200	1,929	3,082	55,313

PCC OF ST MARY MAGDALEN, SHEET

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022**

5. FUNDS (Continued)

Transfers between funds:

£		From	To	
£	11,500.00	General Fund	Mission and Outreach Fund (designated)	£11,500 was made available by the PCC to the Mission and Outreach Committee, in line with the commitment to give 10% of the 2021 unrestricted income to the Mission Fund. The Mission and Outreach Committee allocated the £11,500 from the Mission Fund during 2022 to Charities as shown in the table below:
£	45.00	Seniors Chaplain Fund (restricted)	Seniors Chaplain Fund (designated)	To reimburse spending from the designated Senior Chaplains Fund
£	241.50	General Fund	Women's Brunch Fund (designated)	Fund reinstated as Brunches recommenced post-COVID.
£	3,186.80	Wedding & Funeral Fund (restricted)	General Fund	To transfer surplus to General Fund after all fees paid.
£	6,571.06	General Fund	Youth Worker Fund (restricted)	To cover shortfall of spending from Restricted fund.

	Home 2022 £	Overseas 2022 £	Total 2022 £	Total 2021 £
A Rocha	0	1,533	1,533	1,714
Acorn Trust	0	0	0	600
Anna Chaplaincy	658	0	658	600
Bible Society	1,314	0	1,314	1,200
Great Lakes Outreach	0	1,533	1,533	0
HomeStart Butser	1,314	0	1,314	1,200
In Ministry to Children (IMC)	0	2,301	2,301	2,572
International Justice Mission UK	0	1,533	1,533	1,714
J Cross (YWAM)	0	0	0	1,200
King's Arms	1,314	0	1,314	1,200
	4,600	6,900	11,500	12,000

Closed Envelope Collections

There were no special collections where upon the request of the charity, funds did not pass through our Bank Account (2021: nil).

PCC OF ST MARY MAGDALEN, SHEET

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022**

5. FUNDS (Continued)

**Special Collections - Outside of these Accounts
Collections on behalf of Agencies**

	2022	2021
	£	£
Alzheimer's Society (Funeral Collection)	99	171
Bishop's Lent Appeal	0	125
British Legion Poppy Appeal	0	28
Cancer Research	538	0
Children's Society (Christmas Collections)	179	20
DEBRA	100	0
DEC	122	0
DFN UK (from Tearfund 'rebate')	0	1,500
Duchenne Family Support Group	165	0
Friends of Sheet Church (Funeral Collection)	0	138
Great Lakes Outreach (from Tearfund 'rebate')	0	1,500
HIOWAA	115	0
IMC (from Tearfund 'rebate')	0	1,500
Macmillan (Funeral Collection)	263	666
ME Association	100	0
MS Society	325	0
RNLI	204	0
Rosemary Foundation	153	0
Rowans Hospice	275	0
Salvation Army	0	138
Sequestration	0	33
Tear Fund (Christmas Collections)	0	1,500
Vicar Leaving	0	3,710
Vicar's Discretionary	300	0
	2,939	11,028

6. CASH AT BANK AND IN HAND

	Unrestricted Funds	Designated Funds	Restricted Funds	Endowment Funds	Total 31-Dec 2022	Total 31-Dec 2021
	£	£	£	£	£	£
Current Account	11,440	0	0	0	11,440	6,547
	11,440	0	0	0	11,440	6,547

7. SHORT TERM DEPOSITS

	Unrestricted Funds	Designated Funds	Restricted Funds	Endowment Funds	Total 31-Dec 2022	Total 31-Dec 2021
	£	£	£	£	£	£
CCLA Deposit Account (Parsonage)	0	0	0	0	0	2,411
CBF Church of England Deposit Fund	13,074	19,726	7,200	0	40,000	37,000
	13,074	19,726	7,200	0	40,000	39,411

8. DEBTORS AND PREPAYMENTS

	Unrestricted Funds	Designated Funds	Restricted Funds	Endowment Funds	Total 31-Dec 2022	Total 31-Dec 2021
	£	£	£	£	£	£
Accrued Income	2,222	0	0	0	2,222	1,302
	2,222	0	0	0	2,222	1,302

PCC OF ST MARY MAGDALEN, SHEET

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022**

**9. CREDITORS ACCRUALS AND DEFERRED
INCOME: AMOUNTS FALLING DUE WITHIN
ONE YEAR**

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total 31-Dec 2022 £	Total 31-Dec 2021 £
Accrued Expenditure	3,849	0	0	0	3,849	1,170
Agency	506	0	0	0	506	431
Deferred Income	0	0	0	0	0	653
Independent Examiners Fee	900	0	0	0	900	870
	5,255	0	0	0	5,255	3,124

10. STAFF COSTS AND NUMBERS

	2022 £	2021 £
Gross Wages and Salaries	58,278	54,519
Employer's National Insurance Costs (after allowance)	0	0
Pension Contributions	2,833	2,661
Employment Related Expenses	188	49
	61,299	57,229

Employees who were engaged in each of the following activities:

	2022 TOTAL	2021 TOTAL
Activities in furtherance of organisation's objects	2	2
Management and administration	1	1
	3	3

The Church employs an Administrator, a Youth Worker and a Seniors Chaplain. They also pay musicians and vergers on an ad hoc basis. No employee received emoluments in excess of £60,000.

The Key Management Personnel are considered to be the members of the standing committee. No members of the standing committee received remuneration.

11. TRUSTEES AND OTHER RELATED PARTIES

The Youth Worker is a current PCC member and received salary/PAYE payments of £28,848 in this role during 2022, together with £932 expenses and Employer Pension (NEST) contributions of £1,443.

The Seniors' Pastor is the spouse of a current PCC member and received a salary/PAYE of £14,923 in this role during 2022, together with £188 expenses and Employer Pension (NEST) contributions of £746.

The Parish Administrator is the PCC secretary and spouse of a current PCC member who received a salary/PAYE of £14,507 covering this role, that of the Wedding Clerk and that of the Verger during 2022, together with Employer Pension (NEST) contributions of £644.

The Trustees rely on the provisions contained in the Charities Act 2006 with regard to Legal Authority for paying PCC members.

No Expenses were paid to the Incumbent during 2022 due to the inter regnum; the incumbent would be a PCC member.

No other material transactions took place between the organisation and a trustee or any person connected with them.

12. RISK ASSESSMENT

The PCC actively review the major risks which the charity face on a regular basis and believe that with the Financial Procedures and Controls that they have put in place promoting recommended practice, together with the independent review over key financial systems which is carried out on an annual basis, they have implemented robust financial control. The trustees have also examined other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.

13. RESERVES POLICY

The Reserves policy that "£30K to be held in General and Designated funds" is contained in the PCC Annual Report.

14. COLLECTIONS ON BEHALF OF OTHERS

During this reporting period, the charity has received funds as agent for those agencies detailed in Note 5 to these accounts. The Funds received, paid and balances held at the end of the period are as detailed below.

	£
Opening balances 1 January 2022	(431)
Minor adjustment to opening balance	(6) (due to minor clerical error in 2014)
Collections received	3,145
Collections paid over	3,076
Closing balance 31st December 2022 (to be paid over)	<u>(506)</u>