

# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK

England & Wales - Charity number 1130866

## Details

---

**Other names** ST MICHAEL LE BELFREY PCC, YORK

**Status** Registered

**Legal form** Previously excepted

**Registered** 2009-07-30

**Register** [View on the Charity Commission register](#)

## Contact

---

**Address** The Belfrey  
De Grey Rooms  
St. Leonards Place  
York  
YO1 7HB

**Phone** 01904624190

**Email** [hello@belfrey.org](mailto:hello@belfrey.org)

**Website** [www.belfrey.org](http://www.belfrey.org)

## Activities

---

**Objects:** Promoting in the ecclesiastical parish the whole mission of the Church.

**Activities:** St Michael le Belfrey is a Church of England parish church in the Diocese of York serving the local parish, diocese & beyond through public & online worship & small groups; teaching; pastoral work; student, youth & children's work; social action; hosting events; distributing literature; supporting mission partners in UK & abroad; church planting & revitalisation initiatives.

## Classification

---

- **How:** Makes Grants To Organisations, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Acts As An Umbrella Or Resource Body
- **What:** Religious Activities
- **Who:** The General Public/mankind

## Geography

---

- **Area of benefit:** UNDEFINED. IN PRACTICE, LOCAL
- City Of York

## Finances

---

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,686,862	£2,900,287	£8,130,127	33
2023-12-31	£1,465,176	£1,765,271	£9,343,552	29
2022-12-31	£894,550	£1,694,801	£9,643,647	29
2021-12-31	£903,056	£1,154,479	£10,443,898	28
2020-12-31	£9,247,848	£1,225,695	£10,540,321	16

## Trustees

Name	Role	Appointed
<b>Rev Andrew James Baker</b>	Chair	2018-12-07
Adam Stobert		2024-04-25
Andrew Oldroyd		2021-04-25
Becca Louise Tilbrook		2023-04-24
DANIEL CRISPIN BROOKES		
Daniel Jordan Tilbrook		2023-04-24
David James Goodson		2025-05-14
Elizabeth Hunt		2025-03-17
JOHN EDWIN LINDLEY		2018-04-26
James Hayden		2021-07-19
Joseph McKeogh		2021-05-23
Karen Dixon		2022-04-25
Kate Rouse		2024-09-16
Katherine Bridge		2022-04-25
Martine Somerville		2016-04-25
Remi Melanie Oduyemi		2020-11-22
Rev Claire Elwood		2024-05-20
Rev James Congreve-Horn		2022-07-03
Tony Scott		2020-11-22

---

# Accounts

---

**THE PAROCHIAL CHURCH COUNCIL OF  
THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK  
(registered charity no. 1130866)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

## **CONTENTS**

## **Page(s)**

Annual Report of the Parochial Church Council	1 – 10
Independent Auditors' Report	11 - 13
Statement of Financial Activities	14
Balance Sheet	15
Cash Flow Statement	16
Notes to the Financial Statements	17 - 29

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2024**

The Parochial Church Council (PCC) has pleasure in presenting its Report and Financial Statements for the year ended 31 December 2024.

The financial statements have been prepared in accordance with the Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019, the Charities Act 2011, the Church Accounting Regulations 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015.

The PCC is a Public Benefit Entity.

### **OBJECTIVES AND ACTIVITIES**

St Michael le Belfrey Parochial Church Council (PCC) is responsible with the Interim Priest-in-Charge (Andy Baker) for good governance of the church.

In 2024, St Michael le Belfrey – also known as The Belfrey – maintained its vision to **Serve God’s Transformation of the North**. Having revisited our five strategic aims this year, we have refined them as follows: **Prayer and Worship, Transforming Lives, Nurturing Disciples, Developing Leaders, and Planting Churches**. With **prayer and worship** at the centre of all we do, our strategy is shaped by a commitment to **social transformation, evangelism, discipleship, leadership, and church planting**. Alongside our mission statement – that we are people who pray, give, and grow – these aims have guided us as a community and shaped the work of our church.

When considering the objectives of the charity, the trustees (the PCC) have referred to the guidance contained in the Charity Commission’s general guidance on public benefit. This report highlights some of the public benefits of St Michael le Belfrey Church.

### **ACHIEVEMENTS AND PERFORMANCE**

#### *Church Attendance and Community*

St Michael le Belfrey hosts weekly congregational and small group gatherings. During 2024, we regularly hosted four services – Sundays at 9 AM, 11 AM, and 6 PM, and Wednesdays at 12:30 PM – in the De Grey Rooms, York. Our Sunday services continue to be available via livestream, and our Wednesday service regularly offers an audio recording of the teaching presented.

Throughout 2024, we also offered opportunities for small group Bible study, known as Belfrey Groups. We maintained about 30 groups that are led and stewarded by members of the congregation. Through these groups, we have been able to support the work of organizations such as CAP, Besom, and other Social Transformation efforts, alongside cultivating discipleship.

At the 2024 annual meeting, we had 489 members on our electoral roll (not including the congregation of G2). On average in 2024, 379 adults attended church services each week. In total, the church hosted 818 meetings, services, and events in our buildings. 287 church members were serving in at least one ministry. By the end of the year, our staff team had grown to 52 employees.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2024**

*Buildings*

Over the course of 2024, we firmly settled into the De Grey Rooms in York. We have found productive ways to use the building for our church and the local community by offering space for events, including weddings. This has brought more people through our doors and introduced them to our church community. Though we miss being able to be in the St Michael le Belfrey building, we have cultivated a thriving home in the heart of York.

The work of the Impact Project continued to develop throughout the year, and significant strides were made in refurbishing St Michael le Belfrey Church. Simpson York Limited was appointed as the contractor for the project, and work began to remodel the interior and exterior structure. The pews and gallery were carefully removed, and Visitor's Ancestors ledger stones were uncovered. Graffiti left by 18<sup>th</sup> century workers was also found on the roof. This construction and archaeological work gave us a better understanding of the history and foundations of the church. Later in the year, the Impact Board ran events for The Belfrey and Stakeholders to showcase the on-going work and to demonstrate what the church would have looked like in earlier centuries.

In St Cuthbert's Church, we re-launched the House of Prayer, now known as The Well. Three times of liturgical prayer are observed there each Thursday, with an increasing number of volunteers to help guide these meetings. The Well has proven to be a significant opportunity for outreach. On more than one occasion, people passing by the building have dropped in to ask about how the space is being used, giving members of the team opportunities to share about our church and their faith.

*People and Outreach*

Throughout 2024, we added members to our staff team in order to better serve and support the ministries of The Belfrey. In May 2024, we welcomed Claire Elwood as our new associate minister, and shortly thereafter, Sam Theobald joined us as an ordinand. In addition to these clerical roles, we also filled positions for administrative assistants, a facilities assistant, Children and Families Workers, Youth and Student Outreach Workers, and a new Social Transformation Manager. In recognition of the increasing staff team, an HR audit was conducted in the second half of the year, the results of which are guiding reforms and restructuring for better management practices.

Outreach has been at the forefront of our growth as a staff team, filling existing roles and introducing new ones in order to see all generations come to know Christ. In August 2024, Liz Hunt stepped down from her role as Children and Families Worker, and in September, the position was filled by Liv Portway and Rebekah Thomas. Since then, the Children and Families ministry has continued to grow, particularly through a weekly Tuesday group called Song Stars, where parents can come with their children and spend time together in community. We also introduced Joe Harris as Youth Outreach Worker, allowing the Youth ministry to introduce a Youth Alpha course into a local school, to great success. Emily Ables was hired as Student Outreach Worker, a role which supports the continued growth of our student population at The Belfrey and in York. Zoe King, as an executive assistant with a specific focus in pastoral care, began working on new strategies to care for senior members of our congregation who may have limited access to regular community. Overall, these new additions to the staff reflect a desire for our ministries to reach across all ages in the hopes of cultivating a more inter-generational congregation.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2024**

Mandy Smith, our Children and Families Outreach Worker, helped develop a partnership between The Belfrey and Safe Families at the beginning of 2024. This initiative provides a befriending service to local families who are experiencing a time of difficulty or vulnerability. Their mission is to improve the lives of these families offering support, hope and belonging, through creating relationships and connections. This is done by connecting families referred to us through local primary schools, with volunteers, who in turn provide love, support and friendship. Through four church engagement talks, alongside connecting with ten church leaders and networking at One Voice, Mandy recruited nine Family Friends, one Resource Partner, and 22 Prayer Partners. After completing their training and application process, all nine Family Friends were successfully approved as safe and trusted people by Safe Families. Between October and December 2024, Belfrey Safe Families received three family referrals from the two schools that signed partnership agreements with us in October. We have been able to partner with these two primary schools – Copmanthorpe and Westfield – who each have agreed to refer six families to us over this 2024-2025 academic year, with the first three families being referred between October and December. This new partnership continues to develop and expand, and we hope to have more volunteers and connections in the coming year.

The Wellspring Counselling Service was launched in May 2024 based on a desire to better care for the mental health struggles seen in the community. This service offers affordable 1-2-1 counselling services for adults in the City of York Council. Jessica Horn was brought in as Counselling Service Manager, but while on maternity leave, her role was filled by Claudine Pelsler. In addition to this role, the service consists of a senior therapist and four volunteer counsellors (two qualified counsellors and two placement volunteers). Since opening the service, we have received over 70 referrals. The average donation fee clients contribute to a session is £20, and most clients attend up to 20 sessions. There are over 17 sessions weekly, meaning 17 clients are seen per week for 50 minutes. Over the course of the year, the service expanded to 5 days a week from a previous 4-day week, increasing the number of appointment hours available to clients each day. We have also been able to support a placement volunteer through to their qualification as a counsellor, and they now volunteer with us and see six clients per week for free. We also now have a Neurodiverse counselling volunteer, which means we can match them with Neurodiverse clients. The Wellspring Counselling Service continues to develop into a significant, positive resource for our church and city.

Alongside meeting mental health needs, we have been implementing new ministries to meet other practical, physical needs. In February 2024, The Belfrey began to host the Foodbank, in partnership with Trussell, to advance the vision of ending hunger and providing hope to people in York. The Foodbank is open each Saturday and run by a team of 33 volunteers. Through donations received, we can provide food parcels to people in need. We also offer a space to sit and enjoy a hot drink, conversation, and prayer when appropriate. We can advise clients on where they can seek further support for anything from finances and housing to mental health and family care, and we have a sit-in advisor from the Peasholme charity who provides further advice. Since launching early in the year, we have fulfilled 417 vouchers for 790 people (556 adults and 234 children). In autumn, we had 17 large crates of supplies donated by the Belfrey congregations, as well as donations from people throughout the year. In November 2024, after a 6-month trial period, the Foodbank Partnership agreement was signed, making this service an official part of the Belfrey ministries.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2024**

*Church Planting*

In pursuit of our aim to plant churches, we sent Vicky Earll, a former curate at St Michael le Belfrey, and a team raised up from our congregation to revitalize a church at The Ascension in Hull. We have also continued to utilize and build up our Northern Church Planting Fund (NCPF) in order to strengthen our status as a resource church. The Northern Church Planting Group (NCPG) oversees and administers the NCPF and provides financial and other support to enable and encourage church planting in the North of England. In 2024, the NCPF made contributions totalling £378,000 to six church plants – The Ascension in Hull; St Luke's Newcastle; St Mary Magdalene in Sale, Chester; Saints Church in Sutton; Christ Church, Padgate; and York Church Table & Temple ("York Church"). We also continued to help fund The Belfrey's internship coordinator position (given that many of our interns join church plants). After making these gifts, the NCPF had a balance of £955,849.63 at the end of the year available for future grants.

In addition to these larger contributions, we also launched a small grants scheme in November 2024. Known as the 'Sequoia Seed Fund,' this program offers our church plants and other partner churches the opportunity to apply for financial support (up to £2500) of a new project. The goal of this funding is specifically to help cover core costs or equipment for church plant events, activities, or missional communities. We received five applications to the fund in November and awarded £5,800 in grants the following month.

## **PLANS FOR THE FUTURE**

In 2025, we are instituting new specific values for The Belfrey. In consultation with Resurgo, the PCC, the Senior Leadership Team, and the staff team, we have been able to distil our core values into three key areas - **holiness, generosity, and adventure**. We believe these three values define how we work together and serve our church family. These are all held in the context of **prayer and worship**, with our eyes fixed on Jesus, who is at the centre of everything we do. We also believe in **excellence**, but not in a way that demands perfection or slick outcomes. Excellence means bringing our best—our creativity, energy, and commitment—wherever we are and in whatever we do, trusting God with the results. These values will drive The Belfrey vision and strategy for 2025-2026.

Our ministries are actively praying for revival – for our church, our city, and our nation – in the coming year. As St Michael le Belfrey continues to grow, we want to see God inhabit our city like never before. Our decisions are guided by a calling to be prepared for continued expansion and strengthening of our church.

## **CHARITY GOVERNANCE CODE**

As a charitable body, we fulfil the 7 principles set out in the Charity Governance Code as follows:

### **1. Organisational Purpose:**

We exist for worship and mission in the parish of St Michael le Belfrey, York. Our vision is to be serving God's Transformation of the North and for this we work and pray. To fulfil this vision our strategic emphases in 2024 were: serving York, proclaiming Christ, nurturing disciples, developing leaders and planting churches.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2024**

**2. Leadership:**

The church is led by the Priest-in-Charge with the assistance of a Leadership Team and is governed by the PCC. Both the Priest-in-Charge and Associate Minister are of incumbent status. Responsibility for much of the day-to-day life of the church is delegated to our staff and volunteers. We highly value the ministry of the whole church, with much work being done by volunteers, including small group leaders, helpers and pray-ers in all sorts of areas of church life.

**3. Integrity:**

We are followers of Jesus who seek to live under the authority of Scripture in the power of the Holy Spirit, while recognising our imperfections and weaknesses and our need of God's grace. We take safeguarding very seriously, being ably led by our Parish Safeguarding Officer, Kirsty McCullough, with over 200 members of our church family receiving regular safeguarding training. We seek to live with integrity, telling the truth and abiding by the law of the land. At PCC meetings we name conflicts of interest. We seek to honour each other, speak well of each other and give each other the benefit of the doubt. We particularly value generosity, festivity, simplicity, and humility. Our supporting values include kindness, creativity, diversity and integrity.

**4. Decision-Making, Risk and Control:**

We have a number of key goals for each year which are regularly monitored. We regularly review terms of reference, policies and the risk register. Our PCC membership is refreshed annually. Our accounts are professionally audited. Our financial statements, annual reports and various publications are shared with the Diocese of York, of which we are part. All staff and volunteers are line-managed.

**5. Board Effectiveness:**

Our PCC and Standing Committee meet in alternate months. We take advice from experts outside our church, especially in specialist HR, safeguarding or finance matters. We believe the PCC has a good mix of skills, experience, common sense and prayerfulness. New PCC members are given trustee induction and all undergo basic online safeguarding training.

**6. Diversity:**

God's Kingdom is made up of all manner of people but, historically, our church has not fully reflected this diversity in its membership, staffing and leadership, partly because of the background and makeup of York residents. We have continued to seek to make progress towards greater diversity within the leadership and membership of this church. There is a better gender and age balance across wardens and PCC members than in most churches. We continue to support the racial diversity policy, committing ourselves to develop our recruitment processes to attract greater participation from diverse groups, and ensuring our interview panels are suitably diverse and their members have undergone unconscious bias training.

**7. Openness & Accountability:**

Our key stakeholders are our church family. Those who belong to the Belfrey normally show this by joining our electoral roll, worshipping regularly at one of our services, joining a small group and giving regularly. Most choose to receive a weekly email which includes a Friday Message (from the Priest-in-charge and staff), as well as news items, a calendar of services and Belfrey events, links to useful resources for church members, and the latest PCC Minutes. As well as oral and video notices in our services our church provides regular information on various social media platforms, including Facebook and Instagram. We listen to feedback and take seriously all suggestions on how to improve our church life, discussing this at SLT and when necessary at PCC. We also encourage questions to be asked throughout the year, with written questions being invited on our annual report as well as oral questions at our Annual Meeting. We comply with the Data Protection Act 2018 and

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2024**

keep clear, accurate and up-to-date membership records using the safe and secure ChurchSuite church management system.

**FINANCIAL REVIEW**

Total income received in 2024 was £1,686,862 and total expenditure was £2,900,287. This led to an overall deficit of £1,213,425. mostly due to expenditure of restricted funds related to the Impact project, The Northern Church planting Fund and the Post-Pandemic Fund.

Unrestricted income was £967,221 and unrestricted expenditure £968,933 leaving a small deficit of £1,712. Donations and legacies increased by £164,683 from 2023 the bulk of that increase was legacy income and several large one-off donations. However, expenditure also increased as we saw general price increases on every level. unrestricted expenditure increased by £175,616 from 2023. The main areas of increase were HR (salaries and audit) - £80k, Premises (utilities and maintenance) - £50k, Diocese Free Will Offering - £17k, overseas and home mission - £17k

The Northern Church Planting Fund approved six large grants to Church Plants in York, Liverpool, Manchester and Newcastle amounting to £378,000. The NCPG also launched a small grants fund called the Sequoia Fund where people from the Belfrey Family Network can apply for small seed grants. In 2024 £5,807.79 was granted to three churches for small mission projects.

Income received towards the Impact Project was £423,971. This was made up of donations including Gift Aid - £173,517, bank interest - £117,125, Listed Places of Worship Grant - £61,925, other grants received - £53,464, sale of merchandise and furniture - £11,894, and community fundraising - £6,045. With the appointment of Simpson York Ltd as the main contractor in July the spend on the project was £1.1m. We paid £673k including VAT to Simpson in 2024. We have been able to claim 100% of the VAT back from Listed Places of Worship with £79k not being received until Jan 2025. Design Team fees amounted to £159k including VAT and again so far we have been able to claim 100% of the VAT back. Project Team salaries amounted to £63k and rent of the DGR was £60k. Insurance costs of £53k were paid to Ecclesiastical Insurance to provide extra cover to the building during the building work.

At the end of 2024 we have spent over half of the original £1m given towards social transformation coming out of the pandemic. This saw the launch of many initiatives that we are hoping to continue once this money has all been spent. The table below shows all how the £1m was allocated to each project and the balance left at the end of 2024. Some of these projects have income streams which will help with longevity.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2024**

Project	Budget	Spent to end of Dec 24	Remaining	Income rec'd	Total fund
Programme Manager	150,000.00	150,000.00	0.00		0.00
CAP Debt Centre	60,000.00	55,399.95	4,600.05	14,160.00	18,760.05
Counselling Service	100,000.00	51,817.60	48,182.40	4,320.00	52,502.40
Children and Families Outreach Worker	96,000.00	40,608.06	55,391.94	2,917.50	58,309.44
Family Befriending Service	25,000.00	10,072.64	14,927.36		14,927.36
Youth Outreach Worker	90,000.00	26,573.76	63,426.24		63,426.24
Mental Health Nurse	25,000.00	0.00	25,000.00	72,000.00	97,000.00
Belfrey Group Match Funding	5,000.00	2,512.46	2,487.54		2,487.54
Small Grants Fund	110,000.00	110,000.00	0.00		0.00
Catalyser Fund	100,000.00	100,000.00	0.00		0.00
Discretionary Grants	18,000.00	18,000.00	0.00		0.00
Beyond York: Eden Byker	50000	50,000.00	0.00		0.00
Beyond York: AST Hull	50000	50,000.00	0.00		0.00
Misc (events, consultancy)	4000	5,119.89	-1,119.89		-1,119.89
Fundraiser	20000	1,939.67	18,060.33		18,060.33
Social Transformation Manager	68000	5,516.80	62,483.20		62,483.20
New Citywide Phase 2 Role	29000	6,064.56	22,935.44		22,935.44
PPF donations not specified	0	0.00	0.00	7,333.12	7,333.12
	<b>1,000,000.00</b>	<b>683,625.39</b>	<b>316,374.61</b>	<b>100,730.62</b>	<b>417,105.23</b>

The Belfrey has so many amazing ministries and projects happening not only inside the church but also in the community, relying on congregational giving alone is not necessarily a sustainable model. This is why we have been pushing into applying for grants to cover not only salary costs but also ministry costs. In 2024 we received £101k from grant applications. £53k was for Impact, £36k towards foundation salaries and £10k towards establishing a Growing Faith Learning Hub which will launch in 2025. We also received a few smaller grants which were used by the student team to run mini projects at the Universities.

### **INVESTMENT POLICY**

The PCC took external financial advice in 2021 from CCLA Investment Management Ltd on the investment of funds restricted for expenditure on the Impact Project, taking account also of its reserves and funds held for other projects. We continued to follow this advice in 2023. In view of the likely timescale for expenditure of the bulk of these funds and uncertainty over market conditions in the meantime, it would be appropriate to avoid significant risk and keep funds in cash deposits. The PCC will authorise the opening of additional bank deposit accounts as necessary, seeking to maximise the rate of interest consistent with the security of the funds and the required availability for Impact and other expenditure.

### **RISK MANAGEMENT**

The PCC acknowledges its responsibility to identify, assess and manage the major risks to which it is exposed.

Major risks arise from a variety of aspects of the church's internal operations and external environment, including security, health and safety, and finance.

The PCC delegates the management of risk to the Operations Manager, the Treasurer team and Finance Manager, and a designated Churchwarden. Through this group the PCC maintains a register of major risks, and continues to ensure that systems and processes are in place to mitigate exposure to these risks. The risk register is held and kept up to date by the Operations Manager. The full PCC reviews the risk register on at least an annual basis, usually every March.

The Impact Project, to restore and reorder St Michael le Belfrey, holds its own separate risk register which is managed by the Impact Board under the supervision of the PCC.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2024**

**RESERVES POLICY**

Our policy is to keep a cash reserve equating to three months' core staffing costs. At the moment that is around £90,000. Our total unrestricted net current assets at 31 December 2024 amounted to £125,887, which includes £30,000 designated by the PCC for work with children, families and students. Our reserves as at 31 December 2024 were £95,887.

The PCC holds property and equipment valued at £969,240, which are included in the unrestricted reserves and could be converted into cash if the need arose.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Parish of St Michael le Belfrey, York, is a parish within the Church of England as defined by canon law. Individual parishes within the Church of England do not have a separate constitution. They work within the framework of Church of England ecclesiastical law, consisting of the Parochial Church Council (Powers) Measure 1956 and the Church Representation Rules. The Belfrey received individual charitable status on 30 July 2009.

St Michael le Belfrey is governed by the PCC, the members of which are either ex officio or elected by the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules. In 2024, the church was led by the Interim Priest-in-Charge and the Church Wardens, all assisted by a Leadership Team. A team of dedicated staff and volunteers manages day-to-day activities. We are most grateful for all that these various office-holders contribute to the life and witness of the church.

The only committee of the PCC required by law is the Standing Committee. This is made up of the Priest-in-Charge, Associate Minister, Church Wardens, Secretary, Treasurer, and up to two elected PCC members. It has power to transact the business of the PCC between its meetings, subject to any directions given by the Council. The full PCC meets bi-monthly and the Standing Committee meets in the intervening months, along with the various other sub-groups. Full PCC meetings tend to discuss bigger picture matters, agree formal matters including the annual budget, and receive a regular Safeguarding Report, whilst the Standing Committee deals with matters of more detail.

The PCC has delegated some decision-making powers to the following sub-groups: the Human Resources (HR) Group for HR matters, the Impact Project Board for the reordering of St Michael le Belfrey Church, the World Mission Team for overseeing mission partners, the Social Transformation Programme Board (STPB) for social transformation and the implementation of the Love York Post Pandemic Fund, the Northern Church Planting Group for governance of the Northern Church Planting Fund, and G2 Council for governance of G2.

All major governance matters are decided by the Priest-in-charge and PCC together.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2024**

**ADMINISTRATIVE INFORMATION**

Parish name:	St Michael le Belfrey, York
Church address:	St Michael le Belfrey, High Petergate, York, YO1 7EN
Office address:	The De Grey Rooms, St Leonard's Place, York, YO1 7HB
Charity working name:	St. Michael le Belfrey PCC
Registered number:	1130866
Principal address:	The Parish Centre, 11/12 Minster Yard, York, YO1 7HH
Independent auditors:	Fawley Judge & Easton, 1 Parliament St, Hull, HU1 2AS
Financial institution:	Royal Bank of Scotland, 27 Park Row, Leeds, LS1 5QB

**PCC Members / Trustees**

The members of the PCC who served during the year were as follows:

<b>Clergy</b>	Andy Baker James Congreve-Horn Claire Elwood (from May 2024)
<b>Church Wardens</b>	Daniel Brookes Karen Dixon Remi Oduyemi Andrew Oldroyd
<b>Deanery Synod</b>	Daniel Brookes James Hayden John Lindley Andrew Oldroyd Tony Scott Martine Somerville - Attending rep at PCC Becca Tilbrook
<b>Elected representatives</b>	Lydia Baldwin (until April 2024) Katherine Bridge Joe McKeogh (until April 2024 when he was co-opted as Treasurer) Liv Portway (until July 2024) Kate Rouse (from November 2024) Fiona Simpson (from March 2024) Adam Stobert (from April 2024) Dan Tilbrook
<b>Officers</b>	Secretary: Martine Somerville Treasurer Joe McKeogh Parish Safeguarding Officer: Kirsty McCullough Electoral Roll Officer: Amber Boydell

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2024**

**STATEMENT OF RESPONSIBILITIES OF THE PAROCHIAL CHURCH COUNCIL**

Law applicable to charities in England and Wales and guidance issued by the Central Board of Finance of the Church of England require the members of the Parochial Church Council to prepare financial statements which give a true and fair view of the Parochial Church Council's financial activities during the year.

In preparing financial statements giving a true and fair view, the members of the Parochial Church Council should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the Church guidance, applicable accounting standards and statements of recommended practice 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 Parochial Church Council will continue in operation.

The members of the Parochial Church Council are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Parochial Church Council and enable them to ensure that the financial statements comply with the Church Accounting Regulations 2006 and the Charities Act 2011. They are also responsible for safeguarding the assets of the Parochial Church Council and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**PROVISION OF INFORMATION TO AUDITORS**

In so far as the members of the PCC are aware:

- there is no relevant information of which the PCC's auditors are unaware; and
- the members of the PCC have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by the Parochial Church Council and signed on its behalf by:



*Martine Somerville*  
Secretary

date 22/04/2025

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**INDEPENDENT AUDITOR'S REPORT**

**Opinion**

We have audited the financial statements of the Parochial Church Council of the Ecclesiastical Parish of St Michael le Belfrey with St Cuthbert, York for the year ended 31 December 2024, which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. 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).

This report is made solely to the Parochial Church Council (the PCC) as 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 PCC those matters we are required to state to them in an auditors' 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 PCC as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024 and of its incoming resources and application of resources, 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 and the Church Accounting Regulations 2006.

**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 Auditors' 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.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**INDEPENDENT AUDITOR'S REPORT (CONT'D)**

**Other information**

The PCC is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 PCCs' report; or
- sufficient accounting records have not been kept; 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 the Parochial Church Council**

As explained more fully in the statement of responsibilities of the Parochial Church Council set out on page 10, the PCC is 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 PCC determines 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 PCC is responsible for assessing the 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 PCC either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 auditors'

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**INDEPENDENT AUDITOR'S REPORT (CONT'D)**

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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charity and the area in which it operates, and considered the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We identified the greatest potential for fraud in the following areas: existence and timing of recognition of income and the posting of unusual journals. We discussed these risks with management and designed audit procedures as follows:

- to test the timing and existence of revenue,
- to review journals posted to key control accounts or posted around the year end, to look for potential "window dressing" as well as looking at a sample throughout the year.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

Jonathan Leathley (Senior Statutory Auditor)  
for and on behalf of Fawley Judge & Easton  
Chartered Certified Accountants  
Statutory Auditor  
1 Parliament Street  
Hull  
East Yorkshire  
HU1 2AS

.....

Fawley Judge & Easton is eligible for appointment as auditor of the charity / PCC by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds	
					2024 £	2023 £
<b>Income and endowments from:</b>						
Donations and legacies	2	845,631	15,000	389,246	1,249,877	971,665
Income from charitable church activities	3	74,361	-	21,786	96,147	89,397
Other trading activities	4	32,578	-	11,895	44,473	34,202
Investments	5	12,450	-	118,325	130,775	67,469
Other income	6	2,201	-	163,389	165,590	302,443
<b>Total income</b>		<b>967,221</b>	<b>15,000</b>	<b>704,641</b>	<b>1,686,862</b>	<b>1,465,176</b>
<b>Expenditure on:</b>						
Raising funds	7	369	-	1,059	1,428	6,965
Charitable church activities		968,564	-	1,930,295	2,898,859	1,758,306
<b>Total expenditure</b>		<b>968,933</b>	<b>-</b>	<b>1,931,354</b>	<b>2,900,287</b>	<b>1,765,271</b>
<b>Net income/(expenditure) before gains and losses</b>		<b>(1,712)</b>	<b>15,000</b>	<b>(1,226,713)</b>	<b>(1,213,425)</b>	<b>(300,095)</b>
Net gains revaluation of fixed assets	11	-	-	-	-	-
<b>Net income/(expenditure)</b>		<b>(1,712)</b>	<b>15,000</b>	<b>(1,226,713)</b>	<b>(1,213,425)</b>	<b>(300,095)</b>
Transfers between funds		-	-	-	-	-
<b>Net movement in Funds</b>		<b>(1,712)</b>	<b>15,000</b>	<b>(1,226,713)</b>	<b>(1,213,425)</b>	<b>(300,095)</b>
<b>Total funds brought forward at 1 January 2024</b>		<b>1,064,073</b>	<b>15,000</b>	<b>8,264,479</b>	<b>9,343,552</b>	<b>9,643,647</b>
<b>Total funds carried forward at 31 December 2024</b>	17/18	<b>£1,062,361</b>	<b>£30,000</b>	<b>£ 7,037,766</b>	<b>£ 8,130,127</b>	<b>£ 9,343,552</b>

The notes on pages 17 to 29 form part of these financial statements.

The Statement of Financial Activities includes all gains and losses in the year and all of the above amounts relate to continuing activities.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK

BALANCE SHEET

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds	
					2024 £	2023 £
<b>Fixed Assets</b>						
Tangible fixed assets	11	966,474	-	2,766	969,240	974,714
		966,474	-	2,766	969,240	974,714
<b>Current Assets</b>						
Stock	12	357	-	4,427	4,784	5,503
Debtors	13	55,557	-	3,596,832	3,652,389	5,160,865
Cash at bank and in hand	14	76,644	30,000	3,458,925	3,565,569	3,240,639
<b>Total Current Assets</b>		132,558	30,000	7,060,184	7,222,742	8,407,007
<b>Current Liabilities</b>						
Creditors: amounts falling due within one year	15	36,671	-	25,184	61,855	38,169
<b>Total current liabilities</b>		36,671	-	25,184	61,855	38,169
<b>Net Current Assets</b>		95,887	30,000	7,035,000	7,160,887	8,368,838
<b>Total assets less current liabilities</b>		1,062,361	30,000	7,037,766	8,130,127	9,343,552
<b>Net Assets</b>		<b>£ 1,062,361</b>	<b>£ 30,000</b>	<b>£ 7,037,766</b>	<b>£ 8,130,127</b>	<b>£ 9,343,552</b>
<b>The funds of the charity</b>						
Unrestricted general fund	17	751,361	-	-	751,361	753,073
Designated funds	17	-	30,000	-	30,000	15,000
Unrestricted revaluation reserve fund	17	311,000	-	-	311,000	311,000
Restricted funds	18	-	-	7,037,766	7,037,766	8,264,479
<b>Total Charity Funds</b>		<b>£ 1,062,361</b>	<b>£ 30,000</b>	<b>£ 7,037,766</b>	<b>£ 8,130,127</b>	<b>£ 9,343,552</b>

Approved by the Parochial Church Council on xx/xx/xxxx and signed on its behalf by:

*Martine Somerville*

Martine Somerville (Secretary)

The notes on pages 17 to 29 form part of these financial statements.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2024**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities:</b>		
<b>Net income for the reporting period</b>	<b>(1,213,425)</b>	<b>(300,095)</b>
<b>Adjusted for:</b>		
Depreciation charges	5,474	5,474
Dividends and interest from investments	(130,775)	(67,469)
Revaluation of fixed assets	-	-
Decrease/(increase) in stocks	719	(4,890)
Decrease/(increase) in debtors	1,508,476	1,059,106
Increase/(decrease) in creditors	23,686	(12,689)
	<b>194,155</b>	<b>679,437</b>
<b>Cash flows from investing activities:</b>		
Dividends and interest from investments	130,775	67,469
purchase of tangible fixed assets	-	(28,623)
	<b>130,775</b>	<b>38,846</b>
<b>Change in cash and cash equivalents in the reporting period</b>	<b>324,930</b>	<b>718,283</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>3,240,639</b>	<b>2,522,356</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>£ 3,565,569</b>	<b>£ 3,240,639</b>
<b>Analysis of cash and cash equivalents</b>		
Cash in hand	280	364
No notice and notice deposits (less than 3 months)	315,439	1,122,393
Notice deposits (more than 3 months)	3,249,850	2,117,882
	<b>£ 3,565,569</b>	<b>£ 3,240,639</b>

Charity law requires separate administration of the cashflows of endowed and other restricted funds of the Charity. This constraint has not adversely affected cashflows as stated above.

**The notes on pages 17 to 29 form part of these financial statements**

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024**

**1. ACCOUNTING POLICIES**

**Basis of preparation**

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019, the Charities Act 2011, and the Church Accounting Regulations 2006.

The financial statements include all transactions, assets and liabilities for which the Parochial Church Council ("the PCC") is responsible in law. They do not include the financial statements of church groups that owe their main affiliation to another body, nor those that are informal gatherings of church members.

The PCC is a public benefit entity as defined by FRS 102.

**Statutory information**

The PCC is registered with the Charity Commission, registration number 1130866. The registered address is The Parish Centre, 11/12 Minster Yard, York, YO1 7HH.

**Funds**

*Unrestricted funds* represent the general funds of the PCC that are not subject to any restrictions regarding their use and are available for application for the ordinary purposes of the PCC.

*Designated funds* represent those unrestricted general funds which have been set aside by the PCC for a particular purpose.

*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 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 fund. Most of the money in restricted funds is held in separate bank and Stewardship accounts and interest that arises is allocated to those restricted funds. The remaining interest largely represents monies accrued from unrestricted funds.

**Income recognition**

All income is recognised once the PCC has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably. Planned giving, collections and donations are recognised when received. Tax refunds are recognised when the incoming resource to which they relate is received. Grants and legacies are accounted for when the PCC is entitled to the use of the resources, their ultimate receipt is considered reasonably certain and the amounts due are readily quantifiable. Dividends are accounted for when declared receivable, interest as and when accrued by the payer. All other income is recognised when it is receivable. Amounts received specifically for mission are dealt with as restricted funds. All incoming resources are accounted for gross.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024**

**1. ACCOUNTING POLICIES** (continued)

**Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the PCC to that expenditure, it is probable that settlement will be required and the amount of obligation can be measured reliably.

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. The Diocesan Freewill Offering is accounted for when due. All other expenditure is generally recognised when it is incurred and is accounted for gross.

**Fixed assets**

Consecrated and benefice property is not included in the financial statements in accordance with section 10 (2) (a) and (c) of the Charities Act 2011.

Movable church furnishings held by the Priest-in-Charge and Church Wardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the church's inventory, which can be inspected at any reasonable time. All expenditure incurred during the year on consecrated or benefice buildings and movable church furnishings, whether maintenance or improvement, is written off.

Other land and buildings held on behalf of the PCC for its own purposes are valued at market value. No depreciation is charged against such properties as they are regularly maintained to such an extent that their estimated economic lives and residual values are such that their depreciation is insignificant. At each year end an assessment is carried out to ascertain whether there is any indication that the properties should be written down (i.e. whether its carrying amount is more than its recoverable amount). If there is no indication that a property should be written down, it is not necessary to estimate the recoverable amount.

Equipment used within the church premises, The Parish Centre and Church Hall are depreciated on a straight-line basis over their estimated useful life of 4 to 10 years. Individual items of equipment with a purchase price of £3,000 or less are written off in the period in which they are acquired.

**Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of two years or less from the date of acquisition or opening of the deposit or similar account.

**Creditors and provisions**

Creditors and provisions are recognised where the PCC has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024**

**1. ACCOUNTING POLICIES (continued)**

to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**Financial Instruments**

The PCC only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income on a straight-line basis over the period of the lease.

**Irrecoverable Value Added Tax**

The PCC is not registered for Value Added Tax (VAT) and accordingly expenditure is shown gross of irrecoverable VAT. The VAT incurred from time to time on certain fabric repair and maintenance expenditure can, however, be recovered under the Listed Places of Worship Grant Scheme.

**Going Concern**

The PCC has cash resources from a large generous congregation and has also started to look for and apply for grants to help support the mission of the church. These include youth work, student and 18-30s work and also grants towards the repair and reordering project (Impact). The PCC has a reasonable expectation that the church has adequate resources to continue in operational existence for the foreseeable future.

The PCC continue to believe the going concern basis of accounting is appropriate in preparing the financial statements.

**Heritage Assets**

The Priest-in-Charge and Church Wardens hold on special trust for the PCC silver and plate gifted to the church for ecclesiastical purposes. They date from the 17th century and therefore, there is insufficient cost information available. Due to the unique nature of these assets and their historic association with worship at the church over hundreds of years, conventional valuation techniques are not applicable and therefore have not been valued in the financial statements. The silver and plate, 38 items in total are listed in the church's inventory and are regarded by law as inalienable assets which the PCC would require a faculty for disposal. Inspection can be arranged at reasonable times where they are located.

**Pensions**

The PCC pays employer contributions into a variety of pension schemes consisting of individual employee's personal pension schemes of their choice and a workplace pension scheme to fulfil the PCC's auto enrolment obligations (Church Workers Pension Fund).

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024**

**1. ACCOUNTING POLICIES** (continued)

**Church Workers Pension Fund - Pension Builder 2014**

St Michael le Belfrey PCC participates in the Pension Builder Scheme section of Church Workers Pension Fund for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the St Michael le Belfrey PCC and the other participating employers.

CWPF has two sections:

1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections;
  - a. a deferred annuity section known as Pension Builder Classic, and,
  - b. a cash balance section known as Pension Builder 2014.

**Pension Builder Scheme**

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

Pension Builder 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. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

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 means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pension costs charged to the SoFA in the year are the contributions payable (2024: 29,218 2023: £24,827).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent was carried out as at 31 December 2022. The next valuation is due as at 31 December 2025.

For the Pension Builder 2014 section, the valuation revealed a surplus of £2m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, St Michael le Belfrey PCC could become responsible for paying a share of that employer's pension liabilities.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024**

**1. ACCOUNTING POLICIES** (continued)

**Accounting Estimates and Judgements**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The trustees believe that the following judgements are critical due to the potential material impact it has on the financial statements.

Included within debtors are amounts received in respect of donations towards the Impact project, the Post Pandemic fund and Church planting. These amounts have been paid by donors to Stewardship who hold the funds on trust for the Church. The Trustees consider that the income recognition criteria of entitlement, probability of receipt and measurement have all been met. The donations were therefore recognised in full in 2020 and are included in debtors at the year-end as shown in note 13. The debtor will be released as funds are received from Stewardship over the life of the projects.

**Property Values**

The trustees consider that the freehold land and buildings are valued at their fair value in the financial statements. The valuations are undertaken by an external professional valuer who carried out a revaluation at 4 October 2021 and the directors have used this valuation to review the fair value at 31 December 2021.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds	
				2024 £	2023 £
<b>2. Donations and legacies</b>					
Planned giving	464,198	-	77,666	541,864	556,899
Tax recoverable	81,458	-	42,743	124,201	129,051
Collections (open plate)	8,562	-	-	8,562	13,047
Legacies	62,040	-	-	62,040	-
Impact donations	-	-	134,992	134,992	145,271
General donations	229,373	15,000	133,845	378,218	127,397
	£ 845,631	£ 15,000	£ 389,246	£ 1,249,877	£ 971,665

In 2023, income from donations and legacies amounting to £680,948 related to unrestricted funds, £15,000 related to designated funds and £275,717 related to restricted funds.

**3. Income from charitable church activities**

Events	66,683	-	10,340	77,023	67,087
Other income from church activities	7,678	-	11,446	19,124	22,310
	£ 74,361	£ -	£ 21,786	£ 96,147	£ 89,397

In 2023, income from charitable church activities amounting to £73,419 related to unrestricted funds and £15,978 related to restricted funds.

**4. Other trading activities**

Sales	5,948	-	11,895	17,843	17,322
Hire of facilities	26,630	-	-	26,630	16,880
Music	-	-	-	-	-
	£ 32,578	£ -	£ 11,895	£ 44,473	£ 34,202

In 2023, income from other trading activities amounting to £22,983 related to unrestricted funds and £11,219 related to restricted funds.

**5. Investment income**

Dividends received	-	-	1,200	1,200	1,183
Deposit interest	12,450	-	117,125	129,575	66,286
	£ 12,450	£ -	£ 118,325	£ 130,775	£ 67,469

In 2023, investment income amounting to £10,748 related to unrestricted funds and £56,721 related to restricted funds.

The PCC also receives income from 2,212 Charities Official Investment Fund shares. However, the value of the shares has not been included within the balance sheet because, although the PCC receives the income, the legal title belongs to two charities associated to the PCC.

**6. Other income**

Other income	2,201	-	-	2,201	5,017
Grants	-	-	163,389	163,389	297,426
	£ 2,201	£ -	£ 163,389	£ 165,590	£ 302,443

In 2023, all other income related to unrestricted funds.

<b>Total Income</b>	<b>£ 967,221</b>	<b>£ 15,000</b>	<b>£ 704,641</b>	<b>£ 1,686,862</b>	<b>£ 1,465,176</b>
---------------------	------------------	-----------------	------------------	--------------------	--------------------

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total</b>	
			<b>2024 £</b>	<b>2023 £</b>
<b>7. Analysis of expenditure</b>				
Raising funds	£ 369	£ 1,059	£ 1,428	£ 6,965
Charitable church activities				
Missionary and charitable giving (note 8)				
Grants	-	489,402	489,402	223,400
Overseas mission	47,539	2,754	50,293	38,301
Home mission	20,472	12,124	32,596	25,063
	68,011	504,280	572,291	286,764
Ministry: Diocesan free will offering	193,000	3,000	196,000	179,544
Church - general upkeep and services	92,132	177,961	270,093	126,563
Church - premises	177,884	888,938	1,066,822	442,515
Music	3,533	-	3,533	2,703
Events	15,155	1,993	17,148	21,212
Staff salaries, pensions and other staffing costs	353,391	320,349	673,740	590,315
Office and administration costs	26,457	30,473	56,930	73,118
Finance costs	1,996	3,301	5,297	28,672
Audit fee	3,300	-	3,300	3,300
Legal & Professional fees	30,000	-	30,000	-
Outsourced accountancy, taxation and payroll	3,705	-	3,705	3,600
	£ 968,564	£ 1,930,295	£ 2,898,859	£ 1,758,306
<b>Total</b>	<b>£ 968,933</b>	<b>£ 1,931,354</b>	<b>£ 2,900,287</b>	<b>£ 1,765,271</b>

In 2023, expenditure of £793,317 related to unrestricted funds and £971,954 related to restricted funds.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

	Unrestricted Funds £	Restricted Funds £	Total 2024 £	2023 £
<b>8. Mission and charitable grants</b>				
<i>Grants</i>				
Acts 435	-	850	850	780
Ukrainian refugees	-	243	243	-
Church Planting Grant	-	398,808	398,808	-
Hardship fund	-	26	26	-
Small grants fund PPF	-	-	-	67,000
PPF Belfrey Group Match Funding	-	898	898	783
PPF Catalyser Grants	-	-	-	100,000
PPF Charity Donations	-	10	10	130
PPF Out of York Grants	-	50,000	50,000	50,000
Grant to Restore	-	30,000	30,000	-
One-Off Restricted Donations	-	8,567	8,567	4,707
	-	489,402	489,402	223,400
<i>Overseas mission</i>				
Blacker Support	13,103	-	13,103	12,260
Wycliffe (Eves)	9,276	-	9,276	9,000
Fletcher Support	16,622	2,754	19,376	8,364
Homer Support	6,120	-	6,120	6,120
Wilson	2,040	-	2,040	2,040
International Students	113	-	113	239
Missionary Discretionary	-	-	-	13
Global Connections	265	-	265	265
	47,539	2,754	50,293	38,301
<i>Home mission</i>				
Church Missions	6,200	-	6,200	20
Friends International	2,000	-	2,000	2,000
Paul Myers Mission	2,000	-	2,000	2,000
Restore	1,000	-	1,000	1,000
Riding Lights	3,000	-	3,000	3,000
YoYo mission giving	1,000	-	1,000	1,000
Evangelism Cafes	-	-	-	160
Women's Ministry	-	165	165	1,683
Student Mission	45	-	45	338
Youth Outreach	231	73	304	149
Students Social Action	52	-	52	-
Evangelism Ministry	2,440	-	2,440	53
Community/Families Outreach	314	-	314	174
Alpha	2,190	-	2,190	2,021
G2 Alpha	-	250	250	-
Student Alpha	-	-	-	825
G2 Giving	-	2,920	2,920	2,841
G2 Outreach Events	-	401	401	60
Women's Charitable Gift	-	2,325	2,325	-
CAP contribution	-	5,400	5,400	7,200
Funeral Collection	-	590	590	539
	20,472	12,124	32,596	25,063
	£ 68,011	£ 504,280	£ 572,291	£ 286,764

In 2023, all Grants were related to restricted funds. all Overseas Mission were related to unrestricted funds. Home Mission was made up of £12,740 relating to unrestricted funds and £12,323 relating to restricted funds.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**9. Net income for the year**

This is stated after charging:		
Staff pension contribution	29,218	24,827
Depreciation	5,474	5,474
Auditors' remuneration - audit of financial statements	3,300	3,300

**10. Staff costs and emoluments**

Total staff costs were as follows:		
Wages and salaries	562,731	512,534
Social security costs	40,171	33,820
Other pension costs	29,218	24,827
	£ 632,120	£ 571,181

During the year the PCC employed no one who earned more than £60,000.

The average head count (number of staff employed) during the year was 33 (2023- 29). The average number of employees calculated on the basis of full-time equivalents was 21 (2023 - 19)

The PCC considers its key management personnel to comprise only of the PCC Members (Trustees). They receive no remuneration in their capacity as trustees but may be employed to carry out their roles within the church. The total of remuneration received by trustees and key management personnel for their services to the church amounted to £Nil (2023 - £2,473).

**11. Tangible fixed assets**

	Freehold Land & Buildings £	Motor Vehicles £	Church Equipment £	Total £
Cost or valuation				
At 1 January 2024	950,000	12,850	112,514	1,075,364
Revaluation in year	-	-	-	-
Disposal in year	-	-	-	-
Additions	-	-	-	-
Revaluation	-	-	-	-
At 31 December 2024	950,000	12,850	112,514	1,075,364
Depreciation				
At 1 January 2024	-	12,850	87,800	100,650
Charge for year	-	-	5,474	5,474
Disposal in year	-	-	-	-
At 31 December 2024	-	12,850	93,274	106,124
Net book value				
At 31 December 2024	£ 950,000	£ -	£ 19,240	£ 969,240
At 31 December 2023	£ 950,000	£ -	£ 24,714	£ 974,714

The freehold land and buildings, comprising 13 Hempland Drive, 28 Langdale Avenue and the Church Hall were revalued at 4th October 2021 by Stephenson's Estate Agents, and are included at their revised market values of £450,000, £210,000 and £290,000 respectively.

If the freehold property had not been included at valuation, they would have been included under the historical cost convention as follows:

	2024	2023
Historical cost at 31 December 2024	£ 639,000	£ 639,000

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

<b>12. Stock</b>	<b>2024</b>	<b>2023</b>
Impact furniture - Chopping Board	£ 80	£ 120
Impact furniture - Holding Cross	£ 190	£ 170
Impact furniture - Footstool	£ 150	£ 150
Impact Merchandise - Brew Cups	£ 845	£ 883
Impact Merchandise - Keep Cup	£ 1,182	£ 1,252
Impact Merchandise - Chilly Water Bottle	£ 995	£ 1,409
Impact Merchandise - Cookie Cutters	£ 985	£ 1,006
Bookstall stock	£ 357	£ 513
	<u>£ 4,784</u>	<u>£ 5,503</u>

At 31 December 2024 £357 related to unrestricted funds and the rest restricted funds. At 31 December 2023 £513 related to unrestricted funds and the rest restricted funds.

<b>13. Debtors</b>	<b>2024</b>	<b>2023</b>
Trade debtors	5,401	375
Income tax recoverable	7,137	10,635
Prepayments and accrued income	152,851	124,855
Accrued income - Church Planting, Post Pandemic and Impact grants within one year	2,605,000	3,398,000
Accrued income - Church Planting and Post Pandemic more than one year	882,000	1,627,000
	<u>£ 3,652,389</u>	<u>£ 5,160,865</u>

At 31 December 2024 £3,596,832 (2023 - £5,136,599.57) of debtors related to restricted funds, the balance of debtors related to the unrestricted funds.

<b>14. Cash at bank and in hand</b>	<b>2024</b>	<b>2023</b>
	£	£
Bank balances	3,565,290	3,240,275
Cash balances	279	364
	<u>£ 3,565,569</u>	<u>£ 3,240,639</u>

At 31 December 2024 £76,644 (2023 - £99,604) of cash and bank balances related to unrestricted funds and £30,000 (2023 - £15,000) related to designated funds £3,458,925 (2023 - £3,126,033) related to restricted funds.

<b>15. Creditors: amounts falling due within one year</b>	<b>2024</b>	<b>2023</b>
	£	£
Trade creditors	25,260	5,316
Accruals and deferred income	26,704	22,401
Tax and social security creditor	9,705	10,090
Pension creditors	186	362
	<u>£ 61,855</u>	<u>£ 38,169</u>

At 31 December 2024 £25,184(2023 - £6,834) of creditors related to restricted funds, the balance of creditors related to unrestricted funds.

	<b>2024</b>	<b>2023</b>
	£	£
Deferred income at 1 January 2024	5,684	5,822
Resources deferred during the year	7,108	5,684
Amounts released from previous periods	(4,845)	(5,822)
	<u>£ 7,947</u>	<u>£ 5,684</u>

Deferred income consists of grant and contract income where a time condition is included in the initial offer and it is specified as being for use after the year end. Deferred income for 2023 and 2024 was income in advance for church events where an early bird discount was offered and also rent income paid for future periods.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**16. Commitments under operating leases**

At 31 December 2024 the PCC had annual commitments under non-cancellable operating leases as set out below:

	2024		2023	
	Land and buildings £	Other items £	Land and buildings £	Other items £
Operating leases which expire				
Under 1 year	-	-	-	-
Within 2 to 5 years	67,644	1,315	67,644	1,315
After more than 5 years	32,800	-	32,800	-
	<b>£ 100,444</b>	<b>£ 1,315</b>	<b>£ 100,444</b>	<b>£ 1,315</b>

The following lease payments have been recognised as an expense in the statement of financial activities:

	2024	2023
Operating lease rentals	£ 101,169	£ 64,954

**17. Unrestricted and Designated Funds**

<i>Current Year</i>	Brought forward 01/01/2024 £	Incoming Resources £	Outgoing Resources £	Transfers Between Funds £	Other recognised gains and (losses) £	Carried forward 31/12/2024 £
Unrestricted fund - General	753,073	967,221	(968,933)	-	-	751,361
Unrestricted fund - Revaluation Reserve	311,000		-	-	-	311,000
	<b>1,064,073</b>	<b>967,221</b>	<b>(968,933)</b>	<b>-</b>	<b>-</b>	<b>1,062,361</b>
Designated fund - students and/or children and families	15,000	15,000	-	-	-	30,000
<b>Total Unrestricted and Designated Funds</b>	<b>£ 1,079,073</b>	<b>£ 982,221</b>	<b>£ (968,933)</b>	<b>-</b>	<b>-</b>	<b>£ 1,092,361</b>

<i>Comparative Year</i>	Brought forward 01/01/2023 £	Incoming Resources £	Outgoing Resources £	Transfers Between Funds £	Other recognised gains and (losses) £	Carried forward 31/12/2023 £
Unrestricted fund - General	746,114	800,276	(793,317)	-	-	753,073
Unrestricted fund - Revaluation Reserve	311,000		-	-	-	311,000
	<b>1,057,114</b>	<b>800,276</b>	<b>(793,317)</b>	<b>-</b>	<b>-</b>	<b>1,064,073</b>
	<b>-</b>	<b>15,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,000</b>
<b>Total Unrestricted and Designated Funds</b>	<b>1,057,114</b>	<b>815,276</b>	<b>- 793,317</b>	<b>-</b>	<b>-</b>	<b>1,079,073</b>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**18. Restricted Funds**

*Current Year*

	Brought forward 01/01/2024 £	Incoming Resources £	Outgoing Resources £	Transfers £	Carried forward 31/12/2024 £
G2 fund	17,842	105,853	(102,372)		21,324
Acts 435	-	850	(850)		-
Church Planting fund	1,376,107	3,240	(423,498)		955,850
St Wilfred Ecclesiastical Charity (COIF)	3,591	1,200	(542)		4,249
Funeral Collections	-	590	(590)		-
Grant Income - Multiply	6,667	8,000	(9,333)		5,333
Giving Away Day	6,500				6,500
Growing Faith Learning Hub	-	10,000			10,000
Hardship Fund	481		(26)		455
Holy Communion	14,005		(3,256)		10,749
Holyrood Sisters Grant	10,000	15,000	(10,000)		15,000
House of Prayer	460		(460)		-
Impact Project	6,110,114	423,971	(1,105,931)		5,428,155
Internship Bursary	1,120				1,120
Legacy for Church Silver	311		(311)		-
Let's Cook	2,112	225	(1,450)		886
One-Off Collections	2,943	38,627	(41,400)		170
Post Pandemic Fund	551,949	85,778	(220,621)		417,105
Premises Legacy	154,825		(3,600)		151,225
Raising Generations	-	5,000	(1,667)		3,333
Royalties for Music	148				148
Shoebboxes	14				14
Sozo Fund	796		(796)		-
Stained Glass Maintenance St Michael's Warwick Burton	2,000				2,000
Stained Glass Maintenance St Cuthbert's Warwick Burton	1,000				1,000
The Corner Youth Outreach	281				281
Ukrainian Refugees in the UK	243		(243)		-
Women's Ministry	969	5,304	(4,406)		1,867
Youth Donations	-	1,000	-		1,000
	<b>8,264,479</b>	<b>704,639</b>	<b>(1,931,351)</b>	<b>-</b>	<b>7,037,766</b>

The purpose and use of each restricted fund is generally explained by the name of that respective fund. The Impact Project fund is to be used to fulfil the plans to renovate and renew St Michael le Belfrey Church building so it can become more fit for purpose for worship and mission in the coming years.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**18. Restricted Funds**

*Comparative Year*

	Brought forward 01/01/2023 £	Incoming Resources £	Outgoing Resources £	Transfers £	Carried forward 31/12/2023 £
G2 fund	36,620	92,341	(111,119)		17,842
Acts 435	-	780	(780)		-
Church Planting fund	1,395,000		(18,893)		1,376,107
St Wilfred Ecclesiastical Charity (COIF)	3,908	1,183	(1,500)		3,591
Funeral Collections	-	539	(539)		-
Grant Income - Multiply	-	10,000	(3,333)		6,667
Giving Away Day	6,500				6,500
Hardship Fund	481				481
Holy Communion	23,197		(9,192)		14,005
Holyrood Sisters Grant	-	15,000	(5,000)		10,000
House of Prayer	-	460			460
House of Prayer People	10,000		(10,000)		-
Impact Project	6,072,254	511,472	(473,612)		6,110,114
Internship Bursary	1,120				1,120
Legacy for Church Silver	311				311
Let's Cook (Never Give Up)	2,794	443	(1,125)		2,112
One-Off Collections	245	7,558	(4,860)		2,943
Post Pandemic Fund	872,497	9,520	(330,068)		551,949
Premises Legacy	154,825				154,825
Music (royalties)	382		(234)		148
Shoebboxes	14				14
Sozo Fund	796				796
Stained Glass Maintenance St Michael's Warwick Burton	2,000				2,000
Stained Glass Maintenance St Cuthbert's Warwick Burton	1,000				1,000
The Corner Youth Outreach	281				281
Ukrainian Refugees in the UK	243				243
Women's Ministry	2,065	604	(1,699)		969
	<b>8,586,533</b>	<b>649,900</b>	<b>(971,954)</b>	<b>-</b>	<b>8,264,479</b>

**19. Analysis of net assets by fund**

*Current Year*

	Unrestricted £	Designated £	Restricted £	Total 2024 £
Tangible fixed assets	966,474	-	2,766	969,240
Current assets	132,558	30,000	7,060,184	7,222,742
Creditors:				
Amounts falling due within one year	(36,671)	-	(25,184)	(61,855)
	<b>£ 1,062,361</b>	<b>£ 30,000</b>	<b>£ 7,037,766</b>	<b>£ 8,130,127</b>

*Comparative Year*

	Unrestricted £	Designated £	Restricted £	Total 2023 £
Tangible fixed assets	971,026	-	3,688	974,714
Current assets	124,382	15,000	8,267,625	8,407,007
Creditors:				
Amounts falling due within one year	(31,335)	-	(6,834)	(38,169)
	<b>£ 1,064,073</b>	<b>£ 15,000</b>	<b>£ 8,264,479</b>	<b>£ 9,343,552</b>

**20. Related party transactions**

No member of the PCC received any remuneration or expenses for their services to the PCC. Rev'd Andrew Baker, Rev'd Claire Elwood and Rev'd James Congreve-Horn are reimbursed for parochial expenses which are necessarily incurred by them to fulfil the duties of their post in accordance with the guidelines set down by the Central Stipends Authority of the Church of England.

During the year a total of £104,954 (including gift aid) (2023 - £84,690) was donated to the PCC by PCC Members (trustees), including close family members. This also includes donations towards the Impact project.

During the year expenses of £8,858.08(2023-£4,491.37) were incurred by PCC members and close family towards running of the church and ministry and not for services to the PCC.



---

# Accounts

---

**THE PAROCHIAL CHURCH COUNCIL OF  
THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK  
(registered charity no. 1130866)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

<b>CONTENTS</b>	<b>Page(s)</b>
Annual Report of the Parochial Church Council	1 – 10
Independent Auditors' Report	11 - 13
Statement of Financial Activities	14
Balance Sheet	15
Cash Flow Statement	16
Notes to the Financial Statements	17 - 30

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2023**

The Parochial Church Council (PCC) has pleasure in presenting its Report and Financial Statements for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019, the Charities Act 2011, the Church Accounting Regulations 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015.

The PCC is a Public Benefit Entity.

### **OBJECTIVES AND ACTIVITIES**

St Michael le Belfrey Parochial Church Council (PCC) is responsible with the Vicar (Matthew Porter until June 2023) / Interim Priest-in-Charge (Andy Baker from October) for good governance of the church.

Over the last 12 months the church – often known as the Belfrey – has continued in its vision to *Serve God's Transformation of the North*. Our five aims of *Serving York, Making disciples, Nurturing disciples, Developing leaders* and *Planting churches* are at the heart of our strategy. These are about social action, evangelism, discipleship, leadership and planting. These five aims particularly informed our activities, our prayers and our preaching during 2023. We also launched a new mission statement in September, which was a public-facing summary of all of our vision and aims. This statement was that we are to *Pray, Give, Grow*, building on our legacy of prayer and ministry, our value of generosity and our desire to continue to grow in fruitfulness as we temporarily occupy the De Grey Rooms. The Leadership Team and PCC believe that, if we do these things, with the help of God our missional influence on our city and region will be great.

We believe that our major project to reorder and repair St Michael le Belfrey Church, known as *Impact*, is crucial to the advancement of the Belfrey's vision and strategy. Significant milestones were achieved in 2023, when we received planning permission and listed building consent from City of York Council, faculty approval from the Chancellor of the Diocese of York and our first substantial grant towards the work. Tenders were issued and we continued to fundraise for the final 20% of finance required.

When considering the objectives of the charity the trustees (the PCC) have referred to the guidance contained in the Charity Commission's general guidance on public benefit. This report highlights some of the public benefit of St Michael le Belfrey Church.

### **ACHIEVEMENTS AND PERFORMANCE**

#### *Church attendance*

St Michael le Belfrey has a simple gathering structure of congregations and groups. During 2023 we had 4 weekly services (on Sundays, meeting in St Michael le Belfrey Church, moving to De Grey Rooms from September at 9am, 11am and 6pm; and on Wednesdays at 12.30pm). Our Sunday services were also available online. Throughout 2023 we had approximately 40 midweek small groups, known as Belfrey Groups.

At the Annual Meeting 2023 there were 488 people on the church electoral roll, plus a further 38 at G2, a church we began in 2004, still legally under our governance, making the total 526.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2023**

The average weekly attendance during October 2023 was 414 for congregations meeting in De Grey Rooms, and 180 for online linkups, making a weekly total of 594. (This does not include G2.)

*Operational review*

2023 was a year of change, as we said farewell to our previous Vicar, Matthew Porter, on his consecration as Bishop of Bolton; and as we temporarily decanted into the De Grey Rooms so that the build phase of our Repair and Reordering project, *Impact*, could begin in St Michael-le-Belfrey Church. Church life picked up in our new venue, as we gathered there for weekly services and events. But as is clear from this booklet, which summarises many ministries of our church, so much more happened in 2023!

As we continued to be a church wanting to play our part in serving God's transformation of the North, we had our five aims very much in mind:

- serving York (social action)
- making disciples (evangelism)
- nurturing disciples (discipleship)
- developing leaders (leadership)
- planting churches (planting)

As we sought to **serve York** especially by supporting those in need through our Social Action Programme, it was exciting to see our CAP (Christians Against Poverty) Debt Centre develop, helping those struggling with debt. We rejoiced with each of the four people who were set free from debt by this work. Within this programme, our Post-Pandemic Fund (PPF) continued to be a beneficial resource, enabling us to give many small grants to organisations serving York in our three focus areas: poverty; mental health; and young people and families. We did this in partnership with Two Ridings Community Foundation as well as some grant-making responsive to immediate local needs. We also ran a £100,000 'Catalyser' Fund where we awarded larger grants to 8 local charities to act as a catalyst for growth, innovation and sustainability, and formed a Community of Practice to continue learning together.

Other grant-making included £50,000 to support the Eden Byker Team being established by St Thomas' Newcastle, one of our previous Belfrey church plants. Thanks to the PPF, we were delighted to appoint Mandy Smith as our Children & Families Outreach Worker, to develop a network supporting church-run toddler groups, in partnership with the Diocese of York who provided some additional funding for this, and to set up a family befriending service to start in 2024 in partnership with Safe Families UK. Jessica Horn also joined us to set up and manage our Counselling Service, due to launch in spring 2024 in partnership with Wellspring Therapy and Training.

All the projects we've started as part of our social action programme provide opportunities for church members to get involved in volunteering, and we especially emphasised this through our Love Your Neighbour initiative, which had a different focus for each quarter of the year for congregations to get involved with, including Besom projects, harvest foodbank donations and Christmas hampers for those in need.

We also, in 2023, continued to preach Christ and sought to be a church **making disciples**. We know of at least 53 people who made professions of faith during the year, and 27 adults publicly marked new or renewed faith (in Baptism, or Affirmation of Baptismal Faith). Our Belfrey Doors team facilitated daily opening of our church building during the week until it closed in September, to welcome in visitors to experience the good news of Jesus. Welcome Lunches were hosted almost every month, and we continued to ensure people were linked into Belfrey Groups.

Through our Belfrey Groups, worship services and courses such as *The Bereavement Journey*, we aimed to be a church **nurturing disciples**. In 2023 we were sad to say farewell to Elaine Davies,

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2023**

Grace Dawson, Doug Greenfield, Jenny Hough, Daniel Lydiate, Harry Lydiate, Linda Peace, Bob Shead and Dan Simpson as they passed away. We honoured them and their kind and faithful service to many. They will be sorely missed. Our House of Prayer team continued to pray for transformation in York and the North, and a faithful group gathered on Zoom at 7am each Tuesday morning for Dynamic Prayer.

**Developing leaders** continued by giving more people opportunities to lead – not just in services, but in small groups and many of the church's ministries. We were pleased to have 22 fantastic interns with us across 2023, and to watch them grow in faith, spiritual maturity and experience. As well as running the *Growing Leaders* course, lots of people have been safeguarding-trained and equipped for roles in all sorts of areas of church life. Most of all, we hope the teaching in our services and the Bible studies in our small groups are able to be applied in a multiplicity of contexts, so each one of us is increasingly equipped to be people of influence, in our families, in our streets, at work and beyond.

It was wonderful to be preparing to send Vicky Earll and a team to plant a church in Hull early in 2024. As **planting churches** becomes more embedded in our culture, we've been able to serve the vision of our Diocese. Having a *Northern Church Planting Fund* is also helpful, as we can support a variety of planting initiatives beyond us, not just in prayer but with some financial support and networking too.

As part of our move to the De Grey Rooms, and in order to specify what God was doing this year, we launched our new Mission Statement 'Pray, Give, Grow.' This was to make it apparent that for the next few years, whilst we are out of our own church building, we have a clear way to keep our eyes fixed on Jesus. We will continue to focus on our five aims but this mission statement allows us to clearly focus on prayer, generosity and growth in order to work towards them.

2023 was a hugely significant year for *Impact*, our c£11m project to repair and reorder St Michael le Belfrey Church building. We received a further £1.5 million and are enormously grateful to those who have given their support, including Trusts, individual donors and our generous church members. Significant grants have been pledged or received from the Benefact Trust, Liz and Terry Bramall Foundation, Feoffeees of St Michael's Spurriergate, Yorkshire Historic Churches Trust, The Hobson Charity and The Collier Trust.

The project was granted essential permissions in 2023 - a big answer to prayer - which included planning permission and listed building consent from City of York Council and faculty approval from the Chancellor of the Diocese of York. Further applications to install smoke vents in the new roof to meet fire regulations and for the external signage and creation of hoardings with graphics were submitted later in the year.

Autumn 2023 gave us the opportunity to carry out our Wood Reclamation project, ahead of the Construction stage. The aim is to repurpose the wood for commercial and domestic use as part of our Sustainability strategy. Taking down the pews, gallery and narthex panels was carried out carefully and sensitively, recognising that the removal of such features has met with opposition. The hope is the gallery staircases can be used in new locations and the children's pews reconstructed and relocated. Some of the wood has been made into Belfrey furniture for people to purchase, particularly for members or those with a former connection with the church. It gives them the opportunity to own a physical reminder of the church building before it is reordered and contributes to the fundraising campaign.

In December 2023 the Tender, a substantial piece of work, was issued to six contractors by Cost Consultants Morham & Brotchie (The Belfrey's Cost Consultants and part of the design team led by LDN Architects). Tenders are due to be returned in March 2024 and the hope is to select a Contractor to start on site by Spring 2024.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2023**

We continue to cover Impact in prayer as we move into 2024. It is a stretching project but the results from which will support our ministries for generations to come.

### **PLANS FOR THE FUTURE**

In order to further our vision, we continued in 2023 to work on fulfilling our 5 Year Roadmap, launched in 2021. The roadmap informed much of our preaching and in 2023, we preached on themes that would prepare us well for our reordering project, while keeping mission central to our church life. Looking ahead we are convinced that all five aims need to be kept central to church life if we are to continue to grow, impact our city and beyond and be a church that plants churches that plant churches.

St Michael le Belfrey continues to plan for growth, not for decline. We believe we have a strategic and God-given vision and humbly, prayerfully and confidently seek for it to be furthered in the coming years. We plan to send out a team every two years to plant either something brand new or to revitalise an old church. We are pleased to be part of the Diocese's strategic planning for the coming years as together we seek to grow and to particularly impact the 20s-40s age group. We will also continue developing our plans for using a re-ordered St Michael le Belfrey church building. As we do so, we will seek to become an increasingly sustainable church, in line with the *Climate and Environmental Emergency Declaration* which the PCC made in autumn 2021. As part of this declaration we committed to becoming an eco-church, resolving that our church repair/reordering and our church family should treat eco matters as very important.

### **CHARITY GOVERNANCE CODE**

As a charitable body, we fulfil the 7 principles set out in the Charity Governance Code as follows:

#### **1. Organisational Purpose:**

We exist for worship and mission in the parish of St Michael le Belfrey, York. Our vision is to be serving God's Transformation of the North and for this we work and pray. To fulfil this vision our strategic emphases in 2023 were: serving York, proclaiming Christ, nurturing disciples, developing leaders and planting churches.

#### **2. Leadership:**

The church is led by the Vicar with the assistance of a Leadership Team and is governed by the PCC. Both the Vicar and Associate Minister are of incumbent status. Responsibility for much of the day-to-day life of the church is delegated to our staff and volunteers. We highly value the ministry of the whole church, with much work being done by volunteers, including small group leaders, helpers and pray-ers in all sorts of areas of church life.

#### **3. Integrity:**

We are followers of Jesus who seek to live under the authority of Scripture in the power of the Holy Spirit, while recognising our imperfections and weaknesses and our need of God's grace. We take safeguarding very seriously, being ably led by our Parish Safeguarding Officer, Barrie Stephenson, with over 200 members of our church family receiving regular safeguarding training. We seek to live with integrity, telling the truth and abiding by the law of the land. At PCC meetings we name conflicts of interest. We seek to honour each other, speak well of each other and give each other the benefit of the doubt. We particularly value generosity, festivity, simplicity, and humility. Our supporting values include kindness, creativity, diversity and integrity.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2023**

**4. Decision-Making, Risk and Control:**

We have a number of key goals for each year which are regularly monitored. We regularly review terms of reference, policies and the risk register. Our PCC membership is refreshed annually. Our accounts are professionally audited. Our financial statements, annual reports and various publications are shared with the Diocese of York, of which we are part. All staff and volunteers are line-managed.

**5. Board Effectiveness:**

Our PCC and Standing Committee meet in alternate months. We take advice from experts outside our church, especially in specialist HR, safeguarding or finance matters. We believe the PCC has a good mix of skills, experience, common sense and prayerfulness. New PCC members are given trustee induction and all undergo basic online safeguarding training.

**6. Diversity:**

God's Kingdom is made up of all manner of people but, historically, our church has not fully reflected this diversity in its membership, staffing and leadership, partly because of the background and makeup of York residents. We have continued to seek to make progress towards greater diversity within the leadership and membership of this church. There is a better gender and age balance across wardens and PCC members than in most churches. In particular, in 2022 we were pleased, with other larger churches in our diocese, to support a new racial diversity policy, committing ourselves to develop our recruitment processes to attract greater participation from diverse groups, and ensuring our interview panels are suitably diverse and their members have undergone unconscious bias training.

**7. Openness & Accountability:**

Our key stakeholders are our church family. Those who belong to the Belfrey normally show this by joining our electoral roll, worshipping regularly at one of our services, joining a small group and giving regularly. Most choose to receive a weekly email which includes a Friday Message (from the Vicar and staff), as well as news items, a calendar of services and Belfrey events, links to useful resources for church members, and the latest PCC Minutes. As well as oral and video notices in our services our church provides regular information on various social media platforms, including Facebook, Instagram and Twitter. We listen to feedback and take seriously all suggestions on how to improve our church life, discussing this at VLT and when necessary at PCC. Our 5 Year Roadmap, launched in 2021, incorporated feedback gathered in a large-scale Church Survey carried out in 2020. This survey also took place in 2023, which gave us interesting data. The issues that were highlighted were mainly around prayer and the value people place on Worship and Bible Teaching. We were also delighted to see that over 50% of our church would be interested in planting. We also encourage questions to be asked throughout the year, with written questions being invited on our annual report as well as oral questions at our Annual Meeting. We comply with the Data Protection Act 2018 and keep clear, accurate and up-to-date membership records using the safe and secure ChurchSuite church management system.

**FINANCIAL REVIEW**

Total income received in 2023 was £1,465,176 and total expenditure was £1,765,271. This led to an overall deficit of £300,095, mostly due to expenditure of restricted funds related to the Impact project and the Post-Pandemic Fund.

Unrestricted income was £815,276 and unrestricted expenditure £793,317 leaving a surplus of £21,959. Compared with 2022, unrestricted donations and legacies increased by £126,000 to £696,000. £15,000 of this was designated by the PCC for work with children, families and students. Unrestricted expenditure reduced by £67,000 to £793,000. This was mostly to do with

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2023**

moving to the De Grey Rooms over the summer and savings on utilities in the church and the parish centre over winter.

Restricted income was £649,900 and restricted expenditure £971,954, resulting in a deficit of £322,054. Compared with 2022, restricted donations and legacies increased by £76,000. This was due to continued fundraising for Impact, which brought in £65,000 more than in 2022 before Gift Aid. We also received £291,000 of restricted grant income. £220,000 of this was for the Impact project, £33,000 was reimbursed VAT under the Listed Places of Worship grant scheme (also for the Impact project), and £35,000 towards 18-30s and student workers' salaries. We were able to earn £55,000 of bank interest by investing money received for Impact in short-term deposits.

The Post-Pandemic Fund for social action gave out grants in 2023 amounting to £217,000. While we did receive £9,500 of income into the PPF in 2023, the fund is on track to be fully spent by the end of 2027. Fundraising has started in order to enable the social action projects that have been established to continue after that time. No grants were awarded out of the Northern Church Planting Fund in 2023 but there are four applications which will be considered in the first half of 2024.

Total expenditure on Impact during 2023 was £473,612, while income totalled £511,472. The main costs were architect fees (£129,000), the deposit and rent for the De Grey Rooms (£115,000), project team salaries (£73,000), wood removal (£38,000), reclaimable VAT (£34,000), and legal fees for lease agreements and Diocesan Chancellor costs (£26,000).

In 2023 trading activities amounted to £34,000, consisting of a mixture of hiring out the De Grey Rooms and the Belfrey Hall, as well as Impact merchandise and furniture reclamation sales.

During the year a legacy received for Holy Communion was used to buy two new silver chalices, two new silver plates, storage boxes and items of linen, which are now being used in De Grey Rooms while our older and more precious pieces of silverware are being repaired and then stored in York Minster for the duration of Impact. We also purchased a new keyboard to be used for worship. The rest of the legacy will be used to repair the reredos and altar area in the church building.

The move to De Grey Rooms over the summer was a significant event. While Impact funds have covered the rent for the building, general church funds were used to invest in new staff laptops, the truss set up in the ballroom and the extra desks, chairs, sofas and tables needed to use the space effectively. The new computers and truss have been added to the balance sheet as assets and we are planning to sell the truss when we vacate the De Grey Rooms, as it should still have significant value by then.

#### **INVESTMENT POLICY**

The PCC took external financial advice in 2021 from CCLA Investment Management Ltd on the investment of funds restricted for expenditure on the Impact Project, taking account also of its reserves and funds held for other projects. We continued to follow this advice in 2023. In view of the likely timescale for expenditure of the bulk of these funds and uncertainty over market conditions in the meantime, it would be appropriate to avoid significant risk and keep funds in cash deposits. The PCC will authorise the opening of additional bank deposit accounts as necessary, seeking to maximise the rate of interest consistent with the security of the funds and the required availability for Impact and other expenditure.

#### **RISK MANAGEMENT**

The PCC acknowledges its responsibility to identify, assess and manage the major risks to which it is exposed.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2023**

Major risks arise from a variety of aspects of the church's internal operations and external environment, including security, health and safety, and finance.

The PCC delegates the management of risk to the Operations Manager, the Treasurer team and Finance Manager, and a designated Churchwarden. Through this group the PCC maintains a register of major risks, and continues to ensure that systems and processes are in place to mitigate exposure to these risks. The risk register is held and kept up to date by the Operations Manager. The full PCC reviews the risk register on at least an annual basis, usually every March.

The Impact Project, to restore and reorder St Michael le Belfrey, holds its own separate risk register which is managed by the Impact Board under the supervision of the PCC.

### **RESERVES POLICY**

Our policy is to keep a cash reserve equating to three months' core staffing costs. At the moment that is around £90,000. Our total unrestricted net current assets at 31 December 2023 amounted to £108,047, which includes £15,000 designated by the PCC for work with children, families and students. Our reserves as at 31 December 2023 were £93,047.

The PCC holds property and equipment valued at £974,714, which are included in the unrestricted reserves and could be converted into cash if the need arose.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Parish of St Michael le Belfrey, York, is a parish within the Church of England as defined by canon law. Individual parishes within the Church of England do not have a separate constitution. They work within the framework of Church of England ecclesiastical law, consisting of the Parochial Church Council (Powers) Measure 1956 and the Church Representation Rules. The Belfrey received individual charitable status on 30 July 2009.

St Michael le Belfrey is governed by the PCC, the members of which are either ex officio or elected by the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules. In 2023 the church was led by the Vicar until June, by the Associate Minister and Church Wardens from June to October and thereafter by the Interim Priest-in-Charge, all assisted by a Leadership Team. A team of dedicated staff and volunteers manages day-to-day activities. We are most grateful for all that these various office-holders contribute to the life and witness of the church.

The only committee of the PCC required by law is the Standing Committee. This is made up of the Vicar, Associate Minister, Church Wardens, Secretary, Treasurer, and up to two elected PCC members. It has power to transact the business of the PCC between its meetings, subject to any directions given by the Council. The full PCC meets bi-monthly and the Standing Committee meets in the intervening months, along with the various other sub-groups. Full PCC meetings tend to discuss bigger picture matters, agree formal matters including the annual budget and receive a regular Safeguarding Report, whilst the Standing Committee deals with matters of more detail.

The PCC has delegated some decision-making powers to the following sub-groups: the Human Resources (HR) Group for HR matters, the Impact Project Board for the reordering of St Michael le Belfrey Church, the World Mission Team for overseeing mission partners, the Social Action Programme Board (SAPB) for social action and the implementation of the Love York Post Pandemic Fund, the Northern Church Planting Group for governance of the Northern Church Planting Fund, and G2 Council for governance of G2.

All major governance matters are decided by the Vicar/Priest-in-charge and PCC together.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2023**

**ADMINISTRATIVE INFORMATION**

Parish name:	St Michael le Belfrey, York
Church address:	St Michael le Belfrey, High Petergate, York, YO1 7EN
Office address:	The De Grey Rooms, St Leonard's Place, York, YO1 7HB
Charity working name:	St. Michael le Belfrey PCC
Registered number:	1130866
Principal address:	The Parish Centre, 11/12 Minster Yard, York, YO1 7HH
Independent auditors:	Fawley Judge & Easton, 1 Parliament St, Hull, HU1 2AS
Financial institution:	Royal Bank of Scotland, 27 Park Row, Leeds, LS1 5QB

**PCC Members / Trustees**

The members of the PCC who served during the year were as follows:

<b>Clergy</b>	Matthew Porter (until June) Andy Baker James Congreve-Horn Vicky Earll
---------------	---

<b>Churchwardens</b>	Daniel Brookes Karen Dixon Remi Oduyemi Andrew Oldroyd
----------------------	---

<b>Deanery Synod</b>	Daniel Brookes (until June) James Hayden John Lindley Andrew Oldroyd (from June) Tony Scott Martine Somerville Becca Tilbrook
----------------------	---

<b>Elected representatives</b>	Lydia Baldwin Katherine Bridge Ross Kenyon (until April) Joe McKeogh Liv Portway Dan Tilbrook (from April) Paddy Wordsworth (until September)
--------------------------------	---

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2023**

**Officers**

Secretary: Martine Somerville  
Treasurer Team: Joe McKeogh (Treasurer) &  
Martine Somerville  
Electoral Roll Officer: Izzy Pysanczyn

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2023**

**STATEMENT OF RESPONSIBILITIES OF THE PAROCHIAL CHURCH COUNCIL**

Law applicable to charities in England and Wales and guidance issued by the Central Board of Finance of the Church of England require the members of the Parochial Church Council to prepare financial statements which give a true and fair view of the Parochial Church Council's financial activities during the year.

In preparing financial statements giving a true and fair view, the members of the Parochial Church Council should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the Church guidance, applicable accounting standards and statements of recommended practice 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 Parochial Church Council will continue in operation.

The members of the Parochial Church Council are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Parochial Church Council and enable them to ensure that the financial statements comply with the Church Accounting Regulations 2006 and the Charities Act 2011. They are also responsible for safeguarding the assets of the Parochial Church Council and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**PROVISION OF INFORMATION TO AUDITORS**

In so far as the members of the PCC are aware:

- there is no relevant information of which the PCC's auditors are unaware; and
- the members of the PCC have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITORS**

The church's firm of auditors changed to Fawley Judge & Easton, appointed at the Annual Parochial Church Meeting on 24 April 2023.

Approved by the Parochial Church Council and signed on its behalf by:

*Martine Somerville*

*Martine Somerville*  
Secretary

18/03/2024

# **THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

#### **Opinion**

We have audited the financial statements of the Parochial Church Council of the Ecclesiastical Parish of St Michael le Belfrey with St Cuthbert, York for the year ended 31 December 2023, which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. 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).

This report is made solely to the Parochial Church Council (the PCC) as 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 PCC those matters we are required to state to them in an auditors' 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 PCC as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, 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 and the Church Accounting Regulations 2006.

#### **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 Auditors' 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.

# **THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

#### **Other information**

The PCC is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 PCCs' report; or
- sufficient accounting records have not been kept; 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 the Parochial Church Council**

As explained more fully in the statement of responsibilities of the Parochial Church Council set out on page 10, the PCC is 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 PCC determines 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 PCC is responsible for assessing the 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 PCC either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL  
PARISH OF ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**INDEPENDENT AUDITOR'S REPORT**

**TO THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH  
OF ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 auditors' 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.

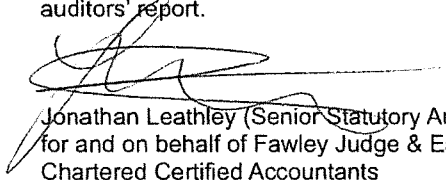
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charity and the area in which it operates, and considered the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We identified the greatest potential for fraud in the following areas: existence and timing of recognition of income and the posting of unusual journals. We discussed these risks with management and designed audit procedures as follows:

- to test the timing and existence of revenue,
- to review journals posted to key control accounts or posted around the year end, to look for potential "window dressing" as well as looking at a sample throughout the year.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

  
Jonathan Leathley (Senior Statutory Auditor)  
for and on behalf of Fawley Judge & Easton  
Chartered Certified Accountants  
Statutory Auditor  
1 Parliament Street  
Hull  
East Yorkshire  
HU1 2AS

16 April 2024

Fawley Judge & Easton is eligible for appointment as auditor of the charity / PCC by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds	
					2023 £	2022 £
<b>Income and endowments from:</b>						
Donations and legacies	2	680,948	15,000	275,717	971,665	770,601
Income from charitable church activities	3	73,419	-	15,978	89,397	82,214
Other trading activities	4	22,983	-	11,219	34,202	19,038
Investments	5	10,748	-	56,721	67,469	15,215
Other income	6	12,178	-	290,265	302,443	7,482
<b>Total income</b>		<b>800,276</b>	<b>15,000</b>	<b>649,900</b>	<b>1,465,176</b>	<b>894,550</b>
<b>Expenditure on:</b>						
Raising funds	7	102	-	6,863	6,965	13,843
Charitable church activities		793,215	-	965,091	1,758,306	1,680,958
<b>Total expenditure</b>		<b>793,317</b>	<b>-</b>	<b>971,954</b>	<b>1,765,271</b>	<b>1,694,801</b>
<b>Net income/(expenditure) before gains and losses</b>		<b>6,959</b>	<b>15,000</b>	<b>(322,054)</b>	<b>(300,095)</b>	<b>(800,251)</b>
Net gains revaluation of fixed assets	11	-	-	-	-	-
<b>Net income/(expenditure)</b>		<b>6,959</b>	<b>15,000</b>	<b>(322,054)</b>	<b>(300,095)</b>	<b>(800,251)</b>
Transfers between funds		-	-	-	-	-
<b>Net movement in Funds</b>		<b>6,959</b>	<b>15,000</b>	<b>(322,054)</b>	<b>(300,095)</b>	<b>(800,251)</b>
<b>Total funds brought forward at 1 January 2023</b>		<b>1,057,114</b>	<b>-</b>	<b>8,586,533</b>	<b>9,643,647</b>	<b>10,443,898</b>
<b>Total funds carried forward at 31 December 2023</b>	17/18	<b>£1,064,073</b>	<b>£15,000</b>	<b>£ 8,264,479</b>	<b>£ 9,343,552</b>	<b>£ 9,643,647</b>

The notes on pages 17 to 30 form part of these financial statements.

The Statement of Financial Activities includes all gains and losses in the year and all of the above amounts relate to continuing activities.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**BALANCE SHEET**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds	
					2023 £	2022 £
<b>Fixed Assets</b>						
Tangible fixed assets	11	971,026	-	3,688	974,714	951,565
		971,026	-	3,688	974,714	951,565
<b>Current Assets</b>						
Stock	12	513	-	4,990	5,503	613
Debtors	13	24,265	-	5,136,600	5,160,865	6,219,971
Cash at bank and in hand	14	99,604	15,000	3,126,035	3,240,639	2,522,356
<b>Total Current Assets</b>		124,382	15,000	8,267,625	8,407,007	8,742,940
<b>Current Liabilities</b>						
Creditors: amounts falling due within one year	15	31,335	-	6,834	38,169	50,858
<b>Total current liabilities</b>		31,335	-	6,834	38,169	50,858
<b>Net Current Assets</b>		93,047	15,000	8,260,791	8,368,838	8,692,082
<b>Total assets less current liabilities</b>		1,064,073	15,000	8,264,479	9,343,552	9,643,647
<b>Net Assets</b>		<b>£ 1,064,073</b>	<b>£ 15,000</b>	<b>£ 8,264,479</b>	<b>£ 9,343,552</b>	<b>£ 9,643,647</b>
<b>The funds of the charity</b>						
Unrestricted general fund	17	753,073	-	-	753,073	746,114
Designated funds	17	-	15,000	-	15,000	-
Unrestricted revaluation reserve fund	17	311,000	-	-	311,000	311,000
Restricted funds	18	-	-	8,264,479	8,264,479	8,586,533
<b>Total Charity Funds</b>		<b>£ 1,064,073</b>	<b>£ 15,000</b>	<b>£ 8,264,479</b>	<b>£ 9,343,552</b>	<b>£ 9,643,647</b>

Approved by the Parochial Church Council on 18/03/2024 and signed on its behalf by:

*Martine Somerville*

Martine Somerville (Secretary)

The notes on pages 17 to 30 form part of these financial statements.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities:</b>		
<b>Net income for the reporting period</b>	<b>(300,095)</b>	<b>(800,251)</b>
<b>Adjusted for:</b>		
Depreciation charges	5,474	2,625
Dividends and interest from investments	(67,469)	(15,215)
Revaluation of fixed assets	-	-
Decrease/(increase) in stocks	(4,890)	(80)
Decrease/(increase) in debtors	1,059,106	997,455
Increase/(decrease) in creditors	(12,689)	(28,835)
	<b>679,437</b>	<b>155,699</b>
<b>Net cash provided by operating activities</b>		
<b>Cash flows from investing activities:</b>		
Dividends and interest from investments	67,469	15,215
purchase of tangible fixed assets	(28,623)	15,215
	<b>38,846</b>	<b>15,215</b>
<b>Net cash provided by investing activities</b>		
<b>Change in cash and cash equivalents in the reporting period</b>	<b>718,283</b>	<b>170,914</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>2,522,356</b>	<b>2,351,442</b>
	<b>£ 3,240,639</b>	<b>£ 2,522,356</b>
<b>Cash and cash equivalents at the end of the reporting period</b>		
<b>Analysis of cash and cash equivalents</b>		
Cash in hand	364	351
No notice and notice deposits (less than 3 months)	1,122,393	640,243
Notice deposits (more than 3 months)	2,117,882	1,881,762
	<b>£ 3,240,639</b>	<b>£ 2,522,356</b>

Charity law requires separate administration of the cashflows of endowed and other restricted funds of the Charity. This constraint has not adversely affected cashflows as stated above.

The notes on pages 17 to 30 form part of these financial statements

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023**

**1. ACCOUNTING POLICIES**

**Basis of preparation**

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019, the Charities Act 2011, and the Church Accounting Regulations 2006.

The financial statements include all transactions, assets and liabilities for which the Parochial Church Council ("the PCC") is responsible in law. They do not include the financial statements of church groups that owe their main affiliation to another body, nor those that are informal gatherings of church members.

The PCC is a public benefit entity as defined by FRS 102.

**Statutory information**

The PCC is registered with the Charity Commission, registration number 1130866. The registered address is The Parish Centre, 11/12 Minster Yard, York, YO1 7HH.

**Funds**

*Unrestricted funds* represent the general funds of the PCC that are not subject to any restrictions regarding their use and are available for application for the ordinary purposes of the PCC.

*Designated funds* represent those unrestricted general funds which have been set aside by the PCC for a particular purpose.

*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 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 fund. Most of the money in restricted funds is held in separate bank and Stewardship accounts and interest that arises is allocated to those restricted funds. The remaining interest largely represents monies accrued from unrestricted funds.

**Income recognition**

All income is recognised once the PCC has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably. Planned giving, collections and donations are recognised when received. Tax refunds are recognised when the incoming resource to which they relate is received. Grants and legacies are accounted for when the PCC is entitled to the use of the resources, their ultimate receipt is considered reasonably certain and the amounts due are readily quantifiable. Dividends are accounted for when declared receivable, interest as and when accrued by the payer. All other income is recognised when it is receivable. Amounts received specifically for mission are dealt with as restricted funds. All incoming resources are accounted for gross.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

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

**1. ACCOUNTING POLICIES (continued)**

**Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the PCC to that expenditure, it is probable that settlement will be required and the amount of obligation can be measured reliably.

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. The Diocesan Freewill Offering is accounted for when due. All other expenditure is generally recognised when it is incurred and is accounted for gross.

**Fixed assets**

Consecrated and benefice property is not included in the financial statements in accordance with section 10 (2) (a) and (c) of the Charities Act 2011.

Movable church furnishings held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the church's inventory, which can be inspected at any reasonable time. All expenditure incurred during the year on consecrated or benefice buildings and movable church furnishings, whether maintenance or improvement, is written off.

Other land and buildings held on behalf of the PCC for its own purposes are valued at market value. No depreciation is charged against such properties as they are regularly maintained to such an extent that their estimated economic lives and residual values are such that their depreciation is insignificant. At each year end an assessment is carried out to ascertain whether there is any indication that the properties should be written down (i.e. whether its carrying amount is more than its recoverable amount). If there is no indication that a property should be written down, it is not necessary to estimate the recoverable amount.

Equipment used within the church premises, The Parish Centre and Church Hall are depreciated on a straight-line basis over their estimated useful life of 4 to 10 years. Individual items of equipment with a purchase price of £3,000 or less are written off in the period in which they are acquired.

**Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of two years or less from the date of acquisition or opening of the deposit or similar account.

**Creditors and provisions**

Creditors and provisions are recognised where the PCC has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

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

to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**Financial Instruments**

The PCC only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income on a straight-line basis over the period of the lease.

**Irrecoverable Value Added Tax**

The PCC is not registered for Value Added Tax (VAT) and accordingly expenditure is shown gross of irrecoverable VAT. The VAT incurred from time to time on certain fabric repair and maintenance expenditure can, however, be recovered under the Listed Places of Worship Grant Scheme.

**Going Concern**

The PCC has cash resources from a large generous congregation and has also started to look for and apply for grants to help support the mission of the church. These include youth work, student and 18-30s work and also grants towards the repair and reordering project (Impact). The PCC has a reasonable expectation that the church has adequate resources to continue in operational existence for the foreseeable future.

The PCC continue to believe the going concern basis of accounting is appropriate in preparing the financial statements.

**Heritage Assets**

The Vicar/Priest-in-Charge and Church Wardens hold on special trust for the PCC silver and plate gifted to the church for ecclesiastical purposes. They date from the 17th century and therefore, there is insufficient cost information available. Due to the unique nature of these assets and their historic association with worship at the church over hundreds of years, conventional valuation techniques are not applicable and therefore have not been valued in the financial statements. The silver and plate, 38 items in total are listed in the church's inventory and are regarded by law as inalienable assets which the PCC would require a faculty for disposal. Inspection can be arranged at reasonable times where they are located.

**Pensions**

The PCC pays employer contributions into a variety of pension schemes consisting of individual employee's personal pension schemes of their choice and a workplace pension scheme to fulfil the PCC's auto enrolment obligations (Church Workers Pension Fund).

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

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

**1. ACCOUNTING POLICIES** (continued)

**Church Workers Pension Fund - Pension Builder 2014**

St Michael le Belfrey PCC participates in the Pension Builder Scheme section of Church Workers Pension Fund for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the St Michael le Belfrey PCC and the other participating employers.

CWPF has two sections:

1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections;
  - a. a deferred annuity section known as Pension Builder Classic, and,
  - b. a cash balance section known as Pension Builder 2014.

**Pension Builder Scheme**

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

Pension Builder 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. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

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 means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pension costs charged to the SoFA in the year are the contributions payable (2023: £24,827 2022: £22,896).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent was carried out as at 31 December 2022. The next valuation is due as at 31 December 2025.

For the Pension Builder 2014 section, the valuation revealed a surplus of £2m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, St Michael le Belfrey PCC could become responsible for paying a share of that employer's pension liabilities.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

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

**1. ACCOUNTING POLICIES** (continued)

**Accounting Estimates and Judgements**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The trustees believe that the following judgements are critical due to the potential material impact it has on the financial statements.

Included within debtors are amounts received in respect of donations towards the Impact project, the Post Pandemic fund and Church planting. These amounts have been paid by donors to Stewardship who hold the funds on trust for the Church. The Trustees consider that the income recognition criteria of entitlement, probability of receipt and measurement have all been met. The donations were therefore recognised in full in 2020 and are included in debtors at the year-end as shown in note 13. The debtor will be released as funds are received from Stewardship over the life of the projects.

**Property Values**

The trustees consider that the freehold land and buildings are valued at their fair value in the financial statements. The valuations are undertaken by an external professional valuer who carried out a revaluation at 4 October 2021 and the directors have used this valuation to review the fair value at 31 December 2021.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)**

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds	
				2023 £	2022 £
<b>2. Donations and legacies</b>					
Planned giving	496,364	-	60,535	556,899	518,481
Tax recoverable	81,493	-	47,558	129,051	116,941
Collections (open plate)	13,047	-	-	13,047	5,797
Legacies	-	-	-	-	500
Impact donations	-	-	145,271	145,271	80,793
General donations	90,044	15,000	22,353	127,397	48,089
	£ 680,948	£ 15,000	£ 275,717	£ 971,665	£ 770,601

In 2022, income from donations and legacies amounting to £569,734 related to unrestricted funds and £200,867 related to restricted funds.

<b>3. Income from charitable church activities</b>					
Events	62,122	-	4,965	67,087	67,859
Other income from church activities	11,297	-	11,013	22,310	14,355
	£ 73,419	£ -	£ 15,978	£ 89,397	£ 82,214

In 2022, income from charitable church activities amounting to £80,083 related to unrestricted funds and £2,131 related to restricted funds.

<b>4. Other trading activities</b>					
Sales	6,103	-	11,219	17,322	7,450
Hire of facilities	16,880	-	-	16,880	11,558
Music	-	-	-	-	30
	£ 22,983	£ -	£ 11,219	£ 34,202	£ 19,038

In 2022, all income from other trading activities related to unrestricted funds.

<b>5. Investment income</b>					
Dividends received	-	-	1,183	1,183	1,179
Deposit interest	10,748	-	55,538	66,286	14,036
	£ 10,748	£ -	£ 56,721	£ 67,469	£ 15,215

In 2022, investment income amounting to £4,645 related to unrestricted funds and £10,570 related to restricted funds.

The PCC also receives income from 2,212 Charities Official Investment Fund shares. However, the value of the shares has not been included within the balance sheet because, although the PCC receives the income, the legal title belongs to two charities associated to the PCC.

<b>6. Other income</b>					
Other income	5,012	-	5	5,017	4,982
Grants	7,166	-	290,260	297,426	2,500
	£ 12,178	£ -	£ 290,265	£ 302,443	£ 7,482

In 2022, all other income related to unrestricted funds.

<b>Total Income</b>	£ 800,276	£ 15,000	£ 649,900	£ 1,465,176	£ 894,550
---------------------	-----------	----------	-----------	-------------	-----------

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023  
(CONTINUED)**

	Unrestricted Funds £	Restricted Funds £	2023 £	Total 2022 £
<b>7. Analysis of expenditure</b>				
Raising funds	£ 102	£ 6,863	£ 6,965	£ 13,843
<hr/>				
Charitable church activities				
Missionary and charitable giving (note 8)				
Grants	-	223,400	223,400	200,761
Overseas mission	38,301	-	38,301	48,341
Home mission	12,740	12,323	25,063	24,574
	<hr/>	<hr/>	<hr/>	<hr/>
	51,041	235,723	286,764	273,676
Ministry: Diocesan free will offering	176,544	3,000	179,544	179,544
Church - general upkeep and services	68,556	58,007	126,563	97,033
Church - premises	121,878	320,637	442,515	504,121
Music	2,407	296	2,703	2,611
Events	20,857	355	21,212	22,553
Staff salaries, pensions and other staffing costs	308,158	282,157	590,315	534,011
Office and administration costs	34,825	38,293	73,118	57,383
Finance costs	2,049	26,623	28,672	3,042
Audit fee	3,300	-	3,300	4,200
Outsourced accountancy, taxation and payroll	3,600	-	3,600	2,784
	<hr/>	<hr/>	<hr/>	<hr/>
	£ 793,215	£ 965,091	£ 1,758,306	£ 1,680,958
	<hr/>			
<b>Total</b>	<b>£ 793,317</b>	<b>£ 971,954</b>	<b>£ 1,765,271</b>	<b>£ 1,694,801</b>
	<hr/>			

In 2022, expenditure of £860,433 related to unrestricted funds and £834,368 related to restricted funds.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023  
(CONTINUED)**

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	2022 £
<b>8. Mission and charitable grants</b>				
<i>Grants</i>				
Acts 435	-	780	780	1,550
Ukrainian refugees	-	-	-	1,017
Church Planting Grant	-	-	-	135,000
Hardship fund	-	-	-	100
Small grants fund PPF	-	67,000	67,000	59,000
PPF Belfrey Group Match Funding	-	783	783	831
PPF Catalyser Grants	-	100,000	100,000	-
PPF Charity Donations	-	130	130	-
PPF Out of York Grants	-	50,000	50,000	-
One-Off Restricted Donations	-	4,707	4,707	3,263
	-	223,400	223,400	200,761
<i>Overseas mission</i>				
Blacker Support	12,260	-	12,260	11,388
Wycliffe (Eves)	9,000	-	9,000	9,000
Fletcher Support	8,364	-	8,364	7,371
Homer Support	6,120	-	6,120	6,120
Roberts Support	-	-	-	9,408
Bayfords	-	-	-	2,400
Wilson	2,040	-	2,040	2,040
International Students	239	-	239	120
Missionary Discretionary	13	-	13	229
Global Connections	265	-	265	265
	38,301	-	38,301	48,341
<i>Home mission</i>				
Church Missions	20	-	20	236
Friends International	2,000	-	2,000	2,000
Warren Furman Mission	-	-	-	1,500
Paul Myers Mission	2,000	-	2,000	2,000
Restore	1,000	-	1,000	1,000
Riding Lights	3,000	-	3,000	3,000
YoYo mission giving	1,000	-	1,000	3,000
Evangelism Cafes	160	-	160	91
Women's Ministry	-	1,683	1,683	582
Student Mission	338	-	338	216
Children and Family Outreach	-	-	-	285
Youth Outreach	149	-	149	436
Students International Mission	-	-	-	50
Students Social Action	-	-	-	41
Evangelism Ministry	53	-	53	250
Community/Families Outreach	174	-	174	491
Youth Outreach Miscellaneous	-	-	-	17
Alpha	2,021	-	2,021	1,966
Student Alpha	825	-	825	1,966
G2 Giving	-	2,841	2,841	2,845
G2 Giving to Fusion	-	-	-	2,963
G2 Outreach Events	-	60	60	-
CAP contribution	-	7,200	7,200	1,200
Funeral Collection	-	539	539	405
	12,740	12,323	25,063	26,540
	£ 51,041	£ 235,723	£ 286,764	£ 275,642

In 2022, all Grants were related to restricted funds. all Overseas Mission were related to unrestricted funds. Home Mission was made up of £16,498 relating to unrestricted funds and £8,076 relating to restricted funds.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023  
(CONTINUED)**

**9. Net income for the year**

This is stated after charging:		
Staff pension contribution	24,827	22,896
Depreciation	5,474	2,625
Auditors' remuneration - audit of financial statements	3,300	4,200
	<hr/> <hr/>	

**10. Staff costs and emoluments**

Total staff costs were as follows:		
Wages and salaries	512,534	465,628
Social security costs	33,820	30,679
Other pension costs	24,827	22,896
	<hr/> <hr/>	
	£ 571,181	£ 519,203
	<hr/> <hr/>	

During the year the PCC employed no one who earned more than £60,000.

The average head count (number of staff employed) during the year was 29 (2022- 29). The average number of employees calculated on the basis of full-time equivalents was 19 (2022 - 19)

The PCC considers its key management personnel to comprise only of the PCC Members (Trustees). They receive no remuneration in their capacity as trustees but may be employed to carry out their roles within the church. The total of remuneration received by trustees and key management personnel for their services to the church amounted to £2,473 (2022 - £5,580).

**11. Tangible fixed assets**

	Freehold Land & Buildings £	Motor Vehicles £	Church Equipment £	Total £
Cost or valuation				
At 1 January 2023	950,000	12,850	83,891	1,046,741
Revaluation in year	-	-	-	-
Disposal in year	-	-	-	-
Additions	-	-	28,623	28,623
Revaluation	-	-	-	-
	<hr/>			
At 31 December 2023	950,000	12,850	112,514	1,075,364
	<hr/>			
Depreciation				
At 1 January 2023	-	12,850	82,326	95,176
Charge for year	-	-	5,474	5,474
Disposal in year	-	-	-	-
	<hr/>			
At 31 December 2023	-	12,850	87,800	100,650
	<hr/>			
Net book value				
At 31 December 2023	£ 950,000	£ -	£ 24,714	£ 974,714
	<hr/> <hr/>			
At 31 December 2022	£ 950,000	£ -	£ 1,565	£ 951,565
	<hr/> <hr/>			

The freehold land and buildings, comprising 13 Hempland Drive, 28 Langdale Avenue and the Church Hall were revalued at 4th October 2021 by Stephenson's Estate Agents, and are included at their revised market values of £450,000, £210,000 and £290,000 respectively.

If the freehold property had not been included at valuation, they would have been included under the historical cost convention as follows:

	2023	2022
Historical cost at 31 December 2023	£ 639,000	£ 639,000
	<hr/> <hr/>	

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)**

<b>12. Stock</b>	<b>2023</b>	<b>2022</b>
Impact furniture - Chopping Board	£ 120	-
Impact furniture - Holding Cross	£ 170	-
Impact furniture - Footstool	£ 150	-
Impact Merchandise - Brew Cups	£ 883	-
Impact Merchandise - Keep Cup	£ 1,252	-
Impact Merchandise - Chilly Water Bottle	£ 1,409	-
Impact Merchandise - Cookie Cutters	£ 1,006	-
Bookstall stock	£ 513	£ 613
	<hr/> <hr/>	
	£ 5,503	£ 613

At 31 December 2023 £514 related to unrestricted funds and the rest restricted funds. At 31 December 2022 all stock related to the unrestricted funds.

<b>13. Debtors</b>		
Trade debtors	375	55
Income tax recoverable	10,635	15,511
Prepayments and accrued income	124,855	24,405
Accrued income - Church Planting, Post Pandemic and Impact grants within one year	3,398,000	2,348,000
Accrued income - Church Planting, Post Pandemic & Impact grants more than one year	1,627,000	3,832,000
	<hr/> <hr/>	
	£ 5,160,865	£ 6,219,971

At 31 December 2023 £5,136,599.57 (2022 - £6,194,867) of debtors related to restricted funds, the balance of debtors related to the unrestricted funds.

<b>14. Cash at bank and in hand</b>	<b>2023</b>	<b>2022</b>
	£	£
Bank balances	3,240,275	2,522,005
Cash balances	364	351
	<hr/> <hr/>	
	£ 3,240,639	£ 2,522,356

At 31 December 2023 £99604 (2022 - £117,340) of cash and bank balances related to unrestricted funds and £15,000 (2022 - Nil) related to designated funds £3,126,033 (2022 - £2,405,016) related to restricted funds.

<b>15. Creditors: amounts falling due within one year</b>	<b>2023</b>	<b>2022</b>
	£	£
Trade creditors	5,316	14,181
Accruals and deferred income	22,401	28,846
Tax and social security creditor	10,090	7,554
Pension creditors	362	277
	<hr/> <hr/>	
	£ 38,169	£ 50,858

At 31 December 2023 £6,834 (2022 - £13,350) of creditors related to restricted funds, the balance of creditors related to unrestricted funds.

	<b>2023</b>	<b>2022</b>
	£	£
Deferred income at 1 January 2023	5,822	6,491
Resources deferred during the year	5,684	5,822
Amounts released from previous periods	(5,822)	(6,491)
	<hr/> <hr/>	
	£ 5,684	£ 5,822

Deferred income consists of grant and contract income where a time condition is included in the initial offer and it is specified as being for use after the year end. Deferred income for 2022 and 2023 was income in advance for church events where an early bird discount was offered and also rent income paid for future periods.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)**

**16. Commitments under operating leases**

At 31 December 2021 the PCC had annual commitments under non-cancellable operating leases as set out below:

	2023		2022	
	Land and buildings £	Other items £	Land and buildings £	Other items £
Operating leases which expire				
Under 1 year	-	-	-	-
Within 2 to 5 years	67,644	1,315	7,644	1,315
After more than 5 years	32,800	-	32,800	-
	<b>£ 100,444</b>	<b>£ 1,315</b>	<b>£ 40,444</b>	<b>£ 1,315</b>

The following lease payments have been recognised as an expense in the statement of financial activities:

	2023	2022
Operating lease rentals	£ 64,954	£ 41,759

**17. Unrestricted and Designated Funds**

<i>Current Year</i>	Brought forward 01/01/2023 £	Incoming Resources £	Outgoing Resources £	Transfers Between Funds £	Other recognised gains and (losses) £	Carried forward 31/12/2023 £
Unrestricted fund - General	746,114	800,276	(793,317)	-	-	753,073
Unrestricted fund - Revaluation Reserve	311,000		-	-	-	311,000
	<b>1,057,114</b>	<b>800,276</b>	<b>(793,317)</b>	<b>-</b>	<b>-</b>	<b>1,064,073</b>
Designated fund - students and/or children and families	-	15,000	-	-	-	15,000
<b>Total Unrestricted and Designated Funds</b>	<b>£ 1,057,114</b>	<b>£ 815,276</b>	<b>£ (793,317)</b>	<b>-</b>	<b>-</b>	<b>£ 1,079,073</b>

<i>Comparative Year</i>	Brought forward 01/01/2022 £	Incoming Resources £	Outgoing Resources £	Transfers Between Funds £	Other recognised gains and (losses) £	Carried forward 31/12/2022 £
Unrestricted fund - General	922,584	680,982	(860,433)	2,981	-	746,114
Unrestricted fund - Revaluation Reserve	311,000		-	-	-	311,000
	<b>1,233,584</b>	<b>680,982</b>	<b>(860,433)</b>	<b>2,981</b>	<b>-</b>	<b>1,057,114</b>
<b>Total Unrestricted and Designated Funds</b>	<b>£ 1,233,584</b>	<b>£ 680,982</b>	<b>(860,433)</b>	<b>£ 2,981</b>	<b>£ -</b>	<b>£ 1,057,114</b>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)**

**18. Restricted Funds**

*Current Year*

	Brought forward 01/01/2023 £	Incoming Resources £	Outgoing Resources £	Transfers £	Carried forward 31/12/2023 £
G2 fund	36,620	92,341	(111,119)		17,842
Acts 435	-	780	(780)		-
Church Planting fund	1,395,000		(18,893)		1,376,107
St Wilfred Ecclesiastical Charity (COIF)	3,908	1,183	(1,500)		3,591
Funeral Collections	-	539	(539)		-
Grant Income - Multiply	-	10,000	(3,333)		6,667
Giving Away Day	6,500				6,500
Hardship Fund	481				481
Holy Communion	23,197		(9,192)		14,005
Holyrood Sisters Grant	-	15,000	(5,000)		10,000
House of Prayer	-	460			460
House of Prayer People	10,000		(10,000)		-
Impact Project	6,072,254	511,472	(473,612)		6,110,114
Internship Bursary	1,120				1,120
Legacy for Church Silver	311				311
Let's Cook (Never Give Up)	2,794	443	(1,125)		2,112
One-Off Collections	245	7,558	(4,860)		2,943
Post Pandemic Fund	872,497	9,520	(330,068)		551,949
Premises Legacy	154,825				154,825
Music (royalties)	382		(234)		148
Shoeboxes	14				14
Sozo Fund	796				796
Stained Glass Maintenance St Michael's Warwick Burton	2,000				2,000
Stained Glass Maintenance St Cuthbert's Warwick Burton	1,000				1,000
The Corner Youth Outreach	281				281
Ukrainian Refugees in the UK	243				243
Women's Ministry	2,065	604	(1,699)		969
	<b>8,586,533</b>	<b>649,900</b>	<b>(971,954)</b>	<b>-</b>	<b>8,264,479</b>

The purpose and use of each restricted fund is generally explained by the name of that respective fund. The Impact Project fund is to be used to fulfil the plans to renovate and renew St Michael le Belfrey Church building so it can become more fit for purpose for worship and mission in the coming years.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (CONTINUED)**

**18. Restricted Funds**

*Comparative Year*

	Brought forward 01/01/2022 £	Incoming Resources £	Outgoing Resources £	Transfers £	Carried forward 31/12/2022 £
G2 fund	42,532	90,417	(96,329)	-	36,620
Acts 435	-	1,550	(1,550)	-	-
Storehouse	1,120	-	(509)	(611)	-
Bible Fund	32	-	(32)	-	-
Church Planting fund	1,530,000	-	(135,000)	-	1,395,000
St Wilfred Ecclesiastical Charity (COIF)	3,336	1,179	(607)	-	3,908
Evangelism of the North	161	-	-	(161)	-
Funeral Collections	69	335	(404)	-	-
Giving Away Day	6,752	-	(24)	(228)	6,500
Hardship Fund	581	-	(100)	-	481
Holy Communion	23,474	-	(277)	-	23,197
House of Prayer	1,566	127	(124)	(1,569)	-
House of Prayer People	10,000	-	-	-	10,000
Impact Project	6,434,149	113,232	(475,127)	-	6,072,254
Internship Bursary	1,120	-	-	-	1,120
Legacy for Church Silver	311	-	-	-	311
Never Give Up	4,237	510	(1,953)	-	2,794
One-Off Collections	646	2,728	(3,290)	161	245
Post Pandemic Fund	988,009	1,620	(117,132)	-	872,497
Premises Legacy	154,825	-	-	-	154,825
Music (royalties)	382	-	-	-	382
Shoeboxes	14	-	-	-	14
Sozo Fund	1,051	-	(255)	-	796
Stained Glass Maintenance St Michael's Warwick Burton	2,000	-	-	-	2,000
Stained Glass Maintenance St Cuthbert's Warwick Burton	1,000	-	-	-	1,000
The Corner Youth Outreach	338	-	(57)	-	281
Ukrainian Refugees in the UK	-	1,260	(1,017)	-	243
Unspecified but Restricted	573	-	-	(573)	-
Women's Ministry	2,036	611	(582)	-	2,065
	<b>9,210,314</b>	<b>213,568</b>	<b>(834,368)</b>	<b>(2,981)</b>	<b>8,586,533</b>

**19. Analysis of net assets by fund**

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2023 £
<i>Current Year</i>				
Tangible fixed assets	971,026	-	3,688	974,714
Current assets	124,382	15,000	8,267,625	8,407,007
Creditors:				
Amounts falling due within one year	(31,335)	-	(6,834)	(38,169)
	<b>£ 1,064,073</b>	<b>£ 15,000</b>	<b>£ 8,264,479</b>	<b>£ 9,343,552</b>
<i>Comparative Year</i>				
Tangible fixed assets	951,565	-	-	951,565
Current assets	143,057	-	8,599,883	8,742,940
Creditors:				
Amounts falling due within one year	(37,508)	-	(13,350)	(50,858)
	<b>£ 1,057,114</b>	<b>£ -</b>	<b>£ 8,586,533</b>	<b>£ 9,643,647</b>

**20. Related party transactions**

No member of the PCC received any remuneration or expenses for their services to the PCC. Rev'd Matthew Porter, Rev'd Andrew Baker, Rev'd Victoria Earli and Rev'd James Congreve-Horn are reimbursed for parochial expenses which are necessarily incurred by them to fulfil the duties of their post in accordance with the guidelines set down by the Central Stipends Authority of the Church of England. In addition Mr. Porter receives set statutory parochial fees for officiating at weddings and funerals, these are accounted for to the local Diocese.

During the year a total of £84,690 (including gift aid) (2022 - £61,943) was donated to the PCC by PCC Members (trustees), including close family members. This also includes donations towards the Impact project.

During the year expenses of £4,491.37(2022-£3,787.41) were incurred by PCC members and close family towards running of the church and ministry and not for services to the PCC.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**21. Comparative Statement of Financial Activities**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Unrestricted Funds £	Restricted Funds £	Total Funds	
			2022 £	2021 £
<b>Income and endowments from:</b>				
Donations and legacies	569,734	200,867	770,601	814,374
Income from charitable church activities	80,083	2,131	82,214	56,531
Other trading activities	19,038	-	19,038	10,474
Investments	4,645	10,570	15,215	7,751
Other income	7,482	-	7,482	13,926
<b>Total income</b>	<b>680,982</b>	<b>213,568</b>	<b>894,550</b>	<b>903,056</b>
<b>Expenditure on:</b>				
Raising funds	253	13,590	13,843	764
Charitable church activities	860,180	820,778	1,680,958	1,153,715
<b>Total expenditure</b>	<b>860,433</b>	<b>834,368</b>	<b>1,694,801</b>	<b>1,154,479</b>
<b>Net income/(expenditure) before gains and losses</b>	<b>(179,451)</b>	<b>(620,800)</b>	<b>(800,251)</b>	<b>(251,423)</b>
Net gains revaluation of fixed assets	-	-	-	155,000
<b>Net income/(expenditure)</b>	<b>(179,451)</b>	<b>(620,800)</b>	<b>(800,251)</b>	<b>(96,423)</b>
Transfers between funds	2,981	(2,981)	-	-
<b>Net movement in Funds</b>	<b>(176,470)</b>	<b>(623,781)</b>	<b>(800,251)</b>	<b>(96,423)</b>
<b>Total funds brought forward at 1 January 2022</b>	<b>1,233,584</b>	<b>9,210,314</b>	<b>10,443,898</b>	<b>10,540,321</b>
<b>Total funds carried forward at 31 December 2022</b>	<b>£1,057,114</b>	<b>£ 8,586,533</b>	<b>£ 9,643,647</b>	<b>£ 10,443,898</b>

---

# Accounts

---

**THE PAROCHIAL CHURCH COUNCIL OF  
THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK  
(registered charity no. 1130866)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

<b>CONTENTS</b>	<b>Page(s)</b>
Annual Report of the Parochial Church Council	1 - 11
Independent Auditors' Report	12 - 14
Statement of Financial Activities	15
Balance Sheet	16
Cash Flow Statement	17
Notes to the Financial Statements	19 - 30

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2022**

The Parochial Church Council (PCC) has pleasure in presenting its Report and Financial Statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019, the Charities Act 2011, the Church Accounting Regulations 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015.

The PCC is a Public Benefit Entity.

### **OBJECTIVES AND ACTIVITIES**

St Michael le Belfrey Parochial Church Council (PCC) is responsible with the Vicar (Matthew Porter) for good governance of the Church.

Over the last 12 months the church – often known as the Belfrey – has continued in its vision to be *servng God's Transformation of the North*. Our five aims of serving York, proclaiming Christ, nurturing disciples, developing leaders and planting churches were at the heart of our strategy. These are about social action, evangelism, discipleship, leadership and planting. These five aims particularly informed our activities, our prayers and our preaching during the year 2022. The Leadership Team and PCC believe that if we prayerfully do these things, with the help of God, then the missional influence on our city and region will be great.

We believe that our major project to reorder and repair St Michael le Belfrey Church, known as *Impact*, is crucial to the advancement of the Belfrey's vision and strategy. Encouraging progress was made in 2022 on design and final consultation with stakeholders, resulting in us submitting applications for planning approval to the Diocese of York and City of York Council for the project. We also launched our fundraising campaign so we could raise the final 20% of finance required.

When considering the objectives of the charity the trustees (the PCC) have referred to the guidance contained in the Charity Commission's general guidance on public benefit. This report, as in previous years, will highlight some of the public benefit of St Michael le Belfrey Church.

### **ACHIEVEMENTS AND PERFORMANCE**

#### *Church attendance*

St Michael le Belfrey has a simple gathering structure of congregations and groups. During 2022 we had 4 weekly services (on Sundays, meeting in St Michael le Belfrey Church and online at 9am, 11am and 6pm; and on Wednesdays at 12.30pm). Throughout 2022 we had approximately 40 midweek small groups, known as Belfrey Groups.

At the Annual Meeting 2022 there were 472 people on the church electoral roll, plus a further 66 at G2, a church we began in 2004, still legally under our governance, making the total 538.

The average weekly attendance during October 2022 was 498 for congregations meeting in St Michael le Belfrey Church, and 483 for online/telephone linkups, making a weekly total of 981. (This does not include G2.)

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2022**

Professions of faith, baptism, and confirmation are important to us as public marks of following Jesus Christ. We know of at least 23 initial professions of faith in Christ during 2022. We also conducted 7 re-affirmations of baptismal faith and baptised 4 infants and 21 adults.

***Public Benefit Review of the year***

*Community*

In 2022 the clergy, staff and volunteer team served the church family of the Belfrey through services, groups and pastoral support, but the clergy, staff and church have also sought to serve the wider community of York and beyond in a number of ways. Having established in 2021 a *Love York Post-Pandemic Fund* (PPF) to support social action initiatives, our social action programme made exciting progress over the last year, supporting our priority of "Serving York". Alison Dawson, our Social Action Programme Manager, along with the Social Action Programme Board, a subcommittee of PCC, has been working on various projects which allocate money from the PPF. These focus on initiatives that align with one or more of the three programme pillars – Poverty, Mental Health, and Young People and Families – and have included:

- **Small Grant Fund** in partnership with Two Ridings Community Foundation. This £50,000 fund was set up as a resource to support social action work being done by charities in York, especially those working at grassroots and local community level. Grant awards were made in July and December. Awards of up to £2,000 were made to 25 local charities and community groups, including St Thomas' Church in the Groves, which received £1,815 to run a weekly creative café for 10 weeks and Tang Hall Community Centre, which aimed to tackle financial issues for families over the school holidays by providing weekly food parcels for families in need with their £1,800 grant. The Social Action Programme Board acts as the Panel for the grant decisions.
- **Debt Centre** in partnership with Christians Against Poverty (CAP). £56,860 was committed from the PPF towards funding the running costs of our York Central Debt Centre for the next three years. Ania Druzic joined us as CAP Debt Centre Manager in October and we launched our Debt Centre in November. Ania has begun recruiting a team of volunteer befrienders to work with her, including from other churches in York as well as the Belfrey, and started seeing debt help clients in January 2023. We have also begun running the CAP Money course, teaching budgeting and money management skills.
- **Funding for a Youth Outreach Worker:** £79,140 has been committed to fund a Youth Outreach Worker at the Belfrey for three years. This outward-facing role will focus on reaching vulnerable and disengaged young people with services that will help them thrive and engage, prioritising areas such as healthy lifestyles, accessibility of education and mental health support. Nathan Hook has moved into this social action role from his previous Youth & Children's Outreach Worker post. Nathan will also be working strategically to support other churches in this type of outreach work.
- **Match-funding for Belfrey Group social action projects:** This was launched in July to support Belfrey Groups in working together on small social action projects as part of our *Love Your Neighbour* initiative. Groups are able to apply for up to £200 funding to match

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2022**

monies they raise. Eight groups used this to support the Christmas hamper scheme run by The Besom in York charity, with the result that the church contributed £831 towards making hampers for vulnerable families and individuals. One group used its funding to support the residents of Restore York, a local housing charity, with their Christmas meal.

- **Other grant funding:** We also gave a grant of £9,000 to The Besom in York as part funding to purchase a van that they can use to pick up donated furniture and white goods and transport these to recipients in need.

St Michael le Belfrey Church has been open daily most weeks during 2022, welcoming 40,000 visitors to come in and discover something of our heritage and to hear stories of faith today. Our youth and children's team provided groups and support for a wide range of young people and children inside and outside the church. We also served homeless and vulnerable members of our city through *Let's Cook*, teaching cookery and life skills in the Belfrey Hall. Welcome Lunches took place at the vicarage once a month, to welcome newcomers to the Belfrey. Senior staff are able to give up to 10% of their time to the Diocese of York or to assisting other churches and to the New Wine network of churches. We continued to invest in running *Alpha* courses, led by Vicky Earll, which provided space for those exploring faith to find answers to their questions. We also began a new Discipleship course, based on Matthew Porter's book *A-Z of Discipleship*, to help new believers grow stronger in faith. We continue to believe that helping people find faith in Jesus Christ is the greatest public benefit that we can provide.

### *Buildings*

St Michael le Belfrey and St Cuthbert's Church (our House of Prayer) are significant buildings which we greatly value, not just as part of our built heritage but as centres of worship and mission. Applications for planning permission for the renovation and redevelopment of the St Michael le Belfrey church building were submitted during in 2022. The church also owns the Belfrey Hall, and houses at 28 Langdale Avenue and 13 Hempland Drive (used along with other rented properties to house interns). We rented the Parish Centre (11/12 Minster Yard) from York Minster as church offices. St Michael le Belfrey Church, St Cuthbert's Church and the Belfrey Hall were used most days, not just for worship and prayer, but also for meetings, concerts and theatre productions. We provided office space in the Parish Centre for *G2* and *Fusion* and other churches use our photocopier to produce their newsletters.

### *Money*

St Michael le Belfrey is a non-profit, charitable organisation and we see all financial provision as money for mission and ministry. Our income in 2022 was £894,550, of which £213,568 was restricted. Not only was this money used to pay our staff and to fund various aspects of church life, but much was given away, especially to various long-term mission partners in York, the UK and abroad. Being part of the Diocese of York, we contributed £179,544 in 2022 by way of freewill offering which, after supporting our full-time stipendiary clergy, supported the diocese in its wider mission in other churches, schools and a breadth of communities, rural and urban.

### *People*

People are the key resource of the church, because church is first and foremost people. The PCC would like to thank all the clergy, staff and volunteers who have contributed so much

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2022**

over the year. In 2022 we said goodbye to Rob Hill and Charles Walters, as well as Jim Roberts and Paul and Bernadette Burbridge. We welcomed three new members of clergy/ staff: James Congreve-Horn, Ania Druzic and Heidi Folland. Also, G2 said goodbye to Holly Bissett and Rosie Hayman, and welcomed Hannah Betteridge, Kat Bevington, David Casswell and Adoniel Martinez.

*Impact Project*

Impact, St Michael le Belfrey's repair and reordering project, will transform our grade 1 listed building, providing a beautiful, welcoming, flexible and accessible space to support the Belfrey's mission to serve God's Transformation of the North. Alongside technical design progress, 2022 has been a year of consultation, preparation and prayer.

At the end of May, applications for planning and listed building consent were submitted on behalf of the Belfrey by our planning consultants, O'Neill Associates, and LDN Architects. During the remainder of 2022, comments received from City of York Council's Planning team and other specialists have been carefully considered and responded to, with the hope that a successful outcome might be reached in early 2023.

In June we held an Open Event for a group of Contractors who expressed an interest in Impact and would have the skills and expertise to deliver the construction work.

In the autumn a faculty application was submitted to the Diocese of York and Impact was recommended by the Diocesan Advisory Committee. In December the formal consultation with amenity societies was opened and this process will continue well into 2023.

2022 saw the arrival of Heidi Folland, our Fundraising Administrator, who has been a great asset to the Impact team and instrumental in helping the Impact Board launch a fundraising campaign in October with the aid of a 3D walkthrough video. By the end of the year, £400k including gift aid had been realised through pledges and gifts from the Belfrey congregations, a generous and valuable start to the campaign.

Throughout the year, the Design team have continued to serve the Belfrey creatively and effectively as they have moved Impact through technical design (RIBA stage 4). Investigative works in May 2022 helped us understand the structural implications of the proposed design on the fabric and an assessment of the archaeology issues we could be faced with during construction. A lighting demonstration in November 2022 allowed us to test the effectiveness of the proposed locations and revise the scheme accordingly.

Prayer has been an invaluable part of Impact's journey in 2022 and we are grateful for many people's faithfulness. Prayer has brought answers, provided wisdom and most of all God's grace to remain persistent and patient throughout the year!

*Church planting*

St Michael le Belfrey is a resource church, seeking to give time, energy and people to our diocese and region in a variety of ways, especially through church planting, as part of the Diocese of York's *Multiply* strategy. In January 2022 we were delighted to send Mike and Emma Perkins and a team to revitalise the parish of Holy Trinity in Heworth, York, supported by our Northern Church Planting Fund, which was established in 2020 to support church planting and revitalisation across the North. Conversations began about the location of the

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2022**

plant that Vicky Earll will lead (probably in 2024), and James Congreve-Horn joined us a planting curate in June 2022, with the expectation that he will lead a plant from us in 2026. We continue to support the work of St Hild College and also gave a grant to revitalise the Mount Church in St Helens in the Diocese of Liverpool.

During 2022 the Belfrey continued to provide support to its offshoot G2 in its mission and ministry. G2 has a Bishop's Mission Order (BMO) enabling it to explore innovative mission in York.

### **PLANS FOR THE FUTURE**

In order to further our vision, we continued in 2022 to work on fulfilling our 5 Year Roadmap, launched in 2021. This turned our previous strategic emphases into *Aims*, to which a new initial aim was added – *Serving York*. The roadmap informed much of our preaching in 2021 and so in 2022 we preached on themes that would prepare us well for our reordering project, while keeping mission central to our church life. Looking ahead we are convinced that all five aims need to be kept central to church life if we are to continue to grow, impact our city and beyond and be a church that plants churches that plant churches.

St Michael le Belfrey continues to plan for growth, not for decline. We believe we have a strategic and God-given vision and humbly, prayerfully and confidently seek for it to be furthered in the coming years. We plan to send out a team every two years to plant either something brand new or to revitalise an old church. We are pleased to be part of the Diocese's strategic planning for the coming years as together we seek to grow and to particularly impact the 20s-40s age group. We will also continue developing our plans for using a re-ordered St Michael le Belfrey church building. As we do so, we will seek to become an increasingly sustainable church, in line with the *Climate and Environmental Emergency Declaration* which the PCC made in autumn 2021. As part of this declaration we committed to becoming an eco-church, resolving that our church repair/reordering and our church family should treat eco matters as very important.

### **LEADERSHIP**

Our church, St Michael le Belfrey, is led by the Vicar (with the assistance of a Vicar's Leadership Team, which meets weekly), and is governed by the PCC.

Our church is managed by a team of dedicated staff and volunteers, for whom we are grateful.

The only committee of the PCC required by law is the Standing Committee. This is made up of the Vicar, Associate Minister, Church Wardens, Secretary and Treasurer, and up to two elected PCC members. It has power to transact the business of the PCC between its meetings, subject to any directions given by the Council. The full PCC meets bi-monthly and the Standing Committee meets in the intervening months, along with the various other sub-groups. Full PCC meetings tend to discuss bigger picture matters, agree formal matters including the annual budget and receive a regular Safeguarding Report, whilst the Standing Committee deals with matters of more detail.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2022**

**CHARITY GOVERNANCE CODE:**

As a charitable body, we fulfil the 7 principles set out in the Charity Governance Code as follows:

**1. Organisational Purpose:**

We exist for worship and mission in the parish of St Michael le Belfrey, York. Our vision is to be serving God's Transformation of the North and for this we work and pray. To fulfil this vision our strategic emphases in 2022 were: serving York, proclaiming Christ, nurturing disciples, developing leaders and planting churches.

**2. Leadership:**

The church is led by the Vicar with the assistance of a Leadership Team and is governed by the PCC. The Vicar has freehold of the church. Both the Vicar and Associate Minister are of incumbent status. Responsibility for much of the day-to-day life of the church is delegated to our staff and volunteers. We highly value the ministry of the whole church, with much work being done by volunteers, including small group leaders, helpers and pray-ers in all sorts of areas of church life.

**3. Integrity:**

We are followers of Jesus who seek to live under the authority of Scripture in the power of the Holy Spirit, while recognising our imperfections and weaknesses and our need of God's grace. We take safeguarding very seriously, being ably led by our Parish Safeguarding Officer, Barrie Stephenson, with over 200 members of our church family receiving regular safeguarding training. We seek to live with integrity, telling the truth and abiding by the law of the land. At PCC meetings we name conflicts of interest. We seek to honour each other, speak well of each other and give each other the benefit of the doubt. We particularly value generosity, festivity, simplicity, and humility. Our supporting values include kindness, creativity, diversity and integrity.

**4. Decision-Making, Risk and Control:**

We have a number of key goals for each year which are regularly monitored. We regularly review terms of reference, policies and the risk register. Our PCC membership is refreshed annually. Our accounts are professionally audited. Our financial statements, annual reports and various publications are shared with the Diocese of York, of which we are part. All staff and volunteers are line-managed.

**5. Board Effectiveness:**

Our PCC and Standing Committee meet in alternate months. We take advice from experts outside our church, especially in specialist HR, safeguarding or finance matters. We believe the PCC has a good mix of skills, experience, common sense and prayerfulness. New PCC members are given trustee induction and all undergo basic online safeguarding training.

**6. Diversity:**

God's Kingdom is made up of all manner of people but, historically, our church has not fully reflected this diversity in its membership, staffing and leadership, partly because of the background and makeup of York residents. We have continued to seek to make progress towards greater diversity within the leadership and membership of this church. There is a better gender and age balance across wardens and PCC members than in most churches. In particular, in 2022 we were pleased, with other larger churches in our diocese, to support a new racial diversity policy, committing ourselves to develop our recruitment processes to

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2022**

attract greater participation from diverse groups, and ensuring our interview panels are suitably diverse and their members have undergone unconscious bias training.

**7. Openness & Accountability:**

Our key stakeholders are our church family. Those who belong to the Belfrey normally show this by joining our electoral roll, worshipping regularly at one of our services, joining a small group and giving regularly. Most choose to receive a weekly email which includes a Friday Message (from the Vicar and staff), as well as news items, a calendar of services and Belfrey events, links to useful resources for church members, and the latest PCC Minutes. As well as oral and video notices in our services our church provides regular information on various social media platforms, including Facebook, Instagram and Twitter. We listen to feedback and take seriously all suggestions on how to improve our church life, discussing this at VLT and when necessary at PCC. Our 5 Year Roadmap, launched in 2021, incorporated feedback gathered in a large-scale Church Survey carried out in 2020. This survey will take place again in 2023. We also encourage questions to be asked throughout the year, with written questions being invited on our annual report as well as oral questions at our Annual Meeting. We comply with the Data Protection Act 2018 and keep clear, accurate and up-to-date membership records using the safe and secure ChurchSuite church management system.

**FINANCIAL REVIEW**

We continue to thank God for his financial provision even in a very difficult economic climate. Planned giving for the general running of the church in 2022 was £456,681, with a further £82,603 recovered under the Gift Aid scheme. The return of the offering during Sunday services in the summer was successful, bringing in nearly £6,000.

Unrestricted income for 2022 was £680,982 and expenditure was £860,433. This led to a deficit on the year of £176,470 after transfers between funds. This deficit was considerably less than originally budgeted and has been met fully from reserves.

Restricted donations amounted to £200,867. £61,800 plus £15,536 Gift Aid was G2's planned giving and £80,793 plus £18,802 was donated in response to the fundraising launch for Impact.

Restricted expenditure amounted to £834,368. £475,127 related to Impact, church planting grants amounted to £135,000, £117,132 was spent from the Post-Pandemic Fund and £96,329 related to G2. The remaining £10,780 related to several other restricted funds, as listed in note 18 to the accounts.

**INVESTMENT POLICY**

The PCC took external financial advice in 2021 from CCLA Investment Management Limited on the investment of funds restricted for expenditure on the Impact Project, taking account also of its reserves and funds held for other projects. We continued to follow this advice in 2022. In view of the likely timescale for expenditure of the bulk of these funds and uncertainty over market conditions in the meantime, it would be appropriate to avoid significant risk and keep funds in cash deposits. The PCC will authorise the opening of additional bank deposit accounts as necessary, seeking to maximise the rate of interest consistent with the security of the funds and the required availability for Impact and other expenditure.

**RISK MANAGEMENT**

The PCC acknowledges its responsibility to identify, assess and manage the major risks to which it is exposed.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2022**

Major risks arise from a variety of aspects of the church's internal operations and external environment, including security, health and safety, and finance.

The PCC delegates the management of risk to the Operations Manager, the Treasurer team and Finance Manager, and a designated Churchwarden. Through this group the PCC maintains a register of major risks, and continues to ensure that systems and processes are in place to mitigate exposure to these risks. The risk register is held and kept up to date by the Operations Manager. The full PCC reviews the risk register on at least an annual basis, usually every March.

The Impact Project, to restore and reorder St Michael le Belfrey, holds its own separate risk register which is managed by the Impact Board under the supervision of the PCC.

**RESERVES POLICY**

Our policy is to keep a cash reserve equating to three months' essential running costs. At the moment that is around £71,000. This allows us to provide for unforeseen short-term expenditure (on such items as building repairs) or shortfalls in income; and to respond promptly to future opportunities in support of the church's mission.

Our total unrestricted net current assets at 31 December 2022 amounted to £105,549, and after allocating £34,549 to be spent in 2023 the cash reserves are £71,000. The PCC reviews this figure regularly so that any reserves held above the £71,000 in our policy can be used for projects as needed.

The PCC holds property and equipment valued in October 2021 at £954,565 included in the unrestricted reserves which could be converted into cash if needed.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Parish of St Michael le Belfrey, York, is a parish within the Church of England as defined by canon law. Individual parishes within the Church of England do not have a separate constitution. They work within the framework of Church of England ecclesiastical law, consisting of the Parochial Church Council Powers Measure (1956) and the Church Representation Rules. Charitable status was received on 30 July 2009.

Members of the PCC are either ex officio or elected by the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules.

The PCC has delegated some decision-making powers to the following sub-groups: the Human Resources (HR) Group for HR matters, the Impact Project Board for the reordering of St Michael le Belfrey Church, the World Mission Team for overseeing mission partners, the Social Action Programme Board (SAPB) for social action and the implementation of the Love York Post Pandemic Fund, the Northern Church Planting Group for governance of the Northern Church Planting Fund, and G2 Council for governance of G2. Terms of reference for the HR Group were last updated in 2022, for the Impact Project Board in 2020, for the World Mission Team in 2022, for the NCPG in 2022, for the SAPB in 2022, and for G2 Council in 2021.

All major governance matters are decided by the Vicar and PCC together.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2022**

**ADMINISTRATIVE INFORMATION**

Parish Name:	St Michael le Belfrey, York
Church Address:	St Michael le Belfrey, High Petergate, York, YO1 7EN
Office Address:	The Parish Centre, 11/12 Minster Yard, York YO1 7HH
Charity Name (working name):	St. Michael le Belfrey PCC
Registered Number:	1130866
Principal Address:	The Parish Centre, 11/12 Minster Yard, York, YO1 7HH
Independent auditors:	Waltons Business Advisers Limited, Maritime House, Harbour Walk, The Marina, Hartlepool, TS24 0UX
Financial Institutions:	Royal Bank of Scotland, 27 Park Row, Leeds, LS1 5QB  Nationwide Building Society, Kings Park Road, Moulton Park, Northampton, NN3 6NW  Yorkshire Bank/Virgin Money, Berling House, Mariner Court, Clydebank, G81 2NR  Cambridge & Counties Bank, Charnwood Court, 5B New Walk, Leicester, LE1 6TE  CCLA, Senator House, 85 Queen Victoria Street, London, EC4V 4ET

**PCC Trustees / Members**

The members of the PCC who served during the year were as follows:

<b>Clergy</b>	Matthew Porter Andy Baker James Congreve-Horn (from June 2022) Vicky Earl Michael Perkins (until January 2022) Jim Roberts (until May 2022)
---------------	--

<b>Churchwardens</b>	Daniel Brookes Karen Dixon (from April 2022) Christopher Dobson (until April 2022) Remi Oduyemi Andrew Oldroyd (from April 2022)
----------------------	--

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2022**

**Deanery Synod**

Daniel Brookes  
James Hayden  
John Lindley  
Tony Scott  
Martine Somerville

**Elected representatives**

Lydia Baldwin (from April 2022)  
Katherine Bridge (from April 2022)  
Dani Cook (until April 2022)  
Ali Hale (until April 2022)  
Ross Kenyon  
Joe McKeogh  
Andrew Oldroyd (until April 2022)  
Liv Portway (from September 2022)  
Paddy Wordsworth (from April 2022)

**Officers**

Secretary: Martine Somerville  
Treasurer Team: Joe McKeogh (Treasurer) &  
Martine Somerville (from April 2022)  
Electoral Roll Officer: Izzy Pysanczyn

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 DECEMBER 2022**

**STATEMENT OF RESPONSIBILITIES OF THE PAROCHIAL CHURCH COUNCIL**

Law applicable to charities in England and Wales and guidance issued by the Central Board of Finance of the Church of England require the members of the Parochial Church Council to prepare financial statements which give a true and fair view of the Parochial Church Council's financial activities during the year.

In preparing financial statements giving a true and fair view, the members of the Parochial Church Council should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the Church guidance, applicable accounting standards and statements of recommended practice 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 Parochial Church Council will continue in operation.

The members of the Parochial Church Council are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Parochial Church Council and enable them to ensure that the financial statements comply with the Church Accounting Regulations 2006 and the Charities Act 2011. They are also responsible for safeguarding the assets of the Parochial Church Council and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**PROVISION OF INFORMATION TO AUDITORS**

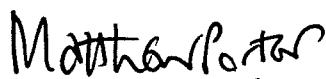
In so far as the PCC members are aware:

- there is no relevant information of which the PCC's auditors are unaware; and
- the PCC members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITORS**

The church's firm of auditors changed its name from Waltons Clark Whitehill Limited to Waltons Business Advisors Limited on 1 March 2022.

Approved by the Parochial Church Council and signed on its behalf by:



*Revd Matthew Porter*  
Chair

30/03/2023

# **INDEPENDENT AUDITORS' REPORT TO THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

## **Unqualified opinion**

We have audited the financial statements of the Parochial Church Council of the Ecclesiastical Parish of St Michael le Belfrey with St Cuthbert, York for the year ended 31 December 2022, which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. 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).

This report is made solely to the Parochial Church Council (the PCC) as 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 PCC those matters we are required to state to them in an auditors' 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 PCC as a body, for our audit work, for this report, or for the opinions we have formed.

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, 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 and the Church Accounting Regulations 2006.

## **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 Auditors' 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.

## **INDEPENDENT AUDITORS' REPORT TO THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

### **Other Information**

The PCC is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 PCCs' report; or
- sufficient accounting records have not been kept; 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 the Parochial Church Council**

As explained more fully in the statement of responsibilities of the Parochial Church Council set out on page 11, the PCC is 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 PCC determines 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 PCC is responsible for assessing the 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 PCC either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

## **INDEPENDENT AUDITORS' REPORT TO THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

### **Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 auditors' 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charity and the area in which it operates, and considered the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We identified the greatest potential for fraud in the following areas: existence and timing of recognition of income and the posting of unusual journals. We discussed these risks with management and designed audit procedures as follows:

- to test the timing and existence of revenue,
- to review journals posted to key control accounts or posted around the year end, to look for potential "window dressing" as well as looking at a sample throughout the year.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

*Waltons Business Advisers Limited*

### **Waltons Business Advisers Limited**

Chartered Accountants  
Statutory Auditors  
**Maritime House**  
**Harbour Walk**  
**The Marina**  
**Hartlepool**  
**TS24 0UX**

10 May 2023

Waltons Business Advisers Limited is eligible to act as auditors in terms of section 1212 of the Companies Act 2006

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds	
				2022 £	2021 £
<b>Income and endowments from:</b>					
Donations and legacies	2	569,734	200,867	770,601	814,374
Income from charitable church activities	3	80,083	2,131	82,214	56,531
Other trading activities	4	19,038	-	19,038	10,474
Investments	5	4,645	10,570	15,215	7,751
Other income	6	7,482	-	7,482	13,926
<b>Total income</b>		<b>680,982</b>	<b>213,568</b>	<b>894,550</b>	<b>903,056</b>
<b>Expenditure on:</b>					
Raising funds	7	253	13,590	13,843	764
Charitable church activities		860,180	820,778	1,680,958	1,153,715
<b>Total expenditure</b>		<b>860,433</b>	<b>834,368</b>	<b>1,694,801</b>	<b>1,154,479</b>
<b>Net income/(expenditure) before gains and losses</b>		<b>(179,451)</b>	<b>(620,800)</b>	<b>(800,251)</b>	<b>(251,423)</b>
Net gains revaluation of fixed assets	11	-	-	-	155,000
<b>Net income/(expenditure)</b>		<b>(179,451)</b>	<b>(620,800)</b>	<b>(800,251)</b>	<b>(96,423)</b>
Transfers between funds		2,981	(2,981)	-	-
<b>Net movement in Funds</b>		<b>(176,470)</b>	<b>(623,781)</b>	<b>(800,251)</b>	<b>(96,423)</b>
<b>Total funds brought forward at 1 January 2022</b>		<b>1,233,584</b>	<b>9,210,314</b>	<b>10,443,898</b>	<b>10,540,321</b>
<b>Total funds carried forward at 31 December 2022</b>	17/18	<b>£1,057,114</b>	<b>£ 8,586,533</b>	<b>£ 9,643,647</b>	<b>£10,443,898</b>

The notes on pages 18 to 30 form part of these financial statements.

The Statement of Financial Activities includes all gains and losses in the year and all of the above amounts relate to continuing activities.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**BALANCE SHEET**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds	
				2022 £	2021 £
<b>Fixed Assets</b>					
Tangible fixed assets	11	951,565	-	951,565	954,190
		951,565	-	951,565	954,190
<b>Current Assets</b>					
Stock	12	613	-	613	533
Debtors	13	25,104	6,194,867	6,219,971	7,217,426
Cash at bank and in hand	14	117,340	2,405,016	2,522,356	2,351,442
<b>Total Current Assets</b>		143,057	8,599,883	8,742,940	9,569,401
<b>Current Liabilities</b>					
Creditors: amounts falling due within one year	15	37,508	13,350	50,858	79,693
<b>Total current liabilities</b>		37,508	13,350	50,858	79,693
<b>Net Current Assets</b>		105,549	8,586,533	8,692,082	9,489,708
<b>Total assets less current liabilities</b>		1,057,114	8,586,533	9,643,647	10,443,898
<b>Net Assets</b>		<b>£ 1,057,114</b>	<b>£ 8,586,533</b>	<b>£ 9,643,647</b>	<b>£10,443,898</b>
<b>The funds of the charity</b>					
Unrestricted general fund	17	746,114	-	746,114	922,584
Unrestricted revaluation reserve fund	17	311,000	-	311,000	311,000
Restricted funds	18	-	8,586,533	8,586,533	9,210,314
<b>Total Charity Funds</b>		<b>£ 1,057,114</b>	<b>£ 8,586,533</b>	<b>£ 9,643,647</b>	<b>£10,443,898</b>

Approved by the Parochial Church Council on 30/03/2023 and signed on its behalf by:

  
.....  
Revd Matthew Porter (Chair)

The notes on pages 18 to 30 form part of these financial statements.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities:</b>		
<b>Net income for the reporting period</b>	<b>(800,251)</b>	<b>(96,423)</b>
<b>Adjusted for:</b>		
Depreciation charges	2,625	5,838
Dividends and interest from investments	(15,215)	(7,751)
Revaluation of fixed assets	-	(155,000)
Decrease in stocks	(80)	105
Decrease/(increase) in debtors	997,455	448,926
Increase/(decrease) in creditors	(28,835)	40,438
	<b>155,699</b>	<b>236,133</b>
<b>Cash flows from investing activities:</b>		
Dividends and interest from investments	15,215	7,751
	<b>15,215</b>	<b>7,751</b>
<b>Change in cash and cash equivalents in the reporting period</b>	<b>170,914</b>	<b>243,884</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>2,351,442</b>	<b>2,107,558</b>
	<b>£ 2,522,356</b>	<b>£ 2,351,442</b>
<b>Analysis of cash and cash equivalents</b>		
Cash in hand	351	384
No notice and notice deposits (less than 3 months)	640,243	1,072,450
Notice deposits (more than 3 months)	1,881,762	1,278,608
	<b>£ 2,522,356</b>	<b>£ 2,351,442</b>

Charity law requires separate administration of the cashflows of endowed and other restricted funds of the Charity. This constraint has not adversely affected cashflows as stated above.

The notes on pages 18 to 30 form part of these financial statements

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

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

**1. ACCOUNTING POLICIES**

**Basis of preparation**

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019, the Charities Act 2011, and the Church Accounting Regulations 2006.

The financial statements include all transactions, assets and liabilities for which the Parochial Church Council ("the PCC") is responsible in law. They do not include the financial statements of church groups that owe their main affiliation to another body, nor those that are informal gatherings of church members.

The PCC is a public benefit entity as defined by FRS 102.

**Statutory information**

The PCC is registered with the Charity Commission, registration number 1130866. The registered address is The Parish Centre, 11/12 Minster Yard, York, YO1 7HH.

**Funds**

*Unrestricted funds* represent the general funds of the PCC that are not subject to any restrictions regarding their use and are available for application for the ordinary purposes of the PCC.

*Designated funds* represent those unrestricted general funds which have been set aside by the PCC for a particular purpose.

*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 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 fund. Most of the money in restricted funds is held in separate bank and Stewardship accounts and interest that arises is allocated to those restricted funds. The remaining interest largely represents monies accrued from unrestricted funds.

**Income recognition**

All income is recognised once the PCC has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably. Planned giving, collections and donations are recognised when received. Tax refunds are recognised when the incoming resource to which they relate is received. Grants and legacies are accounted for when the PCC is entitled to the use of the resources, their ultimate receipt is considered reasonably certain and the amounts due are readily quantifiable. Dividends are accounted for when declared receivable, interest as and when accrued by the payer. All other income is recognised when it is receivable. Amounts received specifically for mission are dealt with as restricted funds. All incoming resources are accounted for gross.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

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

**1. ACCOUNTING POLICIES (continued)**

**Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in the statement of financial activities in the same period as the related expenditure.

**Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the PCC to that expenditure, it is probable that settlement will be required and the amount of obligation can be measured reliably.

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. The Diocesan Freewill Offering is accounted for when due. All other expenditure is generally recognised when it is incurred and is accounted for gross.

**Fixed assets**

Consecrated and benefice property is not included in the financial statements in accordance with section 10 (2) (a) and (c) of the Charities Act 2011.

Movable church furnishings held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the church's inventory, which can be inspected at any reasonable time. All expenditure incurred during the year on consecrated or benefice buildings and movable church furnishings, whether maintenance or improvement, is written off.

Other land and buildings held on behalf of the PCC for its own purposes are valued at market value. No depreciation is charged against such properties as they are regularly maintained to such an extent that their estimated economic lives and residual values are such that their depreciation is insignificant. At each year end an assessment is carried out to ascertain whether there is any indication that the properties should be written down (i.e. whether its carrying amount is more than its recoverable amount). If there is no indication that a property should be written down, it is not necessary to estimate the recoverable amount.

Equipment used within the church premises, The Parish Centre and Church Hall are depreciated on a straight-line basis over their estimated useful life of 4 to 10 years. Individual items of equipment with a purchase price of £3,000 or less are written off in the period in which they are acquired.

**Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of two years or less from the date of acquisition or opening of the deposit or similar account.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

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

**1. ACCOUNTING POLICIES (continued)**

**Creditors and provisions**

Creditors and provisions are recognised where the PCC has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**Financial Instruments**

The PCC only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income on a straight-line basis over the period of the lease.

**Irrecoverable Value Added Tax**

The PCC is not registered for Value Added Tax (VAT) and accordingly expenditure is shown gross of irrecoverable VAT. The VAT incurred from time to time on certain fabric repair and maintenance expenditure can, however, be recovered under the Listed Places of Worship Grant Scheme.

**Going Concern**

The PCC has cash resources from a large generous congregation and has also started to look for and apply for grants to help support the mission of the church. These include youth work, student and 18-30s work and also grants towards the repair and reordering project (Impact). The PCC has a reasonable expectation that the church has adequate resources to continue in operational existence for the foreseeable future.

The PCC continue to believe the going concern basis of accounting is appropriate in preparing the financial statements.

**Heritage Assets**

The Vicar and Church Wardens hold on special trust for the PCC silver and plate gifted to the church for ecclesiastical purposes. They date from the 17th century and therefore, there is insufficient cost information available. Due to the unique nature of these assets and their historic association with worship at the church over hundreds of years, conventional valuation techniques are not applicable and therefore have not been valued in the financial statements. The silver and plate, 22 items in total are listed in the church's inventory and are regarded by law as inalienable assets which the PCC would require a faculty for disposal. Inspection can be arranged at reasonable times where they are located.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

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

**1. ACCOUNTING POLICIES (continued)**

**Pensions**

The PCC pays employer contributions into a variety of pension schemes consisting of individual employee's personal pension schemes of their choice and a workplace pension scheme to fulfil the PCC's auto enrolment obligations (Church Workers Pension Fund).

**Church Workers Pension Fund - Pension Builder 2014**

St Michael le Belfrey PCC participates in the Pension Builder Scheme section of Church Workers Pension Fund for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the St Michael le Belfrey PCC and the other participating employers.

CWPF has two sections:

1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections;
  - a. a deferred annuity section known as Pension Builder Classic, and,
  - b. a cash balance section known as Pension Builder 2014.

**Pension Builder Scheme**

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

Pension Builder 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. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

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 means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable (2022: £22,896, 2021: £19,623).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent was carried out as at 31 December 2019. The next valuation due as at 31 December 2022 is expected to be complete in early 2024.

For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, St Michael le Belfrey PCC could become responsible for paying a share of that employer's pension liabilities.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

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

**1. ACCOUNTING POLICIES** (continued)

**Accounting Estimates and Judgements**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The trustees believe that the following judgements are critical due to the potential material impact it has on the financial statements.

Included within debtors are amounts received in respect of donations towards the Impact project, the Post Pandemic fund and Church planting. These amounts have been paid by donors to Stewardship who hold the funds on trust for the Church. The Trustees consider that the income recognition criteria of entitlement, probability of receipt and measurement have all been met. The donations were therefore recognised in full in 2020 and are included in debtors at the year-end as shown in note 13. The debtor will be released as funds are received from Stewardship over the life of the projects.

**Property Values**

The trustees consider that the freehold land and buildings are valued at their fair value in the financial statements. The valuations are undertaken by an external professional valuer who carried out a revaluation at 4 October 2021 and the directors have used this valuation to review the fair value at 31 December 2021.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

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

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total Funds</b>	
			<b>2022 £</b>	<b>2021 £</b>
<b>2. Donations and legacies</b>				
Planned giving	456,681	61,800	518,481	524,070
Tax recoverable	82,603	34,338	116,941	99,559
Collections (open plate)	5,797	-	5,797	-
Legacies	500	-	500	23,474
Pledges received for Impact	-	80,793	80,793	-
Donations	24,153	23,936	48,089	167,271
	<b>£ 569,734</b>	<b>£ 200,867</b>	<b>£ 770,601</b>	<b>£ 814,374</b>

In 2021, income from donations and legacies amounting to £650,573 related to unrestricted funds and £163,801 related to restricted funds.

<b>3. Income from charitable church activities</b>				
Events	66,928	931	67,859	53,289
Other income from church activities	13,155	1,200	14,355	3,242
	<b>£ 80,083</b>	<b>£ 2,131</b>	<b>£ 82,214</b>	<b>£ 56,531</b>

In 2021, income from charitable church activities amounting to £55,049 related to unrestricted funds and £1,482 related to restricted funds.

<b>4. Other trading activities</b>				
Sales	7,450	-	7,450	6,316
Hire of facilities	11,558	-	11,558	4,128
Music	30	-	30	30
	<b>£ 19,038</b>	<b>£ -</b>	<b>£ 19,038</b>	<b>£ 10,474</b>

In 2021, income from other trading activities amounting to £10,332 related to unrestricted funds and £142 related to restricted funds.

<b>5. Investment income</b>				
Dividends received	-	1,179	1,179	1,148
Deposit interest	4,645	9,391	14,036	6,603
	<b>£ 4,645</b>	<b>£ 10,570</b>	<b>£ 15,215</b>	<b>£ 7,751</b>

In 2021, investment income amounting to £1,719 related to unrestricted funds and £6,032 related to restricted funds.

The PCC also receives income from 2,212 Charities Official Investment Fund shares. However, the value of the shares has not been included within the balance sheet because, although the PCC receives the income, the legal title belongs to two charities associated to the PCC.

<b>6. Other income</b>				
Other income	4,982	-	4,982	9,880
Grants	2,500	-	2,500	-
Government grants	-	-	-	4,046
	<b>£ 7,482</b>	<b>£ -</b>	<b>£ 7,482</b>	<b>£ 13,926</b>

In 2021, other income amounting to £10,850 related to unrestricted funds and £3,076 related to restricted funds.

<b>Total Income</b>	<b>£ 680,982</b>	<b>£ 213,568</b>	<b>£ 894,550</b>	<b>£ 903,056</b>
---------------------	------------------	------------------	------------------	------------------

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

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

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	2021 £
<b>7. Analysis of expenditure</b>				
Raising funds	£ 253	£ 13,590	£ 13,843	£ 764
Charitable church activities				
Missionary and charitable giving (note 8)				
Grants	-	200,761	200,761	23,917
Overseas mission	48,341	-	48,341	49,843
Home mission	16,498	8,076	24,574	20,354
	64,839	208,837	273,676	94,114
Ministry: Diocesan free will offering	176,544	3,000	179,544	182,636
Church - general upkeep and services	84,476	12,557	97,033	59,800
Church - premises	114,103	390,018	504,121	293,026
Music	2,611	-	2,611	2,816
Events	21,901	652	22,553	5,365
Staff salaries, pensions and other staffing costs	360,500	173,511	534,011	443,807
Office and administration costs	25,547	31,836	57,383	61,505
Finance costs	2,675	367	3,042	2,274
Audit fee	4,200	-	4,200	3,860
Outsourced accountancy, taxation and payroll	2,784	-	2,784	4,512
	£ 860,180	£ 820,778	£ 1,680,958	£ 1,153,715
<b>Total</b>	<b>£ 860,433</b>	<b>£ 834,368</b>	<b>£ 1,694,801</b>	<b>£ 1,154,479</b>

In 2021, expenditure of £761,745 related to unrestricted funds and £392,734 related to restricted funds.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

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

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	2021 £
<b>8. Mission and charitable grants</b>				
<i>Grants</i>				
Acts 435	-	1,550	1,550	895
Ukrainian refugees	-	1,017	1,017	-
Church Planting Grant	-	135,000	135,000	-
Hardship fund	-	100	100	-
Small grants fund PPF	-	59,000	59,000	-
PPF Belfrey Group Match Funding	-	831	831	-
One-Off Restricted Donations	-	3,263	3,263	20,667
Giving from Gift Day	-	-	-	2,355
	-	200,761	200,761	23,917
<i>Overseas mission</i>				
Blacker Support	11,388	-	11,388	13,248
Wycliffe (Eves)	9,000	-	9,000	8,610
Fletcher Support	7,371	-	7,371	7,020
Homer Support	6,120	-	6,120	6,120
Roberts Support	9,408	-	9,408	11,424
Bayfords	2,400	-	2,400	504
Wilson	2,040	-	2,040	2,544
International Students	120	-	120	93
Missionary Discretionary	229	-	229	16
Global Connections	265	-	265	265
	48,341	-	48,341	49,843
<i>Home mission</i>				
Church Missions	236	-	236	-
Friends International	2,000	-	2,000	2,000
Warren Furman Mission	1,500	-	1,500	2,000
Paul Myers Mission	2,000	-	2,000	2,000
Restore	1,000	-	1,000	1,000
Riding Lights	3,000	-	3,000	3,000
YoYo mission giving	3,000	-	3,000	3,000
Evangelism Cafes	91	-	91	361
Women of Worth	-	582	582	131
Evangelist Tracts	-	-	-	16
Student Mission	216	-	216	310
Children and Family Outreach	285	-	285	-
Youth Outreach	379	57	436	-
Students International Mission	50	-	50	-
Students Social Action	41	-	41	-
Evangelism Ministry	250	-	250	192
Community/Families Outreach	491	-	491	-
Youth Outreach Miscellaneous	17	-	17	-
Alpha	1,942	24	1,966	-
G2 Giving	-	2,845	2,845	2,430
G2 Giving to Fusion	-	2,963	2,963	2,963
G2 Outreach Events	-	-	-	106
CAP contribution	-	1,200	1,200	-
Funeral Collection	-	405	405	-
Peter Gibson youth legacy Expenditure	-	-	-	844
	16,498	8,076	24,574	20,354
	£ 64,839	£ 208,837	£ 273,676	£ 94,114

In 2021, all Grants were related to restricted funds, all Overseas Mission were related to unrestricted funds. Home Mission was made up of £13,879 relating to unrestricted funds and £6,475 relating to restricted funds.

**9. Net income for the year**

This is stated after charging:		
Staff pension contribution	22,896	19,623
Depreciation	2,625	5,838
Auditors' remuneration - audit of financial statements	4,200	3,860

**10. Staff costs and emoluments**

Total staff costs were as follows:		
Wages and salaries	465,628	390,008
Social security costs	30,679	22,266
Other pension costs	22,896	19,623
	£ 519,203	£ 431,896

During the year the PCC employed no one who earned more than £60,000.

The average head count (number of staff employed) during the year was 29 (2021- 28). The average number of employees calculated on the basis of full-time equivalents was 19 (2021 - 17)

The PCC considers its key management personnel to comprise only of the PCC Members (Trustees). They receive no remuneration in their capacity as trustees but may be employed to carry out their roles within the church. The total of remuneration received by trustees and key management personnel for their services to the church amounted to £5,580 (2021 - £12,052).

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

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

**11. Tangible fixed assets**

	Freehold Land & Buildings £	Motor Vehicles £	Church Equipment £	Total £
Cost or valuation				
At 1 January 2022	950,000	12,850	83,891	1,046,741
Revaluation	-	-	-	-
At 31 December 2022	950,000	12,850	83,891	1,046,741
Depreciation				
At 1 January 2022	-	12,850	79,701	92,551
Charge for year	-	-	2,625	2,625
At 31 December 2022	-	12,850	82,326	95,176
Net book value				
At 31 December 2022	£ 950,000	£ -	£ 1,565	£ 951,565
At 31 December 2021	£ 950,000	£ -	£ 4,190	£ 954,190

The freehold land and buildings, comprising 13 Hempland Drive, 28 Langdale Avenue and the Church Hall were revalued at 4th October 2021 by Stephenson's Estate Agents, and are included at their revised market values of £450,000, £210,000 and £290,000 respectively.

If the freehold property had not been included at valuation, they would have been included under the historical cost convention as follows:

	2022	2021
Historical cost at 31 December 2022	£ 639,000	£ 639,000

**12. Stock**

Bookstall stock and other	£ 613	£ 533
---------------------------	-------	-------

At both 31 December 2022 and 31 December 2021 stock related to the unrestricted funds.

**13. Debtors**

Trade debtors	55	30
Income tax recoverable	15,511	8,441
Prepayments and accrued income	24,405	15,430
Accrued income - Church Planting, Post Pandemic and Impact grants within one year	2,348,000	303,525
Accrued income - Church Planting, Post Pandemic & Impact grants more than one year	3,832,000	6,890,000
	£ 6,219,971	£ 7,217,426

At 31 December 2022 £6,194,867 (2021 - £7,196,377) of debtors related to restricted funds, the balance of debtors related to the unrestricted funds.

	2022	2021
	£	£
<b>14. Cash at bank and in hand</b>		
Bank balances	2,522,005	2,351,058
Cash balances	351	384
	£ 2,522,356	£ 2,351,442

At 31 December 2022 £117,340 (2021 - £304,459) of cash and bank balances related to unrestricted funds and £2,405,016 (2021 - £2,046,983) related to restricted funds.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

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

<b>15. Creditors: amounts falling due within one year</b>	2022	2021
Trade creditors	14,181	30,548
Accruals and deferred income	28,846	40,732
Tax and social security creditor	7,554	7,982
Pension creditors	277	431
	<b>£ 50,858</b>	<b>£ 79,693</b>

At 31 December 2022 £13,350 (2021 - £33,046) of creditors related to restricted funds, the balance of creditors related to unrestricted funds.

	2022	2021
Deferred income at 1 January 2022	6,491	8,081
Resources deferred during the year	5,822	6,491
Amounts released from previous periods	(6,491)	(8,081)
	<b>£ 5,822</b>	<b>£ 6,491</b>

Deferred income consists of grant and contract income where a time condition is included in the initial offer and it is specified as being for use after the year end. Deferred income for 2021 and 2022 was income in advance for church events where an early bird discount was offered and also rent income paid for future periods.

**16. Commitments under operating leases**

At 31 December 2021 the PCC had annual commitments under non-cancellable operating leases as set out below:

	2022		2021	
	Land and buildings £	Other items £	Land and buildings £	Other items £
Operating leases which expire				
Under 1 year	-	-	-	-
Within 2 to 5 years	7,644	1,315	7,644	1,504
After more than 5 years	32,800	-	32,800	-
	<b>£ 40,444</b>	<b>£ 1,315</b>	<b>£ 40,444</b>	<b>£ 1,504</b>

The following lease payments have been recognised as an expense in the statement of financial activities:

	2022	2021
Operating lease rentals	<b>£ 41,759</b>	<b>£ 41,948</b>

**17. Unrestricted and Designated Funds**

<i>Current Year</i>	Brought forward 01/01/2022 £	Incoming Resources £	Outgoing Resources £	Transfers Between Funds £	Other recognised gains and (losses) £	Carried forward 31/12/2022 £
Unrestricted fund - General	922,584	680,982	(860,433)	2,981	-	746,114
Unrestricted fund - Revaluation Reserve	311,000		-	-	-	311,000
	1,233,584	680,982	(860,433)	2,981	-	1,057,114
<b>Total Unrestricted and Designated Funds</b>	<b>£ 1,233,584</b>	<b>£ 680,982</b>	<b>£ (860,433)</b>	<b>£ 2,981</b>	<b>-</b>	<b>£ 1,057,114</b>
<i>Comparative Year</i>	Brought forward 01/01/2021 £	Incoming Resources £	Outgoing Resources £	Transfers Between Funds £	Other recognised gains and (losses) £	Carried forward 31/12/2021 £
Unrestricted fund - General	953,841	728,522	(761,745)	1,965	-	922,584
Unrestricted fund - Revaluation Reserve	156,000		-	-	155,000	311,000
	1,109,841	728,522	(761,745)	1,965	155,000	1,233,584
<b>Total Unrestricted and Designated Funds</b>	<b>£ 1,109,841</b>	<b>£ 728,522</b>	<b>(761,745)</b>	<b>£ 1,965</b>	<b>£ 155,000</b>	<b>£ 1,233,584</b>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

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

**18. Restricted Funds**

*Current Year*

	Brought forward 01/01/2022 £	Incoming Resources £	Outgoing Resources £	Transfers £	Carried forward 31/12/2022 £
G2 fund	42,532	90,417	(96,329)	-	36,620
Acts 435	-	1,550	(1,550)	-	-
Storehouse	1,120	-	(509)	(611)	-
Bible Fund	32	-	(32)	-	-
Church Planting fund	1,530,000	-	(135,000)	-	1,395,000
St Wilfred Ecclesiastical Charity (COIF)	3,336	1,179	(607)	-	3,908
Evangelism of the North	161	-	-	(161)	-
Funeral Collections	69	335	(404)	-	-
Giving Away Day	6,752	-	(24)	(228)	6,500
Hardship Fund	581	-	(100)	-	481
Holy Communion	23,474	-	(277)	-	23,197
House of Prayer	1,566	127	(124)	(1,569)	-
House of Prayer People	10,000	-	-	-	10,000
Impact Project	6,434,149	113,232	(475,127)	-	6,072,254
Internship Bursary	1,120	-	-	-	1,120
Legacy for Church Silver	311	-	-	-	311
Never Give Up	4,237	510	(1,953)	-	2,794
One-Off Collections	646	2,728	(3,290)	161	245
Post Pandemic Fund	988,009	1,620	(117,132)	-	872,497
Premises Legacy	154,825	-	-	-	154,825
Music (royalties)	382	-	-	-	382
Shoebboxes	14	-	-	-	14
Sozo Fund	1,051	-	(255)	-	796
Stained Glass Maintenance St Michael's Warwick Burton	2,000	-	-	-	2,000
Stained Glass Maintenance St Cuthbert's Warwick Burton	1,000	-	-	-	1,000
The Corner Youth Outreach	338	-	(57)	-	281
Ukrainian Refugees in the UK	-	1,260	(1,017)	-	243
Unspecified but Restricted	573	-	-	(573)	-
Women's Ministry	2,036	611	(582)	-	2,065
	<b>9,210,314</b>	<b>213,568</b>	<b>(834,368)</b>	<b>(2,981)</b>	<b>8,586,533</b>

The purpose and use of each restricted fund is generally explained by the name of that respective fund. The Impact Project fund is to be used to fulfil the plans to renovate and renew St Michael le Belfrey Church building so it can become more fit for purpose for worship and mission in the coming years.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

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

**18. Restricted Funds - continued**

<i>Comparative Year</i>	Brought forward 01/01/2021 £	Incoming Resources £	Outgoing Resources £	Transfers £	Carried forward 31/12/2021 £
G2 fund	30,651	93,600	(81,719)	-	42,532
Acts 435	-	895	(895)	-	-
Storehouse	1,120	-	-	-	1,120
Bible Fund	32	-	-	-	32
Church Planting fund	2,550,000	-	(20,000)	(1,000,000)	1,530,000
St Wilfred Ecclesiastical Charity (COIF)	5,098	1,149	(1,126)	(1,785)	3,336
Evangelism of the North	161	-	-	-	161
Funeral Collections	69	-	-	-	69
Giving Away Day	14,785	-	(4,869)	(3,164)	6,752
Hardship Fund	581	-	-	-	581
Holy Communion	-	23,474	-	-	23,474
House of Prayer	1,534	32	-	-	1,566
House of Prayer People	17,320	-	(7,320)	-	10,000
Impact Project	6,637,992	50,341	(254,184)	-	6,434,149
Internship Bursary	-	1,120	-	-	1,120
Legacy for Church Silver	311	-	-	-	311
Never Give Up	4,321	1,656	(1,740)	-	4,237
One-Off Collections	238	1,075	(667)	-	646
Post Pandemic Fund	-	830	(15,804)	1,002,983	988,009
Premises Legacy	154,825	-	-	-	154,825
Youth Fund Legacy	4,085	-	(4,085)	-	0
Music (royalties)	382	-	-	-	382
Shoebboxes	14	-	-	-	14
Sozo Fund	908	175	(32)	-	1,051
Stained Glass Maintenance St Michael's Warwick Burton	2,000	-	-	-	2,000
Stained Glass Maintenance St Cuthbert's Warwick Burton	1,000	-	-	-	1,000
The Corner Youth Outreach	500	-	(162)	-	338
Unspecified but Restricted	573	-	-	-	573
Women's Ministry	1,981	186	(131)	-	2,036
	<b>9,430,480</b>	<b>174,533</b>	<b>(392,734)</b>	<b>(1,965)</b>	<b>9,210,314</b>

**19. Analysis of net assets by fund**

<i>Current Year</i>	Unrestricted Funds £	Restricted Funds £	Total 2022 £
Tangible fixed assets	951,565	-	951,565
Current assets	143,057	8,599,883	8,742,940
Creditors: Amounts falling due within one year	(37,508)	(13,350)	(50,858)
	<b>£ 1,057,114</b>	<b>£ 8,586,533</b>	<b>£ 9,643,647</b>
<i>Comparative Year</i>	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Tangible fixed assets	954,190	-	954,190
Current assets	326,041	9,243,360	9,569,401
Creditors: Amounts falling due within one year	(46,647)	(33,046)	(79,693)
	<b>£ 1,233,584</b>	<b>£ 9,210,314</b>	<b>£ 10,443,898</b>

**20. Related party transactions**

No member of the PCC received any remuneration or expenses for their services to the PCC. Rev'd Matthew Porter, Rev'd Andrew Baker, Rev'd Victoria Earl and Rev'd James Congreve-Horn are reimbursed for parochial expenses which are necessarily incurred by them to fulfil the duties of their post in accordance with the guidelines set down by the Central Stipends Authority of the Church of England. In addition Mr. Porter receives set statutory parochial fees for officiating at weddings and funerals, these are accounted for to the local Diocese.

During the year a total of £61,943 (including gift aid) (2021 - £54,782) was donated to the PCC by PCC Members (trustees), including close family members. This also includes donations towards the Impact project.

During the year expenses of £3,787.41 were incurred by PCC members and close family towards running of the church and the ministry and not for services to the PCC.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**21. Comparative Statement of Financial Activities**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Unrestricted Funds £	Restricted Funds £	Total Funds	
			2021 £	2020 £
<b>Income and endowments from:</b>				
Donations and legacies	650,573	163,801	814,374	9,136,653
Income from charitable church activities	55,049	1,482	56,531	61,350
Other trading activities	10,332	142	10,474	8,198
Investments	1,719	6,032	7,751	12,007
Other income	10,850	3,076	13,926	29,640
<b>Total income</b>	<b>728,523</b>	<b>174,533</b>	<b>903,056</b>	<b>9,247,848</b>
<b>Expenditure on:</b>				
Raising funds	277	487	764	550
Charitable church activities	761,468	392,247	1,153,715	1,225,146
<b>Total expenditure</b>	<b>761,745</b>	<b>392,734</b>	<b>1,154,479</b>	<b>1,225,695</b>
<b>Net income/(expenditure) before gains and losses</b>	<b>(33,222)</b>	<b>(218,201)</b>	<b>(251,423)</b>	<b>8,022,153</b>
Net gains revaluation of fixed assets	155,000	-	155,000	-
<b>Net income/(expenditure)</b>	<b>121,778</b>	<b>(218,201)</b>	<b>(96,423)</b>	<b>8,022,153</b>
Transfers between funds	1,965	(1,965)	-	-
<b>Net movement in Funds</b>	<b>123,743</b>	<b>(220,166)</b>	<b>(96,423)</b>	<b>8,022,153</b>
<b>Total funds brought forward at 1 January 2021</b>	<b>1,109,841</b>	<b>9,430,480</b>	<b>10,540,321</b>	<b>2,518,169</b>
<b>Total funds carried forward at 31 December 2021</b>	<b>£1,233,584</b>	<b>£ 9,210,314</b>	<b>£ 10,443,898</b>	<b>£ 10,540,321</b>

---

# Accounts

---

**THE PAROCHIAL CHURCH COUNCIL OF  
THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK  
(registered charity no. 1130866)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

<b>CONTENTS</b>	<b>Page(s)</b>
Annual Report of the Parochial Church Council	1 - 12
Independent Auditors' Report	13 - 15
Statement of Financial Activities	16
Balance Sheet	17
Cash Flow Statement	18
Notes to the Financial Statements	19 - 31

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2021**

The Parochial Church Council (PCC) has pleasure in presenting its Report together with the Financial Statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019, the Charities Act 2011, the Church Accounting Regulations 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The PCC is a Public Benefit Entity.

**OBJECTIVES AND ACTIVITIES**

St Michael le Belfrey Church Council (PCC) is responsible, with the Vicar (Matthew Porter) for good governance of the Church.

Over the last 12 months the church - often known as the Belfrey - has continued to sustain and develop its ministry and mission, aiming to be *servicing God's transformation of the North* through everything we do, and now with even greater purpose and clarity as we have lived through Covid-19.

2021 saw the launch of our Five Year Roadmap. This summarises our plans and hopes for the coming few years from 2021-2026. It clarifies our five key aims - serving York, making disciples, nurturing disciples, developing leaders and planting churches. It was these five aims that particularly informed our activities, our prayers and our preaching during the year 2021. The Leadership Team and Church Council believe that if we prayerfully do these things, with the help of God, then the impact on our city and region will be great.

Our major reordering and repair project, known as Impact, is crucial to the fulfilment of the Belfrey's vision and mission. Encouraging progress was made in 2021 on design and on consultation with stakeholders, despite the challenges of the pandemic. 2022 will be a key year as we seek to obtain faculty and planning permission and assemble all the necessary resources to embark on the construction stage.

When considering the objectives of the charity the trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit. This report will highlight some of the public benefit of St Michael le Belfrey Church.

**ACHIEVEMENTS AND PERFORMANCE**

*Church attendance*

St Michael le Belfrey has a simple gathering structure of congregations and groups. During 2021 we had 4 weekly services (on Sundays, meeting in St Michael le Belfrey Church or online at 9am, 11am and 6pm; and on Wednesdays, at 12.30pm when not in lockdown). In the early part of the year, in-person Sunday services were temporarily replaced with live-streamed services, due to national emergency regulations. Throughout 2021 we had approximately 40 midweek small groups, known as Belfrey Groups.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2021**

At the Annual Meeting 2021 there were 445 people on the church electoral roll (plus a further 66 at G2, a church begun by us in 2004, still legally under our governance), making the total 511. The average weekly attendance during October 2021 was 543 for congregations meeting in St Michael le Belfrey Church, and 314 for online/telephone linkups, making a weekly total of 857. *(Please note this is based on data for the month of October only.)*

Professions of faith, baptism, and confirmation are important to us as public marks of following Jesus Christ. With many services held online in 2021 it was hard for us to gauge responses but nevertheless we know of at least 21 professions of faith. At times we were restricted in our ability to baptise but despite this we conducted 9 re-affirmations of baptismal faith, and baptised 6 infants and 13 adults.

***Public Benefit Review of the year***

*Community*

The clergy and staff team have continued to serve not just the people of the Belfrey but also the wider community. With many struggling in 2021 due to the effects of the pandemic, it is important that our church does all it can to support vulnerable and disadvantaged people. With the consent of the anonymous donor(s) behind our Northern Church Planting Fund, in 2021 we agreed, along with third-party scrutiny, to re-allocate £1m of funds from the fund, in order to establish a *Love York Post-Pandemic Fund* held by the PCC. This Fund will support mission and social action initiatives which the church considers strategic as we serve York and seek to be serving God's transformation of the North. In August, Alison Dawson was employed as our Social Action Programme Manager to head this work, supported by this new fund. Alison has begun work on the Social Action Programme by researching the current needs and provision in York, in three focus areas of Poverty, Mental Health, and Youth and Families, to identify gaps and opportunities. Alongside this she has started to build a network of links with churches, charities and organisations such as City of York Council and York CVS, to see where we can align new social action work with what is already going on in the city. We were also excited to join the *Love Your Neighbour* campaign, thanks to Tony Holmes' service as our volunteer Social Action Coordinator.

When not in lockdown, St Michael le Belfrey Church has been open daily most weeks, welcoming 24,000 visitors to come in and discover something of our heritage and to hear stories of faith today. Our youth and children's team provided groups and support for a wide range of young people and children inside and outside the church. We also served homeless and vulnerable members of our city through *Let's Cook*, teaching cookery skills and providing a weekly hot meal in the Belfrey Hall. Welcome lunches resumed at the vicarage in September, to welcome newcomers to the Belfrey. The senior staff are able to give up to 10% of their time to the Diocese of York or to assisting other churches and to the New Wine network of churches. We continued to invest in running *Alpha* courses, led by Vicky Earll, which provided space for those exploring faith to find answers to their questions. We continue to believe that helping people find faith in Jesus Christ is the greatest public benefit that we can provide.

*Buildings*

St Michael le Belfrey and St Cuthbert's Church (our House of Prayer) are significant buildings which we value very much and have continued to maintain and upgrade under the guidance of our Facilities Manager, Rob Hill, to assist us in our mission and ministry and as part of our heritage. St Cuthbert's in particular had a new kitchen installed in 2021. Plans for the

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2021**

renovation and redevelopment of St Michael le Belfrey Church continued as we met with the Diocesan Advisory Committee (DAC) and heritage groups to progress our plans. The church also owns the Belfrey Hall, and houses at 13 Hempland Drive and 28 Langdale Avenue. It rented the Parish Centre (11/12 Minster Yard) from York Minster as church offices. It rented various buildings to house interns. St Michael le Belfrey Church, St Cuthbert's Church and the Belfrey Hall were, outside of lockdown, used most days, not just for worship and prayer, but also for meetings, concerts, theatre productions and as a home to the Yorkshire Bach Choir. We provided office space in the Parish Centre for *G2* and *Fusion*, and other churches use our photocopier to produce their newsletters.

*Money*

St Michael le Belfrey is a not-profit-making, charitable organisation and we see all financial provision as money for mission and ministry. Our income was £903,056 of which £174,533 was restricted. Not only was this money used to pay our staff and to fund various aspects of church life, but much was given away, especially to various long-term Mission Partners in York, the UK and abroad. We support the local Diocese, contributing £182,636 in 2021 which, after supporting our full-time stipendiary clergy posts, supports the Diocese of York in its wider mission in other churches, schools, and a breadth of communities, rural and urban.

*People*

People are the key resource of the church, because church is first and foremost people. The PCC would like to thank all the paid and voluntary staff who have contributed so much over the year. In 2021 we said goodbye to Beth Burbidge, Jack Chipperfield, Dave Kelsall, Luke Porter and Emma Perkins, the latter leaving to prepare for the church plant/revitalisation in early 2022 at Holy Trinity Heworth. We welcomed 6 new members of staff - Wayne Cadman, Alison Dawson, Issy Flynn, James Hayden, Becca Hewitt and Charles Walters. Abbie Bright, Tony Holmes, Alex Male and Rebecca Smith and Hannah Betteridge joined our staff team as significant volunteers. Also, G2 said goodbye to Adam Mitchell-Baker, Lydia Brehm, Ben Paul and Christian Selvaratnam and welcomed Toby Spaxman, and Hannah Smith into her new role leading G2.

*Impact*

St Michael le Belfrey church is investing in a c£9m repair and reordering project called Impact which will be the first major development in over 150 years. The vision for creating a welcoming, accessible and flexible space within this beautiful and historical Church building remains as relevant now, having lived through the Covid-19 global pandemic, as it was two years ago. The Belfrey continues to share the Christian faith, serve its community and welcome visitors both as a physical presence and having seen significant growth in its online presence through creative use of live streaming and social media. The reordered church building will support the Belfrey's five aims of Serving York, Making Disciples, Nurturing Disciples, Developing Leaders and Planting Churches.

This year has seen a clear shift in support as the Impact board continued to consult with key stakeholders who understand better the Belfrey's justification for the Project. The relationship with the sub-committee of the DAC has developed as a 'critical friend' to the Parish and the Project.

A letter from the Church Buildings Council in July 2021 recognised the significant design progress made and was able to make the link that where proposals might result in loss of historic fabric, it was "necessary for the parish to have a scheme that will deliver its needs".

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2021**

Historic England's latest advice letter received in December recognised the efforts the Belfrey has made to engage stakeholders and "that the current proposals are a much stronger response to the building than the original proposition."

In October an Information update and Partners evening was held, inviting city stakeholders including the Lord Mayor, councillors, individuals and businesses in the city to share our plans, generate interest and build relationships. This will be important as we submit our planning application in 2022 when we can expect significant interest in our submission.

Significant design developments included:

- Careful design development for an accessible west end with two new subservient openings to the main door and accessible landscaping to complement the external appearance of the building and sensitivity of setting
- Construction of a beautiful contemporary designed accessible gallery with a lift using glass and materials to render it unobtrusive
- Creating an attractive accessible link to 12 Minster Yard via the current vestry to provide quality meeting rooms, more toilets and refreshment facilities
- A centrally located baptism pool with the potential for a hydraulic floor making it accessible for people with mobility impairments and modular staging which can be used for a variety of configurations then stored to the sides when not in use

Careful thought has been given to developing an Operating Model for the Belfrey that will use the Reordered building to optimum capacity. This complements the Five Year Road Map (2021-2026), and translates into St Michael le Belfrey being the heart of a wide variety of worship, ministries, activities and social action happening in the city centre. Examples of elements of this Operating Model are: frequent ecumenical Alpha Courses being hosted in the building for those exploring Christianity; our baptism pool being used multiple times a month by both the Belfrey congregations and visiting local churches; and the Belfrey blessing the city of York and the wider region with a flexible, beautiful and accessible venue with a capacity of 550.

Consultation through interviews, focus groups and a survey took place with church members and external contacts to develop a comprehensive picture on accessibility needs. This included those with, or representing people with, physical conditions, intellectual disabilities and learning difficulties as well as physical disability to ensure the designs being developed are the best they can be to offer Access for All.

In the autumn 2021, a sub group of the Impact Board and the Design team carried out a detailed Value Engineering exercise to contain the costs within the Project Budget. The Belfrey Community were consulted in November and much of the Developed Design supported by the Parish, notwithstanding revisions to complete on the 12 Minster Yard link.

2021 has been a critical year in design development alongside ascertaining the position of key stakeholders so we can submit the best planning and faculty applications in 2022. In 2022 we will also be working to ensure that we have all of the necessary financial and other resources to initiate the construction stage.

*Church Planting*

St Michael le Belfrey is a resource church, seeking to give time, energy and people to our Diocese and region in a variety of ways, especially through church planting, as part of the

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2021**

Diocese of York's *Multiply* strategy. We were pleased in 2021 to make plans to send Mike and Emma Perkins and others to revitalise the parish of Holy Trinity in Heworth from January 2022, supported by our Northern Church Planting Fund which was established in 2020 to help support church planting and revitalisation across the North.

During 2021 the Belfrey continued to provide support to G2 in their mission and ministry. G2 have a Bishop's Mission Order (BMO) enabling them to explore innovative mission in York. Since 2006 they have been ably led by Rev Christian Selvaratnam. In summer 2021 G2 said goodbye to Christian as he became full-time Director of Church Planting at St Hild College. In August 2021 G2 were delighted to appoint Hannah Smith as temporary Leader of the G2 BMO. Hannah was later appointed and commissioned in October by Bishop John (Bishop of Selby) as the permanent G2 Team Leader.

**PLANS FOR THE FUTURE**

In order to further our vision in the year ahead, we launched our Five Year Roadmap. The map turns our previous strategic emphases into *Aims*, to which a new first aim is added - of *Serving York*. The Five Year Roadmap began to be communicated inside and outside of church in a variety of ways, and informed our preaching for much of the year. It particularly highlights five 'stretch goals', summarising key actions:

- every one loves one
- every one brings one
- every one disciples one
- every leader trains one
- every church plants one

St Michael le Belfrey continues to plan for growth, not for decline. We believe we have a strategic and God-given vision and humbly, prayerfully and confidently seek for it to be furthered in 2021 and beyond. We plan to send out a team every two years to plant either something brand new or to revitalise an old church. We are pleased to be part of the Diocese's strategic planning for the coming years as together we seek to grow and to particularly impact the 20s-40s age group. We will also continue developing our strategic plans for re-ordering St Michael le Belfrey Church. As we do so, we will seek to become an increasingly sustainable church, in line with the *Climate and Environmental Emergency Declaration* which our PCC signed off in autumn 2021. As part of this Declaration, we have committed to bring forward by April 2022 an action plan to minimise the Belfrey's negative corporate impact on the environment and climate and to help restoration where possible. All this will be demanding and exciting as we look to the future.

**LEADERSHIP**

Our church, St Michael le Belfrey, is led by the Vicar with the assistance of a Leadership Team (the 'Vicar's Leadership Team') which meets weekly and is governed by the PCC.

Our church is managed by a team of dedicated staff and volunteers, for whom we are grateful.

The only committee required by law is the Standing Committee. This is made up of the Vicar, Associate Minister, Church Wardens, Secretary and Treasurer, and up to two elected PCC members. It has power to transact the business of the PCC between its meetings, subject to any directions given by the Council. Towards the end of 2021, the PCC agreed to move to a different structure of meeting, with the full PCC meeting bi-monthly and the Standing

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2021**

Committee meeting in the intervening months, along with the various sub-groups. The full PCC meetings tend to discuss bigger picture matters, agree legal matters including the annual budget and receive a regular Safeguarding Report, whilst the Standing Committee deals with matters of more detail. The first Standing Committee meeting as per this structure took place in October.

**CHARITY GOVERNANCE CODE:**

As a charitable body, we fulfil the 7 principles set out in the Charity Governance Code as follows:

**1. Organisational Purpose:**

We exist for worship and mission in the parish of St Michael le Belfrey, York. Our vision is to be serving God's transformation of the North and for this we work and pray. To fulfil this vision our strategic emphases in 2021 were: serving York, making disciples, nurturing disciples, developing leaders and planting churches.

**2. Leadership:**

The church is led by the Vicar with the assistance of a Leadership Team and is governed by the PCC. The Vicar has freehold of the church. Both the Vicar and Associate Minister are of incumbent status. Responsibility for much day-to-day church life is delegated to our staff and volunteers. We highly value the ministry of the whole church, with much work being done by volunteers, including small group leaders, helpers and pray-ers in all sorts of areas of church life.

**3. Integrity:**

We are followers of Jesus who seek to live under the authority of Scripture in the power of the Holy Spirit, while recognising our imperfections and weaknesses and our need of God's grace. We take safeguarding seriously, being ably led by our Parish Safeguarding Officer Barrie Stephenson, with over 200 members of our church family receiving safeguarding training in 2021. We seek to live with integrity, telling the truth and abiding by the law of the land. At PCC meetings we name conflicts of interest. We seek to honour each other, speak well of each other and give each other the benefit of the doubt. We particularly value generosity, festivity, simplicity, and humility. Our supporting values include kindness, creativity, diversity and integrity.

**4. Decision-Making, Risk and Control:**

We have a number of key goals for the year which are regularly monitored. We review terms of reference, policies and our risk register. Our PCC membership is refreshed annually. Our accounts are professionally audited. Our financial statements, annual reports and various publications are shared with the Diocese of York, of which we are part. All staff and volunteers are line-managed.

**5. Board Effectiveness:**

The Vicar's Leadership Team meets most weeks and our PCC or Standing Committee meet monthly. The Vicar and Associate Minister meet with the Wardens every other month. We take advice from experts outside our church, especially in specialist HR or finance matters. We believe the PCC has a good mix of skills, experience, common sense and prayerfulness. New PCC members are each year given trustee induction and all undergo basic online safeguarding training. In 2021 the PCC devoted the first part of four meetings to going through a training course entitled *PCC Tonight*, which helped members understand the Council's role

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2021**

and function. It was in response to this course and rethinking the effectiveness of our governance structures that the meeting schedule of the PCC and Standing Committee was revised and more subgroups begun and empowered.

**6. Diversity:**

God's Kingdom is made up of all manner of people but, historically, our church has not fully reflected this diversity in its membership, staffing and leadership, partly because of the background and makeup of York residents. We have continued to seek to make progress towards greater diversity within the leadership and membership of this church. We are pleased that diversity is now one of our church values agreed by the PCC in 2021, and this is being communicated through our preaching.

**7. Openness & Accountability:**

Our key stakeholders are our church family. Those who belong to the Belfrey normally show this by joining our electoral roll, worshipping regularly at one of our services, joining a small group and giving regularly. Most choose to receive a weekly email which includes a Friday Message from the Vicar, as well as news items, a calendar of services and Belfrey events, links to useful resources for church members, and the latest PCC Minutes. As well as verbal notices in our services our church provides regular information on various social media platforms, including Facebook, Instagram and Twitter, and there is a Belfrey Noticeboard group on Facebook. We listen to feedback, and take seriously all suggestions on how to improve our church life, discussing this at VLT and when necessary at PCC. Our 5 Year Roadmap, launched this year, incorporated feedback gathered in a large-scale Church Survey carried out in 2020. We also encourage questions to be asked throughout the year, with written questions being invited on our annual report and time given for a few verbal questions at our Annual Meeting. We are GDPR (data protection) compliant and keep clear, accurate and up-to-date membership records using the safe and secure ChurchSuite church management system.

**FINANCIAL REVIEW**

2021 saw an increase in planned giving for both the Belfrey and G2 by nearly £20,000 and £10,500 respectively. Excluding G2, planned giving was £454,925 with 272 people giving this way; which represents 61% of the electoral role. We plan to hold a renewal of giving in 2022 and hope that this goes up to 70%!

Even without being able to pass the 'plate' around during services as we were able to for part of 2020, our total unrestricted donations were £76,619 higher in 2021. We also received a legacy of £23,474 which is restricted for 'Holy Communion.'

Total income for 2021 at £903,056 looks very low compared to 2020's £9,247,848 but remember that in 2020 we recognised the two restricted big gifts for Impact and Church Planting in full, even though we haven't received all of the money yet. It is being managed by a third party and we draw it down as we need it. Total income for 2020 minus the £8,450,000 restricted big gifts was £797,848. This means that total income was £105,208 more in 2021 excluding those gifts.

In April 2021 we announced the creation of the Post Pandemic fund which was established by taking £1,000,000 from the Church Planting fund donation. You can see this transfer in Note 18 of the accounts.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2021**

We had expected to need to use £133,000 made up from previous years' gifts to fund all we wanted to do in 2021. However, we only needed to use £33,000 – this was due to a combination of income being more than expected and spending less during the lockdown in the first quarter. This means there is £100,000 which will be carried forward to use in 2022.

G2's (which operates as a restricted fund of the Belfrey) income was also higher than expected as they received a few one-off gifts as well as doing another 90 day giving challenge which brought in nearly £4,000. Their expenditure was slightly under budget which meant they had a surplus of nearly £12,000.

The Impact project expenditure for 2021 can be broken down as follows:

Design Team (LDN architect, engineers & cost consultants)	£153,294
St Lawrence Organ Humidifier	£10,000
Surveys & Specialist Advice	£23,982
Project Management team (salaries)	£60,317
Other costs (bank charges, zoom, etc.)	£3,003
TV Monitors to be used in decant	£3,588
<b>Total</b>	<b>£254,184</b>

In October 2021 we had the buildings we own revalued by Stephenson's Estate Agents. This hadn't been done since December 2016. The value of all three properties (Hempland Dr, Langdale Ave, and Belfrey Hall) increased by a total of £155,000. This can be seen on the SOFA and detailed in note 11.

Our total funds at the end of 2021 were £10,443,898, of this £9,210,314 were restricted funds which can only be spent as the donor(s) requested. The majority of this is the Impact Fund, Church Planting Fund, and Post Pandemic Fund. £1,233,584 is unrestricted funds for the general running of the church. However, £954,190 of it is tied up in buildings and equipment we own. This leaves £279,394 in cash which is made up of reserves and amounts to be spent in 2022 (see Reserves section below)

We have two members in our treasurer team, but are still looking for a third member. We are thankful for the wardens who are responsible for the finances until this is fully established. Thank you also to Gill McIntosh and Val Patrick our finance volunteers and Melissa Bryan our finance manager, who have worked hard this year behind the scenes.

#### **INVESTMENT POLICY**

The PCC has taken external financial advice on the investment of funds restricted for expenditure on the Impact Project, taking account also of its reserves and funds held for other projects. In view of the likely timescale for expenditure of the bulk of these funds and uncertainty over market conditions in the meantime, the PCC has accepted advice that it would be appropriate to avoid significant risk and keep its funds in cash deposits. The PCC will authorise the opening of additional bank deposit accounts as necessary, seeking to maximise the rate of interest consistent with the security of the funds and the required availability for Impact and other expenditure.

#### **RISK MANAGEMENT**

The PCC acknowledges its responsibility to identify, assess and manage the major risks to which it is exposed.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2021**

Major risks arise from a variety of aspects of the church's internal operations and external environment, including security, health and safety, and finance.

The PCC delegates the management of risk to the Operations Manager, the Treasurer, and a designated Churchwarden. Through this group the PCC maintains a register of major risks, and continues to enhance plans to ensure that systems and processes are in place to mitigate exposure to these risks. The risk register is held and kept up to date by the Operations Manager. The PCC reviews the risk register on at least an annual basis, usually every March.

The Impact Project, to restore and reorder St Michael le Belfrey, holds its own separate risk register which is managed by the Impact Board together with the PCC.

**RESERVES POLICY**

Our policy is to keep a cash reserve equating to three months' essential running costs. At the moment that is around £71,000. This allows us to provide for unforeseen short-term expenditure (on such items as building repairs) or shortfalls in income; and to respond promptly to future opportunities in support of the church's mission.

Our total unrestricted net current assets at 31 December 2021 amounted to £279,394, and after allocating £121,170 to be spent in 2022 and £80,776 on pastoral work over the next 36 months the cash reserves are £77,448. The PCC review this figure regularly so that any reserves held above the £71,000 in our policy can be used for projects as needed.

The PCC holds property and equipment valued at £954,190 included in the unrestricted reserves which could be converted into cash if needed.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Parish of St Michael le Belfrey, York is a parish within the Church of England as defined by canon law. Individual parishes within the Church of England do not have a separate constitution. They work within the framework of Church of England ecclesiastical law, consisting of the Parochial Church Council Powers Measure (1956) and the Church Representation Rules. Charitable status was received on 30 July 2009.

Members of the PCC are either ex officio or elected by the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules.

The PCC has delegated some decision-making powers to the following sub-groups: the Human Resources (HR) Group for HR matters, the Impact Project Board for the reordering of St Michael le Belfrey Church, the World Mission Team for overseeing mission partners, the Social Action Programme Board (SAPB) for social action and the implementation of the Love York Post Pandemic Fund, the Northern Church Planting Group for governance of the Northern Church Planting Fund, and G2 Council for governance of G2. Terms of reference for the HR Group were last updated in 2018, for the Impact Project Board in 2020, for the World Mission Team in 2021, for the NCPG in 2021, for the SAPB in 2021, and for G2 Council in 2021.

All major governance matters are decided by the Vicar and PCC together.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2021**

**ADMINISTRATIVE INFORMATION**

Parish Name: St Michael le Belfrey

Church Address: St Michael le Belfrey, High Petergate, York, YO1 7EN

Office Address: The Parish Centre, 11/12 Minster Yard, York YO1 7HH

Charity Name (working name): St. Michael Le Belfrey PCC

Registered Number: 1130866

Principal Address: The Parish Centre, 11/12 Minster Yard, York, YO1 7HH

Independent auditors: Waltons Business Advisers Limited, Maritime House,  
Harbour Walk, The Marina, Hartlepool, TS24 OUX

Financial Institutions: Royal Bank of Scotland, 27 Park Row, Leeds LS1 5QB

Nationwide Building Society, Kings Park Road, Moulton  
Park, Northampton, NN3 6NW

Yorkshire Bank/Virgin Money, Berling House, Mariner  
Court, Clydbank, G81 2NR

Cambridge & Counties, Charnwood Court, 5B New  
Walk, Leicester, LE1 6TE

CCLA, Senator House, 85 Queen Victoria Street,  
London, EC4V 4ET

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2021**

**PCC Trustees / Members**

The members of the PCC who served during the year were as follows:

<b>Clergy</b>	Matthew Porter Andy Baker Vicky Earll Michael Perkins Christian Selvaratnam (until May 2021) Jim Roberts
<b>Churchwardens</b>	Daniel Brookes Alison Dawson (until August 2021) Christopher Dobson Remi Oduyemi
<b>Deanery Synod</b>	Daniel Brookes James Hayden (from July 2021) John Lindley Tony Scott Martine Somerville
<b>Elected representatives</b>	Dani Cook Ali Hale Jenny Hough (until April 2021) Ross Kenyon Joe McKeogh Andrew Oldroyd (from April 2021) Alys Tarr (until December 2021)
<b>Officers</b>	Secretary: Martine Somerville Treasurer: Church Wardens Electoral Roll Officer: Izzy Pysanczyn

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2021**

**STATEMENT OF RESPONSIBILITIES OF THE PAROCHIAL CHURCH COUNCIL**

Law applicable to charities in England and Wales and guidance issued by the Central Board of Finance of the Church of England require the members of the Parochial Church Council to prepare financial statements which give a true and fair view of the Parochial Church Council's financial activities during the year.

In preparing financial statements giving a true and fair view, the members of the Parochial Church Council should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the Church guidance, applicable accounting standards and statements of recommended practice 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 Parochial Church Council will continue in operation.

The members of the Parochial Church Council are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Parochial Church Council and enable them to ensure that the financial statements comply with the Church Accounting Regulations 2006 and the Charities Act 2011. They are also responsible for safeguarding the assets of the Parochial Church Council and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**PROVISION OF INFORMATION TO AUDITORS**

In so far as the PCC members are aware:

- There is no relevant information of which the PCC's auditors are unaware; and
- The PCC members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITORS**

As a result of a change in auditor's name, from 1 March 2022 Waltons Clark Whitehill Limited became Waltons Business Advisors Limited.

Approved by the Parochial Church Council and signed on its behalf by:

X   
Revd Matthew Porter  
Chair

21/03/2022

# **INDEPENDENT AUDITORS' REPORT TO THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

## **Unqualified opinion**

We have audited the financial statements of The Parochial Church Council of the Ecclesiastical Parish of St Michael Le Belfrey with St Cuthbert, York for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. 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).

This report is made solely to the Parochial Church Council (the PCC) as 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 PCC those matters we are required to state to them in an auditors' 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 PCC as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, 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 and the Church Accounting Regulations 2006.

## **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 Auditors' 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 Trustee's 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.

# **INDEPENDENT AUDITORS' REPORT TO THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

## **Other information**

The PCC are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 PCCs' report; or
- sufficient accounting records have not been kept; 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 the Parochial Church Council**

As explained more fully in the statement of responsibilities of the Parochial Church Council set out on page 11, the PCC 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 PCC 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 PCC are responsible for assessing the 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 PCC either intend to liquidate or to cease operations, or have no realistic alternative but to do so.

# **INDEPENDENT AUDITORS' REPORT TO THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

## **Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 auditors' 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charity and the area in which it operates, and considered the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We identified the greatest potential for fraud in the following areas: existence and timing of recognition of income and the posting of unusual journals. We discussed these risks with management and designed audit procedures as follows:

- to test the timing and existence of revenue,
- to review journals posted to key control accounts or posted around the year end, to look for potential "window dressing" as well as looking at a sample throughout the year.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

*Waltons Business Advisers Limited*

### **Waltons Business Advisers Limited**

Chartered Accountants

Statutory Auditors

**Maritime House**

**Harbour Walk**

**The Marina**

**Hartlepool**

**TS24 0UX**

**05/04/2022**

Waltons Business Advisers Limited is eligible to act as auditors in terms of section 1212 of the Companies Act 2006

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds	
				2021 £	2020 £
<b>Income and endowments from:</b>					
Donations and legacies	2	650,573	163,801	814,374	9,136,653
Income from charitable church activities	3	55,049	1,482	56,531	61,350
Other trading activities	4	10,332	142	10,474	8,198
Investments	5	1,719	6,032	7,751	12,007
Other income	6	10,850	3,076	13,926	29,640
<b>Total income</b>		<b>728,523</b>	<b>174,533</b>	<b>903,056</b>	<b>9,247,848</b>
<b>Expenditure on:</b>					
Raising funds	7	277	487	764	550
Charitable church activities		761,468	392,247	1,153,715	1,225,146
<b>Total expenditure</b>		<b>761,745</b>	<b>392,734</b>	<b>1,154,479</b>	<b>1,225,695</b>
<b>Net income/(expenditure) before gains and losses</b>					
		(33,222)	(218,201)	(251,423)	8,022,153
Net gains revaluation of fixed assets	11	155,000	-	155,000	-
<b>Net income/(expenditure)</b>		<b>121,778</b>	<b>(218,201)</b>	<b>(96,423)</b>	<b>8,022,153</b>
Transfers between funds		1,965	(1,965)	-	-
<b>Net movement in Funds</b>		<b>123,743</b>	<b>(220,166)</b>	<b>(96,423)</b>	<b>8,022,153</b>
<b>Total funds brought forward at 1 January 2021</b>		<b>1,109,841</b>	<b>9,430,480</b>	<b>10,540,321</b>	<b>2,518,169</b>
<b>Total funds carried forward at 31 December 2021</b>	17/18	<b>£1,233,584</b>	<b>£ 9,210,314</b>	<b>£ 10,443,898</b>	<b>£10,540,321</b>

The notes on pages 19 to 31 form part of these financial statements.

The Statement of Financial Activities includes all gains and losses in the year and all of the above amounts relate to continuing activities.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**BALANCE SHEET**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds	
				2021 £	2020 £
<b>Fixed Assets</b>					
Tangible fixed assets	11	954,190	-	954,190	805,028
		<u>954,190</u>	<u>-</u>	<u>954,190</u>	<u>805,028</u>
<b>Current Assets</b>					
Stock	12	533	-	533	638
Debtors	13	21,049	7,196,377	7,217,426	7,666,352
Cash at bank and in hand	14	304,459	2,046,983	2,351,442	2,107,558
<b>Total Current Assets</b>		<u>326,041</u>	<u>9,243,360</u>	<u>9,569,401</u>	<u>9,774,548</u>
<b>Current Liabilities</b>					
Creditors: amounts falling due within one year	15	46,647	33,046	79,693	39,255
<b>Total current liabilities</b>		<u>46,647</u>	<u>33,046</u>	<u>79,693</u>	<u>39,255</u>
<b>Net Current Assets</b>		<u>279,394</u>	<u>9,210,314</u>	<u>9,489,708</u>	<u>9,735,293</u>
<b>Total assets less current liabilities</b>		<u>1,233,584</u>	<u>9,210,314</u>	<u>10,443,898</u>	<u>10,540,321</u>
<b>Net Assets</b>		<u>£ 1,233,584</u>	<u>£ 9,210,314</u>	<u>£ 10,443,898</u>	<u>£10,540,321</u>
<b>The funds of the charity</b>					
Unrestricted general fund	17	922,584	-	922,584	953,841
Unrestricted revaluation reserve fund	17	311,000	-	311,000	156,000
Restricted funds	18	-	9,210,314	9,210,314	9,430,480
<b>Total Charity Funds</b>		<u>£ 1,233,584</u>	<u>£ 9,210,314</u>	<u>£ 10,443,898</u>	<u>£10,540,321</u>

Approved by the Parochial Church Council on 21/03/2022 and signed on its behalf by:

X   
Revd Matthew Porter (Chair)

The notes on pages 19 to 31 form part of these financial statements.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities:</b>		
<b>Net income for the reporting period</b>	<b>(96,423)</b>	<b>8,022,153</b>
<b>Adjusted for:</b>		
Depreciation charges	5,838	5,837
Dividends and interest from investments	(7,751)	(12,007)
Revaluation of fixed assets	(155,000)	-
Decrease in stocks	105	111
Decrease/(increase) in debtors	448,926	(7,638,758)
Increase/(decrease) in creditors	40,438	(36,181)
	<b>236,133</b>	<b>341,155</b>
<b>Cash flows from investing activities:</b>		
Dividends and interest from investments	7,751	12,007
	<b>7,751</b>	<b>12,007</b>
<b>Change in cash and cash equivalents in the reporting period</b>	<b>243,884</b>	<b>353,161</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>2,107,558</b>	<b>1,754,397</b>
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>£ 2,351,442</b>	<b>£ 2,107,558</b>
<b>Analysis of cash and cash equivalents</b>		
Cash in hand	384	383
No notice and notice deposits (less than 3 months)	1,072,450	479,376
Notice deposits (more than 3 months)	1,278,608	1,627,799
	<b>£ 2,351,442</b>	<b>£ 2,107,558</b>

Charity law requires separate administration of the cashflows of endowed and other restricted funds of the Charity. This constraint has not adversely affected cashflows as stated above.

The notes on pages 19 to 31 form part of these financial statements

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

**1. ACCOUNTING POLICIES**

**Basis of preparation**

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019, the Charities Act 2011, and the Church Accounting Regulations 2006.

The financial statements include all transactions, assets and liabilities for which the Parochial Church Council ("the PCC") is responsible in law. They do not include the financial statements of church groups that owe their main affiliation to another body, nor those that are informal gatherings of church members.

The PCC is a public benefit entity as defined by FRS 102.

**Statutory information**

The PCC is registered with the Charity Commission, registration number 1130866. The registered address is The Parish Centre, 11/12 Minster Yard, York, YO1 7HH.

**Funds**

*Unrestricted funds* represent the general funds of the PCC that are not subject to any restrictions regarding their use and are available for application for the ordinary purposes of the PCC.

*Designated funds* represent those unrestricted general funds which have been set aside by the PCC for a particular purpose.

*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 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 fund. A large proportion of restricted funds are held in separate bank accounts and interest arising is allocated to restricted funds. The remaining interest largely represents monies accrued from unrestricted funds.

**Income recognition**

All income is recognised once the PCC has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably. Planned giving, collections and donations are recognised when received. Tax refunds are recognised when the incoming resource to which they relate is received. Grants and legacies are accounted for when the PCC is entitled to the use of the resources, their ultimate receipt is considered reasonably certain and the amounts due are readily quantifiable. Dividends are accounted for when declared receivable, interest as and when accrued by the payer. All other income is recognised when it is receivable. Amounts received specifically for mission are dealt with as restricted funds. All incoming resources are accounted for gross.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

**1. ACCOUNTING POLICIES** (continued)

**Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in the statement of financial activities in the same period as the related expenditure.

**Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the PCC to that expenditure, it is probable that settlement will be required and the amount of obligation can be measured reliably.

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. The Diocesan Freewill Offering is accounted for when due. All other expenditure is generally recognised when it is incurred and is accounted for gross.

**Fixed assets**

Consecrated and benefice property is not included in the financial statements in accordance with section 10 (2) (a) and (c) of the Charities Act 2011.

Movable church furnishings held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the church's inventory, which can be inspected at any reasonable time. All expenditure incurred during the year on consecrated or benefice buildings and movable church furnishings, whether maintenance or improvement, is written off.

Other land and buildings held on behalf of the PCC for its own purposes are valued at market value. No depreciation is charged against such properties as they are regularly maintained to such an extent that their estimated economic lives and residual values are such that their depreciation is insignificant. At each year end an assessment is carried out to ascertain whether there is any indication that the properties should be written down (i.e. whether its carrying amount is more than its recoverable amount). If there is no indication that a property should be written down, it is not necessary to estimate the recoverable amount.

Equipment used within the church premises, The Parish Centre and Church Hall is depreciated on a straight-line basis over its estimated useful life of 4 to 10 years. Individual items of equipment with a purchase price of £3,000 or less are written off in the period in which the asset is acquired.

**Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of two years or less from the date of acquisition or opening of the deposit or similar account.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

**1. ACCOUNTING POLICIES (continued)**

**Creditors and provisions**

Creditors and provisions are recognised where the PCC has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**Financial Instruments**

The PCC only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income on a straight-line basis over the period of the lease.

**Irrecoverable Value Added Tax**

The PCC is not registered for Value Added Tax (VAT) and accordingly expenditure is shown gross of irrecoverable VAT. The VAT incurred from time to time on certain fabric repair and maintenance expenditure can, however, be recovered under the Listed Places of Worship Grant Scheme.

**Going Concern**

The PCC has cash resources and has no requirement for external funding. The PCC has a reasonable expectation that the church has adequate resources to continue in operational existence for the foreseeable future.

The situation with Covid-19 seems to be resolving with services and events returning to normal and we are seeing our member returning back in person and also new people all the time. As most of our income is from planned giving and we have not seen Covid-19 affect this in a substantial way, the PCC continue to believe the going concern basis of accounting is appropriate in preparing the financial statements.

**Heritage Assets**

The Vicar and Church Wardens hold on special trust for the PCC silver and plate gifted to the church for ecclesiastical purposes. They date from the 17th century and therefore, there is insufficient cost information available. Due to the unique nature of these assets and their historic association with worship at the church over hundreds of years, conventional valuation techniques are not applicable and therefore have not been valued in the financial statements. The silver and plate, 22 items in total are listed in the church's inventory and are regarded by law as inalienable assets which the PCC would require a faculty for disposal. Inspection can be arranged at reasonable times where they are located.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

**1. ACCOUNTING POLICIES** (continued)

**Pensions**

The PCC pays employer contributions into a variety of pension schemes consisting of individual employee's personal pension schemes of their choice and a workplace pension scheme to fulfil the PCC's auto enrolment obligations (Church Workers Pension Fund).

**Church Workers Pension Fund - Pension Builder 2014**

St Michael le Belfrey PCC participates in the Pension Builder Scheme section of Church Workers Pension Fund for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the St Michael le Belfrey PCC and the other participating employers.

CWPF has two sections:

1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections;
  - a. a deferred annuity section known as Pension Builder Classic, and,
  - b. a cash balance section known as Pension Builder 2014.

**Pension Builder Scheme**

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

Pension Builder 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. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

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 means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable (2021: £19,623, 2020: £18,304).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent was carried out as at 31 December 2019. The next valuation is due at 31 December 2022.

For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, St Michael le Belfrey PCC could become responsible for paying a share of that employer's pension liabilities.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

**ACCOUNTING POLICIES** (continued)

**Accounting Estimates and Judgements**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The trustees believe that the following judgements are critical due to the potential material impact it has on the financial statements.

Included within debtors are amounts received in respect of donations towards the Impact project and Church planting. These amounts have been paid by donors to Stewardship who hold the funds on trust for the Church. The Trustees consider that the income recognition criteria of entitlement, probability of receipt and measurement have all been met. The donations were therefore recognised in full in the prior year and are included in debtors at the year-end as shown in note 13. The debtor will be released as funds are received from Stewardship over the life of the projects.

**Property Values**

The trustees consider that the freehold land and buildings are valued at their fair value in the financial statements. The valuations are undertaken by an external professional valuer who carried out a revaluation at 4 October 2021 and the directors have used this valuation to review the fair value at 31 December 2021. As a result, a revaluation gain of £155,000 has been recognised in the year.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total Funds</b>	
			<b>2021 £</b>	<b>2020 £</b>
<b>2. Donations and legacies</b>				
Planned giving	454,925	69,145	524,070	493,888
Tax recoverable	83,289	16,270	99,559	91,740
Collections (open plate)	-	-	-	10,056
Legacies	-	23,474	23,474	25,000
Donations	112,359	54,912	167,271	65,970
Donations - Impact Grant	-	-	-	5,900,000
Donations - Church Planting Grant	-	-	-	2,550,000
	<b>£ 650,573</b>	<b>£ 163,801</b>	<b>£ 814,374</b>	<b>£ 9,136,653</b>

In 2020, income from donations and legacies amounting to £573,954 related to unrestricted funds and £8,562,699 related to restricted funds.

<b>3. Income from charitable church activities</b>				
Events	51,807	1,482	53,289	57,621
Other income from church activities	3,242	-	3,242	3,729
	<b>£ 55,049</b>	<b>£ 1,482</b>	<b>£ 56,531</b>	<b>£ 61,350</b>

In 2020, income from charitable church activities amounting to £60,800 related to unrestricted funds and £550 related to restricted funds.

<b>4. Other trading activities</b>				
Sales	6,174	142	6,316	5,135
Hire of facilities	4,128	-	4,128	3,022
Music	30	-	30	41
	<b>£ 10,332</b>	<b>£ 142</b>	<b>£ 10,474</b>	<b>£ 8,198</b>

In 2020, all income from other trading activities related to unrestricted funds.

<b>5. Investment income</b>				
Dividends received	-	1,148	1,148	1,126
Deposit interest	1,719	4,884	6,603	10,881
	<b>£ 1,719</b>	<b>£ 6,032</b>	<b>£ 7,751</b>	<b>£ 12,007</b>

In 2020, investment income amounting to £3,164 related to unrestricted funds and £8,843 related to restricted funds.

The PCC also receives income from 2,212 Charities Official Investment Fund shares. However, the value of the shares has not been included within the balance sheet because, although the PCC receives the income, the legal title belongs to two charities associated to the PCC.

<b>6. Other income</b>				
Other income	7,746	2,134	9,880	20,814
Government grants	3,104	942	4,046	8,826
	<b>£ 10,850</b>	<b>£ 3,076</b>	<b>£ 13,926</b>	<b>£ 29,640</b>

In 2020, other income amounting to £28,932 related to unrestricted funds and £708 related to restricted funds.

<b>Total Income</b>	<b>£ 728,523</b>	<b>£ 174,533</b>	<b>£ 903,056</b>	<b>£ 9,247,848</b>
---------------------	------------------	------------------	------------------	--------------------

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

	Unrestricted Funds £	Restricted Funds £	2021 £	Total 2020 £
<b>7. Analysis of expenditure</b>				
Raising funds	£ 277	£ 487	£ 764	£ 550
Charitable church activities				
Missionary and charitable giving (note 8)				
Grants	-	23,917	23,917	10,936
Overseas mission	49,843	-	49,843	57,092
Home mission	13,879	6,475	20,354	23,853
Ministry: Diocesan free will offering	63,722	30,392	94,114	91,881
Church - general upkeep and services	180,036	2,600	182,636	177,392
Church - premises	50,749	9,051	59,800	53,634
Music	114,331	178,695	293,026	418,666
Events	2,816	-	2,816	6,081
Staff salaries, pensions and other staffing costs	4,671	694	5,365	13,211
Office and administration costs	306,396	137,411	443,807	412,946
Finance costs	28,430	33,075	61,505	38,740
Audit fee	1,945	329	2,274	3,012
Outsourced accountancy, taxation and payroll	3,860	-	3,860	2,592
	4,512	-	4,512	6,990
<b>Total</b>	<b>£ 761,468</b>	<b>£ 392,247</b>	<b>£ 1,153,715</b>	<b>£ 1,225,146</b>
	<b>£ 761,745</b>	<b>£ 392,734</b>	<b>£ 1,154,479</b>	<b>£ 1,225,695</b>

In 2020, expenditure of £739,572 related to unrestricted funds and £486,124 related to restricted funds.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	2020 £
<b>8. Mission and charitable grants</b>				
<i>Grants</i>				
Acts 435	-	895	895	1,659
Storehouse Restricted Expenditure	-	-	-	120
House of Prayer Restricted Donations	-	-	-	1
One-Off Restricted Donations	-	20,667	20,667	9,018
Giving from Gift Day	-	2,355	2,355	138
	-	23,917	23,917	10,936
<i>Overseas mission</i>				
Blacker Support	13,248	-	13,248	10,318
Wycliffe (Eves)	8,610	-	8,610	8,610
Fletcher Support	7,020	-	7,020	8,020
Homer Support	6,120	-	6,120	6,120
Roberts Support	11,424	-	11,424	11,064
Bayfords	504	-	504	-
Tear Fund	-	-	-	10,000
Wilson	2,544	-	2,544	2,040
International Students	93	-	93	-
Missionary Discretionary	16	-	16	190
Global Connections	265	-	265	230
Seed Fund	-	-	-	-
Short Term Mission	-	-	-	500
	49,843	-	49,843	57,092
<i>Home mission</i>				
Eastfield	-	-	-	2,000
Friends International	2,000	-	2,000	2,000
Ace Active Ministry	2,000	-	2,000	2,000
Paul Myers Mission	2,000	-	2,000	2,000
Restore	1,000	-	1,000	1,000
Riding Lights	3,000	-	3,000	3,000
YoYo Mission Giving	3,000	-	3,000	3,000
Evangelism Cafes	361	-	361	16
Women's Ministry	-	131	131	265
Evangelist Tracts	16	-	16	-
Student Mission	310	-	310	186
Evangelism Ministry	192	-	192	85
G2 Giving to mission	-	5,500	5,500	3,023
Youth Outreach Legacy	-	844	844	5,142
Social Justice & Action	-	-	-	17
Student Alpha	-	-	-	119
	13,879	6,475	20,354	23,853
	£ 63,722	£ 30,392	£ 94,114	£ 91,881

In 2020, Grants was made up of £10 relating to unrestricted funds and £10,926 relating to restricted funds. Overseas Mission was made up of £57,092 relating to unrestricted funds and £Nil relating to restricted funds. Home Mission was made up of £15,406 relating to unrestricted funds and £8,447 relating to restricted funds.

**9. Net income for the year**

This is stated after charging:

Staff pension contribution	19,623	18,304
Depreciation	5,838	5,837
Auditors' remuneration - audit of financial statements	3,860	2,592

**10. Staff costs and emoluments**

Total staff costs were as follows:

Wages and salaries	390,008	366,754
Social security costs	22,266	19,205
Other pension costs	19,623	18,304
	£ 431,896	£ 404,263

During the year the PCC employed no one who earned more than £60,000.

The average head count (number of staff employed) during the year was 28 (2020- 28). The average number of employees calculated on the basis of full-time equivalents was 17 (2020 - 16)

The PCC considers its key management personnel to comprise only of the PCC Members (Trustees). They receive no remuneration in their capacity as trustees but may be employed under a contract of employment to carry out their roles within the church. The total of remuneration received by 2 trustees and key management personnel for their services to the church amounted to £12,052 (2020 - £19,088).

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

**11. Tangible fixed assets**

	Freehold Land & Buildings £	Motor Vehicles £	Church Equipment £	Total £
Cost or valuation				
At 1 January 2021	795,000	12,850	83,891	891,741
Revaluation	155,000	-	-	155,000
At 31 December 2021	950,000	12,850	83,891	1,046,741
Depreciation				
At 1 January 2021	-	9,638	77,076	86,714
Charge for year	-	3,213	2,625	5,838
At 31 December 2021	-	12,850	79,701	92,551
Net book value				
At 31 December 2021	£ 950,000	£ -	£ 4,190	£ 954,190
At 31 December 2020	£ 795,000	£ 3,213	£ 6,815	£ 805,028

The freehold land and buildings, comprising 13 Hempland Drive, 28 Langdale Avenue and the Church Hall were revalued at 4th October 2021 by Stephenson's Estate Agents, and are included at their revised market values of £450,000, £210,000 and £290,000 respectively.

If the freehold property had not been included at valuation, they would have been included under the historical cost convention as follows:

	2021	2020
Historical cost at 31 December 2020	£ 639,000	£ 639,000

At 31 December 2021 tangible fixed assets with a net book value of £954,190 (2020 - £801,815) related to the unrestricted funds and tangible fixed assets with a net book value of Nil (2020 - £3,213) related to restricted funds.

**12. Stock**

Bookstall stock and other	£ 533	£ 638
---------------------------	-------	-------

At both 31 December 2021 and 31 December 2020 stock related to the unrestricted funds.

**13. Debtors**

Trade debtors	30	15
Income tax recoverable	8,441	7,524
Prepayments and accrued income	15,430	8,813
Accrued income - Church Planting, Post Pandemic and Impact grants within one year	303,525	400,000
Accrued income - Church Planting, Post Pandemic & Impact grants more than one year	6,890,000	7,250,000
	£ 7,217,426	£ 7,666,352

At 31 December 2021 £7,196,377 (2020 - £7,656,021) of debtors related to restricted funds, the balance of debtors related to the unrestricted funds.

**14. Cash at bank and in hand**

Bank balances	2,351,058	2,107,175
Cash balances	384	383
	£ 2,351,442	£ 2,107,558

At 31 December 2021 £304,459 (2020 - £331,705) of cash and bank balances related to unrestricted funds and £2,046,983 (2020 - £1,775,853) related to restricted funds.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

<b>15. Creditors: amounts falling due within one year</b>	2021	2020
Trade creditors	30,548	4,634
Accruals and deferred income	40,732	28,725
Tax and social security creditor	7,982	5,474
Pension creditors	431	422
	<b>£ 79,693</b>	<b>£ 39,255</b>

At 31 December 2021 £33,046 (2020 - £4,617) of creditors related to restricted funds, the balance of creditors related to unrestricted funds.

	2021	2020
Deferred income at 1 January 2021	8,081	10,718
Resources deferred during the year	6,491	8,081
Amounts released from previous periods	(8,081)	(10,718)
	<b>£ 6,491</b>	<b>£ 8,081</b>

Deferred income consists of grant and contract income where a time condition is included in the initial offer and it is specified as being for use after the year end. Deferred income for 2020 and 2021 was income in advance for church events where an early bird discount was offered and also rent income paid for future periods.

**16. Commitments under operating leases**

At 31 December 2021 the PCC had annual commitments under non-cancellable operating leases as set out below:

	2021		2020	
	Land and buildings	Other items	Land and buildings	Other items
	£	£	£	£
Operating leases which expire				
Under 1 year	-	-	-	2,210
Within 2 to 5 years	7,644	1,504	7,644	-
After more than 5 years	32,800	-	32,800	-
	<b>£ 40,444</b>	<b>£ 1,504</b>	<b>£ 40,444</b>	<b>£ 2,210</b>

The following lease payments have been recognised as an expense in the statement of financial activities:

	2021	2020
Operating lease rentals	£ 41,948	£ 42,654

**17. Unrestricted and Designated Funds**

<i>Current Year</i>	Brought forward 01/01/2021 £	Incoming Resources £	Outgoing Resources £	Transfers Between Funds £	Other recognised gains and (losses) £	Carried forward 31/12/2021 £
Unrestricted fund - General	953,841	728,522	(761,745)	1,965	-	922,584
Unrestricted fund - Revaluation Reserve	156,000		-	-	155,000	311,000
	<b>1,109,841</b>	<b>728,522</b>	<b>(761,745)</b>	<b>1,965</b>	<b>155,000</b>	<b>1,233,584</b>
<b>Total Unrestricted and Designated Funds</b>	<b>£ 1,109,841</b>	<b>£ 728,522</b>	<b>£ (761,745)</b>	<b>£ 1,965</b>	<b>£ 155,000</b>	<b>£ 1,233,584</b>
<i>Comparative Year</i>	Brought forward 01/01/2020 £	Incoming Resources £	Outgoing Resources £	Transfers Between Funds £	Other recognised gains and (losses) £	Carried forward 31/12/2020 £
Unrestricted fund - General	896,365	675,048	(739,572)	122,000	-	953,841
Unrestricted fund - Revaluation Reserve	156,000		-	-	-	156,000
	<b>1,052,365</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,052,365</b>
Designated fund - Pastoral Development	122,000		-	(122,000)	-	-
<b>Total Unrestricted and Designated Funds</b>	<b>£ 1,174,365</b>	<b>£ 675,048</b>	<b>£ (739,572)</b>	<b>-</b>	<b>-</b>	<b>£ 1,109,841</b>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

**18. Restricted Funds**

*Current Year*

	Brought forward 01/01/2021 £	Incoming Resources £	Outgoing Resources £	Transfers £	Carried forward 31/12/2021 £
G2 fund	30,651	93,600	(81,719)	-	42,532
Acts 435	-	895	(895)	-	-
Storehouse	1,120	-	-	-	1,120
Bible Fund	32	-	-	-	32
Church Planting fund	2,550,000	-	(20,000)	(1,000,000)	1,530,000
St Wilfred Ecclesiastical Charity (COIF)	5,098	1,149	(1,126)	(1,785)	3,336
Evangelism of the North	161	-	-	-	161
Funeral Collections	69	-	-	-	69
Giving Away Day	14,785	-	(4,869)	(3,164)	6,752
Hardship Fund	581	-	-	-	581
Holy Communion	-	23,474	-	-	23,474
House of Prayer	1,534	32	-	-	1,566
House of Prayer People	17,320	-	(7,320)	-	10,000
Impact Project	6,637,992	50,341	(254,184)	-	6,434,149
Internship Bursary	-	1,120	-	-	1,120
Legacy for Church Silver	311	-	-	-	311
Never Give Up	4,321	1,656	(1,740)	-	4,237
One-Off Collections	238	1,075	(667)	-	646
Post Pandemic Fund	-	830	(15,804)	1,002,983	988,009
Premises Legacy	154,825	-	-	-	154,825
Youth Fund Legacy	4,085	-	(4,085)	-	0
Music (royalties)	382	-	-	-	382
Shoeboxes	14	-	-	-	14
Sozo Fund	908	175	(32)	-	1,051
Stained Glass Maintenance St Michael's Warwick Burton	2,000	-	-	-	2,000
Stained Glass Maintenance St Cuthbert's Warwick Burton	1,000	-	-	-	1,000
The Corner Youth Outreach	500	-	(162)	-	338
Unspecified but Restricted	573	-	-	-	573
Women's Ministry	1,981	186	(131)	-	2,036
	<b>9,430,480</b>	<b>174,533</b>	<b>(392,734)</b>	<b>(1,965)</b>	<b>9,210,314</b>

The purpose and use of each restricted fund is generally explained by the name of that respective fund. The Impact Project fund is to be used to fulfil the plans to renovate and renew St Michael le Belfrey Church building so it can become more fit for purpose for worship and mission in the coming years.

In April 2021 we received permission to use £1m of the Church Planting Grant to create a new restricted fund for social action called Post Pandemic Fund. The transfer can be seen above.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

**18. Restricted Funds - continued**

<i>Comparative Year</i>	Brought forward 01/01/2020 £	Incoming Resources £	Outgoing Resources £	Transfers £	Carried forward 31/12/2020 £
G2 fund	31,495	87,876	(88,720)	-	30,651
Acts 435	29	1,630	(1,659)	-	-
Storehouse	3,808	890	(3,578)	-	1,120
Belfrey Youth Besom Christmas Hamper Fund	-	134	(134)	-	-
Bible Fund	32	-	-	-	32
Church Planting fund	-	2,550,000	-	-	2,550,000
St Wilfred Ecclesiastical Charity (COIF)	3,972	1,126	-	-	5,098
Evangelism of the North	161	-	-	-	161
Funeral Collections	69	-	-	-	69
Giving Away Day	15,058	-	(273)	-	14,785
Hardship Fund	-	96	(15)	500	581
Holding Crosses	-	840	(340)	(500)	-
House of Prayer	1,387	148	(1)	-	1,534
House of Prayer People	25,000	-	(7,680)	-	17,320
Impact Project	1,068,350	5,920,427	(350,785)	-	6,637,992
Jim Fox Donation	39	-	(39)	-	-
Kidz Club	1	-	(1)	-	-
Legacy for Church Silver	311	-	-	-	311
Never Give Up	4,806	10	(496)	-	4,321
One-Off Collections	186	8,571	(8,519)	-	238
Premises Legacy	154,825	-	-	-	154,825
Youth Fund Legacy	9,227	-	(5,142)	-	4,085
Music (royalties)	382	-	-	-	382
Shoebboxes	14	-	-	-	14
Sozo Fund	744	300	(136)	-	908
St Cuthbert's Garden	70	-	(70)	-	-
Stained Glass Maintenance St Michael's Warwick Burton	2,000	-	-	-	2,000
Stained Glass Maintenance St Cuthbert's Warwick Burton	1,000	-	-	-	1,000
Student Worker Fund	18,272	-	(18,272)	-	-
The Corner Youth Outreach	-	500	-	-	500
Unspecified but Restricted	573	-	-	-	573
Women's Ministry	1,993	253	(265)	-	1,981
	<b>1,343,804</b>	<b>8,572,800</b>	<b>(486,124)</b>	<b>-</b>	<b>9,430,480</b>

**19. Analysis of net assets by fund**

<i>Current Year</i>	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Tangible fixed assets	954,190	-	954,190
Current assets	326,041	9,243,360	9,569,401
Creditors:			
Amounts falling due within one year	(46,647)	(33,046)	(79,693)
	<b>£ 1,233,584</b>	<b>£ 9,210,314</b>	<b>£ 10,443,898</b>
<i>Comparative Year</i>	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Tangible fixed assets	801,815	3,213	805,028
Current assets	342,664	9,431,884	9,774,548
Creditors:			
Amounts falling due within one year	(34,638)	(4,617)	(39,255)
	<b>£ 1,109,841</b>	<b>£ 9,430,480</b>	<b>£ 10,540,321</b>

**20. Related party transactions**

No member of the PCC received any remuneration or expenses for their services to the PCC. Rev'd Matthew Porter, Rev'd Andrew Baker, Rev'd Michael Perkins and Rev'd Victoria Earl are reimbursed for parochial expenses which are necessarily incurred by them to fulfil the duties of their post in accordance with the guidelines set down by the Central Stipends Authority of the Church of England. In addition Rev'd Porter receives set statutory parochial fees for officiating at weddings and funerals, these are accounted for to the local Diocese. Rev'd Christian Selvaratnam was employed under a contract of employment to carry out his role within the church but is not paid for his services as a PCC member. His employment ceased in August 2021.

During the year a total of £54,782 (including gift aid) (2020 - £66,445) was donated to the PCC by PCC Members (trustees), including close family members.

There were no other related party transactions.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

**21. Comparative Statement of Financial Activities**

<b>STATEMENT OF FINANCIAL ACTIVITIES</b>					
<b>FOR THE YEAR ENDED 31 DECEMBER 2020</b>					
	<b>Unrestricted Funds</b>	<b>Designated Funds</b>	<b>Restricted Funds</b>	<b>Total Funds</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>2020 £</b>	<b>2019 £</b>
<b>Income and endowments from:</b>					
Donations and legacies	573,954	-	8,562,699	9,136,653	693,651
Income from charitable church activities	60,800	-	550	61,350	76,695
Other trading activities	8,198	-	-	8,198	23,372
Investments	3,164	-	8,843	12,007	15,144
Other income	28,932	-	708	29,640	5,835
<b>Total income</b>	<b>675,048</b>	<b>-</b>	<b>8,572,800</b>	<b>9,247,848</b>	<b>814,697</b>
<b>Expenditure on:</b>					
Raising funds	550	-	-	550	3,793
Charitable church activities	739,022	-	486,124	1,225,146	1,260,528
<b>Total expenditure</b>	<b>739,572</b>	<b>-</b>	<b>486,124</b>	<b>1,225,695</b>	<b>1,264,321</b>
<b>Net income/(expenditure) before gains and losses on investments</b>	<b>(64,524)</b>	<b>-</b>	<b>8,086,676</b>	<b>8,022,153</b>	<b>(449,624)</b>
Net (losses) on investments	-	-	-	-	-
<b>Net income/(expenditure)</b>	<b>(64,524)</b>	<b>0</b>	<b>8,086,676</b>	<b>8,022,153</b>	<b>- 449,624</b>
Transfers between funds	122,000	(122,000)	-	-	-
<b>Net movement in Funds</b>	<b>57,476</b>	<b>(122,000)</b>	<b>8,086,676</b>	<b>8,022,153</b>	<b>(449,624)</b>
<b>Total funds brought forward at 1 January 2020</b>	<b>1,052,365</b>	<b>122,000</b>	<b>1,343,804</b>	<b>2,518,169</b>	<b>2,967,793</b>
<b>Total funds carried forward at 31 December 2020</b>	<b>£1,109,841</b>	<b>-</b>	<b>£ 9,430,480</b>	<b>£10,540,321</b>	<b>£ 2,518,169</b>

---

# Accounts

---

**THE PAROCHIAL CHURCH COUNCIL OF  
THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK  
(registered charity no. 1130866)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**HPH  
Chartered Accountants  
54 Bootham YORK  
YO30 7XZ**

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2020**

<b>CONTENTS</b>	<b>Page(s)</b>
Annual Report of the Parochial Church Council	1 - 11
Independent Auditors' Report	12 - 14
Statement of Financial Activities	15
Balance Sheet	16
Cash Flow Statement	17
Notes to the Financial Statements	18 - 30

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2020**

The Parochial Church Council (PCC) has pleasure in presenting its Report together with the Financial Statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019, the Charities Act 2011, the Church Accounting Regulations 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The PCC is a Public Benefit Entity

**OBJECTIVES AND ACTIVITIES**

St Michael le Belfrey Church Council (PCC) is responsible, with the Vicar (Matthew Porter) for good governance of the Church.

Over the last 12 months the church - often known as The Belfrey - has continued to sustain and develop its ministry and mission, aiming to be *servicing God's transformation of the North* through everything we do.

The general theme of our activities and prayers in 2020 was *Build*. Not only did we make good plans for the future renovation and renewal of our church building, but stronger relational ties were built between many people through online small groups and meetings, as we learned to support and reach out differently due to the Covid-19 pandemic.

Back in 2015 the PCC agreed four strategic emphases to help prioritise and plan more effectively, and these remained central to our strategy and our work during 2020. These are: *making disciples* (evangelism); *nurturing disciples* (discipleship); *developing leaders* (leadership) and *planting churches* (church planting). The values of *generosity, simplicity, festivity and humility* have also continued to be highlighted. In 2020 the Leadership Team and PCC spent time revisiting these strategic emphases and values, in preparation for the launch of a Five Year Roadmap in 2021.

We believe that a community living a purposeful Christ-centred life adds enormous value to society. As we respond to the gracious love of Christ, so we want to live lives of service in our city and region.

When considering the objectives of the charity the trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit. This financial report will highlight some of the public benefit of St Michael le Belfrey Church.

**ACHIEVEMENTS AND PERFORMANCE**

*Church attendance*

St Michael le Belfrey has a simple structure of congregations and groups. At the start of 2020 we had 4 weekly services (on Sundays, meeting in St Michael le Belfrey Church or online at 9am, 11am and 6pm; and on Wednesdays, at 12.30pm when not in lockdown). From late March, in-person services were temporarily replaced with online services only, due to national emergency regulations. In July, an 8am in-person communion service was launched, but was

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2020**

replaced in September by the resumption of our 9am, 11am and 6pm Sunday services, at which point our Wednesday 12.30pm service also resumed. By the end of 2020 our Sunday provision had grown to 5 weekly services, as the 11am and 6pm had begun smaller services into the Belfrey Hall. Throughout 2020 we had approximately 37 midweek groups, known as Belfrey Groups.

At the Annual Meeting 2020 there were 398 people on the church electoral roll (plus a further 88 at G2, a church begun by us in 2004, still legally under our governance). The average weekly attendance during October 2020 was 449 for congregations meeting in St Michael le Belfrey Church/the Belfrey Hall (including serving teams), and 607 online/telephone linkups, making a weekly total of 1018. *(Please note this is based on data for the month of October only, and was affected by Covid-19 restrictions.)*

Professions of faith, baptism, and confirmation are important to us as public marks of following Jesus Christ. With many services held online in 2020 it was hard for us to gauge responses but nevertheless we know of at least 10 professions of faith. We have been restricted in our ability to baptise but despite this we have conducted 1 re-affirmation of baptismal faith, and baptised 4 infants and 6 adults, and confirmed 4 adults.

***Public Benefit Review of the year***

*Community*

The clergy and staff team have continued to serve not just the people of The Belfrey but also the wider community. We have had St Michael le Belfrey church open almost every day during an average week when not in lockdown, welcoming over 10,000 visitors to come in and discover something of our heritage and to hear stories of faith today. Up to March 2020 our youth and children's centre, The Storehouse, provided youth groups and support for a wide range of young people inside and outside the church. It also ran parenting courses, a group for those with pre-school children, including *Dads & Little 'Uns*. We also, up to March served homeless and vulnerable members of our city through *Never Give Up*, providing a weekly hot meal in the Belfrey Hall. Welcome lunches took place at The Vicarage in Jubilee Terrace in January and February, to welcome newcomers to The Belfrey, with one online welcome meeting taking place in October. The senior staff are able to give up to 10% of their time to the Diocese of York or to assisting other churches and to the New Wine network of churches. We continued to invest in running *Alpha* courses, moving online in the autumn, which provided space for those exploring faith to find answers to their questions. We believe that helping people find faith in Jesus Christ is the greatest public benefit that we can provide.

*Buildings*

St Michael le Belfrey and St Cuthbert's Church (our House of Prayer) are significant buildings which we value very much and have continued to maintain and upgrade under the guidance of our Facilities Manager, Rob Hill, to assist us in our mission and ministry and as part of our heritage. Plans for the renovation and redevelopment of St Michael le Belfrey Church continued as we met with the Diocesan Advisory Committee (DAC) and heritage groups to discuss and consider our plans. The church also owns The Belfrey Hall, 13 Hempland Drive and 28 Langdale Avenue. It rented the Parish Centre (11/12 Minster Yard) from York Minster as church offices. It also rented the Storehouse for our youth and children's work, until summer 2020. It owned various buildings to house interns. St Michael le Belfrey Church, St Cuthbert's Church and the Belfrey Hall were, outside of lockdown, used most days, not just for worship and prayer, but also for meetings, concerts, theatre productions and as a home to the

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2020**

Yorkshire Bach Choir. We provided office space in the Parish Centre for *G2*, *Fusion*, and *Ace Active*, and other churches use our photocopier to produce their newsletters.

*Money*

St Michael le Belfrey is a not-profit-making, charitable organisation and we see all financial provision as money for mission and ministry. Our income was £777,421 plus £5,920,427 restricted to the Impact project and £2,550,000 restricted to church planting for a total of £9,247,848. Not only was this money used to pay our staff and to fund various aspects of church life, but much was given away, especially to various long-term Mission Partners in York, the UK and abroad. We support the local Diocese, contributing £177,392 in 2020 which, after supporting our three full-time stipendiary clergy posts, supports the Diocese of York in its wider mission in schools, and a breadth of communities, rural and urban.

*People*

People are the key resource of the church, because church is first and foremost people. The PCC would like to thank all the paid and voluntary staff who have contributed so much over the year. In 2020 we said goodbye to Chris Rousell, and welcomed 1 new full-time member of staff - Joe Portway. Izzy Pysanczyn increased her hours with us as she added the role of Vicar's PA to her existing role as Belfrey Doors Coordinator. Grateful thanks are given to Rev'd Liz Ransford who retired as a licensed clergy member of our church.

*Impact*

The Impact team together with LDN Architects and the Design team are thankful that we have continued to work on the project throughout 2020 with minimal disruption.

The year presented its fair share of challenges as we consulted with stakeholders about the proposed Reordering. For the Diocese of York, Historic England and the amenity societies this project is of a level of magnitude and complexity that has not had to be considered for some time. In response to their concerns, the architect carried out a specific design options appraisal, which looked again at the gallery, staircases and the flexible space on the ground floor. Despite making some design modifications it was a struggle to elicit support, so in December 2020 the Impact board instructed LDN Architects to carry out a more significant revision to the concept design. The Impact board are also revisiting a feasibility study prepared earlier in the year for No.12 Minster Yard, to consider whether a redevelopment of the parish centre provides options that may support the revised concept design for St Michael le Belfrey and avoid the project needing to compromise against its objectives, particularly with respect to accessible meeting space.

As part of the Faculty application process for the Diocese of York, it is essential that the Belfrey makes a strong case for the reordering through the Statements of Need and Significance. These documents will be strengthened accordingly and submitted to the Diocese along with the latest design drawings.

The Belfrey, through Impact, has supported St Lawrence with the Organ restoration project which included underwriting some of the cost. It was a challenging project for St Lawrence and Nicholson & Co, the company who restored the organ, to complete but the results are so worthwhile. The organ looks beautiful and the sound of it being played just encourages you to sing God's praises! It has already been well used to help the church family of St Lawrence through advent and to celebrate Christmas.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2020**

During the summer a series of surveys were carried out to assess the extent and nature of repairs necessary for the project, while in September workshops were held to consider in more detail specific features such as seating and meeting spaces, staging, a baptistery, sustainability and accessibility.

Revised cost reports were received reflecting the revisions to the Concept design which could impact on the later design and construction stages. A value engineering exercise was conducted to assess if all the proposed works were necessary and whether they sat within the scope of the Impact project.

In early December a pre planning application was submitted to City of York Council seeking an initial steer on external features of the project including the landscaping and new door openings at the west elevation.

As 2021 is now well underway, we look forward to receiving feedback from the Council soon; consulting with the Diocese in March when we hope to gain a greater sense of their support; and to recommence the developed design work on the project.

*Church Planting*

St Michael le Belfrey is a resource church, seeking to give time, energy and people to our Diocese and region in a variety of ways, especially through church planting, as part of the Diocese of York's *Multiply* strategy. We were pleased in 2020 to receive Vicky Earll as a new planting curate. We were also delighted to announce a large gift of £2.55m to establish a Northern Church Planting Fund, to be held in trust by Stewardship. The Fund will help support future plants across the North. In 2020 we took £50,000 from this Fund to support the work of the St Hild Centre for Church Planting (to be distributed over 3 years), and we plan to take £60,000 from the Fund for each future church plant. We are delighted that the Fund can be added to by further donations, so the work of church planting and revitalisation may continue hopefully into the long term.

**PLANS FOR THE FUTURE**

In February 2020 we conducted a major church survey. The results were encouraging, with much to analyse and areas to improve. We aim to do such a survey annually.

In order to further our vision in the year ahead, we have begun to publicise our Five Year Roadmap. The map turns our previous strategic emphases into *Aims*, to which a new first aim is added - of *Serving York*. With many struggling in 2020 due to the effects of the pandemic, it is important that our church does all it can to support vulnerable and disadvantaged people. The Five Year Roadmap will be communicated inside and outside of church in a variety of ways. It particularly highlights five 'stretch goals', summarising key actions:

- every one loves one
- every one brings one
- every one disciples one
- every leader trains one
- every church plants one

St Michael le Belfrey continues to plan for growth, not for decline. We believe we have a strategic and God-given vision and humbly, prayerfully and confidently seek for it to be furthered in 2021 and beyond. We plan to send out Mike Perkins with a team in the next 12 months or so to revitalize a local church in the Diocese of York. We're pleased to be part of the Diocese's strategic planning for the coming years as they seek to grow and to particularly

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2020**

impact the 20s-40s age group. We will also continue developing our strategic plans for re-ordering St Michael le Belfrey church. All this will be demanding and exciting as we look to the future.

In 2018 the PCC approved a proposal from the leadership of G2 that, in view of the size to which it has grown and its exciting plans for future development, it should cease to be a satellite church of The Belfrey and become a free-standing church within the Diocese of York. The legal process for implementing this change began, with G2 becoming a Mission Initiative through a Bishop's Mission Order in January 2020, whilst still under The Belfrey's leadership. This is an interim stage towards G2's full independence from The Belfrey. The Belfrey will provide whatever support G2 needs during the process of transition.

**LEADERSHIP**

The Church is led by the Vicar with the assistance of a Leadership Team (the 'Vicar's Leadership Team' which meets weekly) and is governed by the PCC, which meets monthly. It is managed by a team of staff and volunteers.

The PCC has delegated some decision-making powers to the Human Resources Group (for HR matters), the Impact Project Board (for the reordering of St Michael le Belfrey Church) and the World Mission Steering Group (for overseeing mission partners) with terms of reference for the HR Group updated in 2018. Terms of Reference for the Impact Project Board were updated in 2020, stating that the Chair need no longer be a member of the PCC, and that a Church Warden should be on the Board.

All major governance matters are decided by the Vicar and PCC together.

The only committee required by law is the Standing Committee. This is made up of the Vicar, Associate Minister, Church Wardens, Secretary and Treasurer. It has power to transact the business of the PCC between its meetings, subject to any directions given by the Council. Given that the PCC meets monthly, the standing committee rarely meets. In 2020, decisions were made by the Standing Committee once in an online meeting, and occasionally by email, both relating to practical responses to the Covid-19 pandemic.

**CHARITY GOVERNANCE CODE:**

As a charitable body, we fulfil the 7 principles set out in the Charity Governance Code as follows:

**1. Organisational Purpose:**

We exist for worship and mission in the parish of St Michael le Belfrey, York. Our vision is to be serving God's transformation of the North and for this we work and pray. To fulfil this vision our strategic emphases in 2020 were: making disciples, nurturing disciples, developing leaders and planting churches.

**2. Leadership:**

The church is led by the Vicar with the assistance of a Leadership Team and is governed by the PCC. The Vicar has freehold of the church. Both the Vicar and Associate Minister are of incumbent status. Responsibility for much day-to-day church life is delegated to our staff. We

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2020**

highly value the ministry of the whole church, with much work being done by volunteers, including small group leaders, helpers and pray-ers in all sorts of areas of church life.

**3. Integrity:**

We are followers of Jesus who seek to live under the authority of Scripture in the power of the Holy Spirit, while recognising our imperfections and weaknesses and our need of God's grace. We seek to live with integrity, telling the truth and abiding by the law of the land. At PCC meetings we name conflicts of interest. We seek to honour each other, speak well of each other and give each other the benefit of the doubt. In 2020 we especially appreciated the values of generosity, humility, simplicity and festivity.

**4. Decision-Making, Risk and Control:**

We have a number of key goals for the year which are regularly monitored. We review terms of reference, policies and our risk register. Our PCC membership is refreshed annually. Our accounts are annually and professionally audited. Our accounts, annual reports and various publications are shared with the Diocese of York, of which we are part. All staff are line-managed.

**5. Board Effectiveness:**

The Vicar's Leadership Team meets most weeks and our PCC meets monthly. The Vicar meets with the Wardens every other month. We regularly take advice from experts outside our church, especially in specialist HR or finance matters. We believe the PCC has a good mix of skills, experience, common sense and prayerfulness. New PCC members are given trustee induction and all undergo basic online safeguarding training.

**6. Diversity:**

God's Kingdom is made up of all manner of people but, historically, the Belfrey has not fully reflected this diversity in its membership, staffing and leadership, partly because of the background and makeup of York residents. In a year in which issues of equality have gained particular prominence nationally and internationally through such things as the Black Lives Matter movement, we reviewed our historic memorials in church and found no links to slavery. We have continued to seek to make progress towards greater diversity within the leadership of this church. We are pleased that diversity is now one of our church values agreed by the PCC at the start of 2021.

**7. Openness & Accountability:**

Our key stakeholders are our church family. Those who belong to The Belfrey normally show this by joining our electoral roll, worshipping regularly at one of our services, joining a small group and giving regularly. Most choose to receive a weekly email from the Vicar, which contains a weekly message, as well as news items, a calendar of services and Belfrey events, links to useful resources for church members, and the latest PCC Minutes. Up to lockdown, every two weeks the main news for all church members was produced on video and shown in services and included in the weekly email. As well as verbal notices in our services our church provides regular information on various social media platforms, including Facebook, Instagram and Twitter, and there is a Belfrey Prayer page on Facebook. At the start of 2020 we produced the second edition of our church magazine - called *Cultivate*, providing information and stories about church life, of interest both inside and outside our church. We take seriously negative feedback, and suggestions on how to improve our church life, discussing this at VLT and occasionally at PCC. The Church Survey in February 2020 was helpful in many ways, giving us information about lots of aspects of church life from the church family. We spent part of a PCC Day considering the survey, and it fed into our 5 Year Roadmap. We also encourage

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2020**

questions to be asked throughout the year, with written questions being invited on our annual report and time given for a few verbal questions at our Annual Meeting. We are GDPR (data protection) compliant and keep clear, accurate and up-to-date membership records using the safe and secure ChurchSuite church management system.

**FINANCIAL REVIEW**

Overall ordinary unrestricted donation income rose by 6%, but within this there were tremendous variations between different types of donations, which were mainly attributable to the effects of the Covid-19 pandemic - weekly offerings in services fell from £41,569 to £10,056, but we were blessed by a 7.5% rise in planned giving, other one-off donations rising from £18,438 to £30,357 and a £25,000 legacy (which more than offset this decline). It was encouraging to see that even though we could not meet as usual, giving was still in the forefront of people's minds and a lot of people found another way to give, either through our Churchsuite giving link or by posting cheques to the Parish Centre. As we were unable to hire out neither the Belfrey Hall nor the church, trading income was £7k less than budgeted and £11k less than in 2019.

As the landlord of the Storehouse wanted to end our lease early for redevelopment of the area, we were offered a payment of £15,000, which included the rateable value of £10k, £4k from the landlord and £1k refund of rent paid in advance. This money will be used towards future youth and children's work.

Expenditure during the year was reduced as events and other activities had to be done either online or not at all. However, payments to our mission partners, rent, insurance, and staff costs remained the same. Although, we did utilise the government's Job Retention Scheme as appropriate and were able to reclaim £8,826 under the scheme.

The total unrestricted income was £675,048 and total unrestricted expenditure was £739,572. We had planned to use £144k of our reserves in order to be able to do everything we wanted to do in 2021. Because of the reduction of expenditure due to Covid-19 and the stability of our income we only needed to use £64k.

In January 2020 we announced a donation of £5,900,000 restricted to the building project (Impact) of St Michael le Belfrey Church. We received £750,000 of that donation and the rest will be received over the next two years. The remaining £5,150,000 is shown as a debtor in the accounts. (see note 14 in the accounts)

Expenditure on the Impact project can be broken down as follows:

Design team (LDN architect, engineers & cost consultants)	£137,886
Surveys & specialist advice	£ 24,431
Removal and restoration of the organ in collaboration with St Lawrence	£125,000
Project management team (salaries)	£ 56,823
Communication activities	£ 3,675
Other costs (bank charges, pre-planning app, zoom etc)	£ 2,970
<b>Total expenditure</b>	<b>£350,785</b>

In October 2020 we received a donation of £2,550,000 to create a Northern Church Planting Fund, to help new church plants in the North of England over the next 10 plus years. This fund

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2020**

can be added to and is shown in our restricted funds (note 19 in the accounts). We received the first instalment of that donation in the amount of £50,000 be distributed over three years to St Hild Centre for Church Planting. As we only received £50,000 of the £2,550,000 the remaining amount of £2,500,000 is show as a debtor. (see note 14 in the accounts)

As a result of these two large donations mentioned above our total funds carried forward look very large at just over £10.5m. However, both of these donations are restricted in purpose and will be spent over the next few years. If you look at note 2 in the accounts, the two large amounts have been split out so you can clearly see the comparison between 2019 and 2020 excluding them.

G2's 2020 budget was a deficit budget with planned use of savings to balance it. Due to Covid-19 there were savings made due to meeting only online for most of the year. They managed a nearly balanced budget only using £844 of reserves. Total donations were £87,876 and their expenditure came to £88,720 as shown in the G2 Surplus restricted fund in note 19.

Year	Belfrey regular giving				G2 regular giving				
	Donors	Total	Avg per	Avg per	Donors	Total	Avg per	Avg per	Total
			person per annum	person per month			person per annum	person per month	
2018	263	£394,791	£1,501	£125	85	£67,797	£798	£66	£462,588
2019	274	£404,782	£1,477	£123	84	£64,843	£772	£64	£469,625
2020	266	£435,258	£1,636	£136	63	£58,630	£931	£78	£493,888

The table above shows the regular giving for the Belfrey and G2 from 2018 to 2020 excluding Gift Aid. This includes all regular giving from Standing Orders direct into our bank account as well as all online giving platforms (CAF, Churchsuite and Stewardship). Overall giving is up for the Belfrey from the last two years, even though the number of donors has reduced.

Our approach to fundraising – We don't use an external fundraiser and have no complaints about our fundraising activities.

We are very thankful for the continued support of our finance volunteers Gill McIntosh, Val Patrick and Ian Fergie especially as we had to work differently from the end of March. We are also grateful for the work of HPH, Chartered Accountants, to whom we outsource our payroll processing. Thank you also to Ben Burns, who left us as Treasurer in November 2020 to spend more time with his growing family. He was such a blessing to us over the last few years as he helped to guide our finances.

The Church Wardens are acting Treasurers with the support of the Finance Manager while we are looking for a new Treasurer.

**INVESTMENT POLICY**

The PCC has taken external financial advice on the investment of funds restricted for expenditure on the Impact Project, taking account also of its reserves and funds held for other projects. In view of the likely timescale for expenditure of the bulk of these funds and uncertainty over market conditions in the meantime, the PCC has accepted advice that it would be appropriate to avoid significant risk and keep its funds in cash deposits. The PCC will authorise the opening of additional bank deposit accounts as necessary, seeking to maximise

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2020**

the rate of interest consistent with the security of the funds and the required availability for Impact and other expenditure.

**RISK MANAGEMENT**

The PCC acknowledges its responsibility to identify, assess and manage the major risks to which it is exposed. It maintains a register of major risks and continues to enhance plans to ensure that systems and processes are in place to mitigate exposure to these risks. Major risks arise from a variety of aspects of the church's internal operations and external environment, including security, health and safety and finance. The PCC reviews the risk register on at least an annual basis and monitors implementation of the necessary mitigating actions.

**RESERVES POLICY**

Our policy is to keep a cash reserve equating to three months' essential running costs. At the moment that is around £71,000. This allows us to provide for unforeseen short-term expenditure (on such items as building repairs) or shortfalls in income; and to respond promptly to future opportunities in support of the church's mission.

Our total unrestricted net current assets at 31st December 2020 amounted to £308,026, and after allocating £144,400 to be spent in 2021 and £15,414 on fabric repairs in the next 12-18 months the cash reserve are £148,212. The PCC review this figure regularly so that any reserves held above the £71,000 in our policy can be used for projects as needed.

The PCC holds property and equipment valued at £801,815 included in the unrestricted reserves and £3,213 related to restricted funds which could be converted into cash.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Parish of St Michael le Belfrey, York is a parish within the Church of England as defined by canon law. Individual parishes within the Church of England do not have a separate constitution. They work within the framework of Church of England ecclesiastical law, consisting of the Parochial Church Council Powers Measure (1956) and the Church Representation Rules. Charitable status was received on 30 July 2009.

Members of the PCC are either ex officio or elected by the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules.

The Church is led by the Vicar with the assistance of a Leadership Team and is governed by the PCC, which meets monthly. It is managed by a team of staff and volunteers.

**ADMINISTRATIVE INFORMATION**

Parish Name:	St Michael le Belfrey
Church Address:	St Michael le Belfrey, High Petergate, York, YO1 7EN
Office Address:	The Parish Centre, 11/12 Minster Yard, York YO1 7HH
Charity Name (working name):	St. Michael Le Belfrey PCC
Registered Number:	1130866
Principal Address:	The Parish Centre, 11/12 Minster Yard, York, YO1 7HH

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2020**

**PCC Trustees / Members**

The members of the PCC who served during the year were as follows:

<b>Clergy</b>	Matthew Porter Andy Baker Michael Perkins Vicky Earll (from July 2020 as a lay minister, and from Sept 2020 as an ordained minister) Liz Ransford (until Oct 2020) Jim Roberts Christian Selvaratnam
<b>Churchwardens</b>	Alison Dawson (Lay Chair of the PCC) Barrie Stephenson (until Nov 2020) Christopher Dobson Daniel Brookes Remi Oduyemi (from Nov 2020)
<b>Deanery Synod</b>	Daniel Brookes Dudley Clark (until Nov 2020) John Lindley Martine Somerville Tony Scott
<b>Elected representatives</b>	Ali Hale Alys Tarr James Webster (until Nov 2020) Jenny Hough Roger Holmes (until Nov 2020) Ben Burns (until Nov 2020) Dani Cook (from Nov 2020)
<b>Officers</b>	Secretary: Roger Holmes (until Nov 2020) Treasurer: Ben Burns (until Nov 2020) Electoral Roll Officer: Ruth Somerville (until Feb 2020); Izzy Pysanczyn (from Feb 2020)

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST  
MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2020**

**STATEMENT OF RESPONSIBILITIES OF THE PAROCHIAL CHURCH COUNCIL**

Law applicable to charities in England and Wales and guidance issued by the Central Board of Finance of the Church of England require the members of the Parochial Church Council to prepare financial statements which give a true and fair view of the Parochial Church Council's financial activities during the year.

In preparing financial statements giving a true and fair view, the members of the Parochial Church Council should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the Church guidance, applicable accounting standards and statements of recommended practice 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 Parochial Church Council will continue in operation.

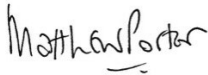
The members of the Parochial Church Council are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Parochial Church Council and enable them to ensure that the financial statements comply with the Church Accounting Regulations 2006 and the Charities Act 2011. They are also responsible for safeguarding the assets of the Parochial Church Council and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**PROVISION OF INFORMATION TO AUDITORS**

In so far as the PCC members are aware:

- There is no relevant information of which the PCC's auditors are unaware; and
- The PCC members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by the Parochial Church Council and signed on its behalf by:



*Revd Matthew Porter*  
Chair

31/03/2021

# **INDEPENDENT AUDITORS' REPORT TO THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

## **Unqualified opinion**

We have audited the financial statements of The Parochial Church Council of the Ecclesiastical Parish of St Michael Le Belfrey with St Cuthbert, York for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. 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).

This report is made solely to the Parochial Church Council (the PCC) as 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 PCC those matters we are required to state to them in an auditors' 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 PCC as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, 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 and the Church Accounting Regulations 2006.

## **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 Auditors' 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 Trustee's 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.

# **INDEPENDENT AUDITORS' REPORT TO THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

## **Other information**

The PCC are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 PCCs' report; or
- sufficient accounting records have not been kept; 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 the Parochial Church Council**

As explained more fully in the statement of responsibilities of the Parochial Church Council set out on page 11, the PCC 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 PCC 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 PCC are responsible for assessing the 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 PCC either intend to liquidate or to cease operations, or have no realistic alternative but to do so.

# INDEPENDENT AUDITORS' REPORT TO THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK

## Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 auditors' 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charity and the area in which it operates, and considered the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We identified the greatest potential for fraud in the following areas: existence and timing of recognition of income and the posting of unusual journals. We discussed these risks with management and designed audit procedures to test the timing and existence of revenue. We reviewed journals posted to key control accounts and posted around the year end, to look for potential "window dressing" as well as looking at a sample throughout the year.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

Waltons Clark Whitehill Limited

### Waltons Clark Whitehill Limited

Chartered Accountants  
Statutory Auditors  
Maritime House  
Harbour Walk  
The Marina  
Hartlepool  
TS24 0UX

13 April 2021

Waltons Clark Whitehill Limited is eligible to act as auditors in terms of section 1212 of the Companies Act 2006

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds	
					2020 £	2019 £
<b>Income and endowments from:</b>						
Donations and legacies	2	573,954	-	8,562,699	9,136,653	693,651
Income from charitable church activities	3	60,800	-	550	61,350	76,695
Other trading activities	4	8,198	-	-	8,198	23,372
Investments	5	3,164	-	8,843	12,007	15,144
Other income	6	28,932	-	708	29,640	5,835
<b>Total income</b>		<b>675,048</b>	<b>-</b>	<b>8,572,800</b>	<b>9,247,848</b>	<b>814,697</b>
<b>Expenditure on:</b>						
Raising funds	7	550	-	-	550	3,793
Charitable church activities		739,022	-	486,124	1,225,146	1,260,528
<b>Total expenditure</b>		<b>739,572</b>	<b>-</b>	<b>486,124</b>	<b>1,225,695</b>	<b>1,264,321</b>
<b>Net income/(expenditure) before gains and losses on investments</b>						
		(64,524)	-	8,086,676	8,022,153	(449,624)
Net (losses) on investments	12	-	-	-	-	-
<b>Net income/(expenditure)</b>		(64,524)	-	8,086,676	8,022,153	(449,624)
Transfers between funds		122,000	(122,000)	-	-	-
<b>Net movement in Funds</b>		<b>57,476</b>	<b>(122,000)</b>	<b>8,086,676</b>	<b>8,022,153</b>	<b>(449,624)</b>
<b>Total funds brought forward at 1 January 2020</b>		1,052,365	122,000	1,343,804	2,518,169	2,967,793
<b>Total funds carried forward at 31 December 2020</b>	18/19	<b>£1,109,841</b>	<b>-</b>	<b>£ 9,430,480</b>	<b>£ 10,540,321</b>	<b>£ 2,518,169</b>

The notes on pages 18 to 30 form part of these financial statements.

The Statement of Financial Activities includes all gains and losses in the year and all of the above amounts relate to continuing activities.

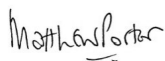
**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**BALANCE SHEET**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds	
					2020 £	2019 £
<b>Fixed Assets</b>						
Tangible fixed assets	11	801,815	-	3,213	805,028	810,865
Investments	12	-	-	-	-	-
		801,815	-	3,213	805,028	810,865
<b>Current Assets</b>						
Stock	13	638	-	-	638	749
Debtors	14	10,331	-	7,656,021	7,666,352	27,594
Cash at bank and in hand	15	331,695	-	1,775,863	2,107,558	1,754,397
<b>Total Current Assets</b>		342,664	-	9,431,884	9,774,548	1,782,740
<b>Current Liabilities</b>						
Creditors: amounts falling due within one year	16	34,638	-	4,617	39,255	75,436
<b>Total current liabilities</b>		34,638	-	4,617	39,255	75,436
<b>Net Current Assets</b>		308,026	-	9,427,267	9,735,293	1,707,304
<b>Total assets less current liabilities</b>		1,109,841	-	9,430,480	10,540,321	2,518,169
<b>Net Assets</b>		<b>£ 1,109,841</b>	<b>£ -</b>	<b>£ 9,430,480</b>	<b>£ 10,540,321</b>	<b>£ 2,518,169</b>
<b>The funds of the charity</b>						
Unrestricted general fund	18	953,841	-	-	953,841	896,365
Unrestricted revaluation reserve fund	18	156,000	-	-	156,000	156,000
Unrestricted designated funds	18	-	-	-	-	122,000
Restricted funds	19	-	-	9,430,480	9,430,480	1,343,804
<b>Total Charity Funds</b>		<b>£ 1,109,841</b>	<b>£ -</b>	<b>£ 9,430,480</b>	<b>£ 10,540,321</b>	<b>£ 2,518,169</b>

Approved by the Parochial Church Council on 31/03/2021 and signed on its behalf by:



Revd Matthew Porter (Chair)

The notes on pages 18 to 30 form part of these financial statements.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities:</b>		
<b>Net income for the reporting period</b>	<b>8,022,153</b>	<b>(449,624)</b>
<b>Adjusted for:</b>		
Depreciation charges and profit/loss on disposals of fixed assets	5,838	5,837
Dividends and interest from investments	(12,007)	(15,144)
Profit on disposal of fixed assets	-	(426)
Decrease/(increase) in stocks	111	(51)
Decrease/(increase) in debtors	(7,638,758)	(5,486)
Increase/(decrease) in creditors	(36,181)	44,241
	<b>341,155</b>	<b>(420,653)</b>
<b>Net cash provided by/(used in) operating activities</b>		
<b>Cash flows from investing activities:</b>		
Dividends and interest from investments	12,007	15,144
Proceeds from disposal of investments	-	1,083
	<b>12,007</b>	<b>16,227</b>
<b>Net cash provided by/(used in) investing activities</b>		
<b>Change in cash and cash equivalents in the reporting period</b>	<b>353,161</b>	<b>(404,426)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<b>1,754,397</b>	<b>2,158,823</b>
	<b>£ 2,107,558</b>	<b>£ 1,754,397</b>
<b>Cash and cash equivalents at the end of the reporting period</b>		
	<b>£ 2,107,558</b>	<b>£ 1,754,397</b>
<b>Analysis of cash and cash equivalents</b>		
Cash in hand	383	374
No notice and notice deposits (less than 3 months)	479,376	469,821
Notice deposits (more than 3 months)	1,627,799	1,284,202
	<b>£ 2,107,558</b>	<b>£ 1,754,397</b>

Charity law requires separate administration of the cashflows of endowed and other restricted funds of the Charity. This constraint has not adversely affected cashflows as stated above.

**The notes on pages 18 to 30 form part of these financial statements**

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

**1. ACCOUNTING POLICIES**

**Basis of preparation**

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective 1 January 2019, the Charities Act 2011, the Church Accounting Regulations 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements include all transactions, assets and liabilities for which the Parochial Church Council ("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 PCC is a public benefit entity as defined by FRS 102.

**Statutory information**

The PCC is registered with the Charity Commission, registration number 1130866. The registered address is The Parish Centre, 11/12 Minster Yard, York, YO1 7HH.

**Funds**

*Unrestricted funds* represent the general funds of the PCC that are not subject to any restrictions regarding their use and are available for application for the ordinary purposes of the PCC.

*Designated funds* represent those unrestricted general funds which have been set aside by the PCC for a particular purpose.

*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 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 fund. A large proportion of restricted funds are held in separate bank accounts and interest arising is allocated to restricted funds. The remaining interest largely represents monies accrued from unrestricted funds.

**Income recognition**

All income is recognised once the PCC has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably. Planned giving, collections and donations are recognised when received. Tax refunds are recognised when the incoming resource to which they relate is received. Grants and legacies are accounted for when the PCC is entitled to the use of the resources, their ultimate receipt is considered reasonably certain and the amounts due are readily quantifiable. Dividends are accounted for when declared receivable, interest as and when accrued by the payer. All other income is recognised when it is receivable. Amounts received specifically for mission are dealt with as restricted funds. All incoming resources are accounted for gross.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

**1. ACCOUNTING POLICIES** (continued)

**Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognized in the state of income and retained earnings in the same period as the related expenditure.

**Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the PCC to that expenditure, it is probable that settlement will be required and the amount of obligation can be measured reliably.

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. The Diocesan Freewill Offering is accounted for when due. All other expenditure is generally recognised when it is incurred and is accounted for gross.

**Fixed assets**

Consecrated and benefice property is not included in the financial statements in accordance with section 10 (2) (a) and (c) of the Charities Act 2011.

Movable church furnishings held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the church's inventory, which can be inspected at any reasonable time. All expenditure incurred during the year on consecrated or benefice buildings and movable church furnishings, whether maintenance or improvement, is written off.

Other land and buildings held on behalf of the PCC for its own purposes are valued at market value. No depreciation is charged against such properties as they are regularly maintained to such an extent that their estimated economic lives and residual values are such that their depreciation is insignificant. At each year end an assessment is carried out to ascertain whether there is any indication that the properties should be written down (i.e. whether its carrying amount is more than its recoverable amount). If there is no indication that a property should be written down, it is not necessary to estimate the recoverable amount.

Equipment used within the church premises, The Parish Centre and Church Hall is depreciated on a straight-line basis over its estimated useful life of 4 to 10 years. Individual items of equipment with a purchase price of £3,000 or less are written off in the period in which the asset is acquired.

**Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of two years or less from the date of acquisition or opening of the deposit or similar account.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

**1. ACCOUNTING POLICIES** (continued)

**Creditors and provisions**

Creditors and provisions are recognised where the PCC has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**Financial Instruments**

The PCC only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income on a straight-line basis over the period of the lease.

**Irrecoverable Value Added Tax**

The PCC is not registered for Value Added Tax (VAT) and accordingly expenditure is shown gross of irrecoverable VAT. The VAT incurred from time to time on certain fabric repair and maintenance expenditure can, however, be recovered under the Listed Places of Worship Grant Scheme.

**Going Concern**

The PCC has cash resources and has no requirement for external funding. The PCC has a reasonable expectation that the church has adequate resources to continue in operational existence for the foreseeable future.

The Covid-19 pandemic and lockdowns have meant there has been a decrease in offerings & events income but these have not been significant.

Expenditure has reduced due to less spending on the running of the church & small cutbacks to other budget areas. The church has also made use of the Job Retention Grant Scheme.

Whilst the situation remains uncertain, it does appear that the church is dealing well with the current situation and from the most recent Government information there is an indication that the church may be able to reopen and charitable church activities return to normal by late June 2021, at the earliest.

Plans for the future are being considered but with the possibility that church services may resume as normal by July 2021, no major changes are planned. Further cut backs on spending are possible if required.

The PCC continue to believe the going concern basis of accounting is appropriate in preparing the financial statements.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

**1. ACCOUNTING POLICIES** (continued)

**Heritage Assets**

The Vicar and Church Wardens hold on special trust for the PCC silver and plate gifted to the church for ecclesiastical purposes. They date from the 17th century and therefore, there is insufficient cost information available. Due to the unique nature of these assets and their historic association with worship at the church over hundreds of years, conventional valuation techniques are not applicable and therefore have not been valued in the financial statements. The silver and plate, 22 items in total are listed in the church's inventory and are regarded by law as inalienable assets which the PCC would require a faculty for disposal. Inspection can be arranged at reasonable times where they are located.

**Pensions**

The PCC pays employer contributions into a variety of pension schemes consisting of individual employee's personal pension schemes of their choice and a workplace pension scheme to fulfil the PCC's auto enrolment obligations (Church Workers Pension Fund).

**Church Workers Pension Fund - Pension Builder 2014**

St Michael le Belfrey PCC participates in the Pension Builder Scheme section of Church Workers Pension Fund 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.

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

**Pension Builder Scheme**

The Pension Builder Scheme of the Church Workers Pension Fund is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes.

Pension Builder 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 means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable (2020: £18,304, 2019: £16,297).

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

**1. ACCOUNTING POLICIES** (continued)

Pension Builder Scheme (continued)

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent was carried out as at 31 December 2016. A valuation as at 31 December 2019 was under way as at 31 December 2020.

For the Pension Builder 2014 section, the valuation revealed a surplus of £1.8m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, St Michael le Belfrey PCC could become responsible for paying a share of that employer's pension liabilities.

**Accounting Estimates and Judgements**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The directors believe that the following judgement is critical due to the potential material impact it has on the financial statements.

Included within debtors are amounts received in respect of donations towards the Impact project and Church planting. These amounts have been paid by donors to Stewardship who hold the funds on trust for the Church. The Trustees consider that the income recognition criteria of entitlement, probability of receipt and measurement have all been met. The donations have therefore been recognised in full and included in income as shown in note 2. The debtor will be released as funds are received from Stewardship over the life of the projects.

Had the income not been recognised in full this year then donations and reserves would reduce by £7,650,000.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds	
				2020 £	2019 £
<b>2. Donations and legacies</b>					
Planned giving	435,258	-	58,630	493,888	469,626
Tax recoverable	73,283	-	18,457	91,740	93,343
Collections (open plate)	10,056	-	-	10,056	41,569
Legacies	25,000	-	-	25,000	-
Donations	30,357	-	35,612	65,970	89,113
Donations - Impact Grant	-	-	5,900,000	5,900,000	-
Donations - Church Planting Grant	-	-	2,550,000	2,550,000	-
	<b>£ 573,954</b>	<b>£ -</b>	<b>£ 8,562,699</b>	<b>£ 9,136,653</b>	<b>£ 693,651</b>

In 2019, income from donations and legacies amounting to £540,555 related to unrestricted funds, £Nil related to designated funds and £153,096 related to restricted funds.

<b>3. Income from charitable church activities</b>					
Events	57,071	-	550	57,621	64,446
Other income from church activities	3,729	-	-	3,729	12,249
	<b>£ 60,800</b>	<b>£ -</b>	<b>£ 550</b>	<b>£ 61,350</b>	<b>£ 76,695</b>

In 2019, income from charitable church activities amounting to £70,386 related to unrestricted funds, £Nil related to designated funds and £6,309 related to restricted funds.

<b>4. Other trading activities</b>					
Sales	5,135	-	-	5,135	8,963
Hire of facilities	3,022	-	-	3,022	14,317
Music	41	-	-	41	92
	<b>£ 8,198</b>	<b>£ -</b>	<b>£ -</b>	<b>£ 8,198</b>	<b>£ 23,372</b>

In 2019, all income from other trading activities related to unrestricted funds.

<b>5. Investment income</b>					
Dividends received	-	-	1,126	1,126	1,167
Deposit interest	3,164	-	7,717	10,881	13,977
	<b>£ 3,164</b>	<b>£ -</b>	<b>£ 8,843</b>	<b>£ 12,007</b>	<b>£ 15,144</b>

In 2019, investment income amounting to £4,767 related to unrestricted funds, £Nil related to designated funds and £10,377 related to restricted funds.

<b>6. Other income</b>					
Other income	20,106	-	708	20,814	5,409
Government grants	8,826	-	-	8,826	-
Profit on disposal of fixed assets	-	-	-	-	426
	<b>£ 28,932</b>	<b>£ -</b>	<b>£ 708</b>	<b>£ 29,640</b>	<b>£ 5,835</b>

In 2019, other income amounting to £5,795 related to unrestricted funds, £Nil related to designated funds and £40 related to restricted funds.

<b>Total Income</b>	<b>£ 675,048</b>	<b>£ -</b>	<b>£ 8,572,800</b>	<b>£ 9,247,848</b>	<b>£ 814,697</b>
---------------------	------------------	------------	--------------------	--------------------	------------------

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2020 £	2019 £
<b>7. Analysis of expenditure</b>					
Raising funds	£ 550	£ -	£ -	£ 550	£ 3,793
Charitable church activities					
Missionary and charitable giving (note 8)					
Grants	10	-	10,926	10,936	79,657
Overseas mission	57,092	-	-	57,092	47,129
Home mission	15,406	-	8,447	23,853	31,489
Ministry: Diocesan free will offering	72,508	-	19,373	91,881	158,275
Church - general upkeep and services	174,792	-	2,600	177,392	173,860
Church - premises	47,436	-	6,199	53,634	104,460
Music	124,696	-	293,970	418,666	346,081
Events	5,980	-	101	6,081	2,493
Staff salaries, pensions and other staffing costs	13,075	-	136	13,211	23,251
Office and administration costs	262,107	-	150,839	412,946	391,938
Finance costs	26,125	-	12,615	38,740	48,367
Audit fee	2,721	-	291	3,012	2,714
Outsourced accountancy, taxation and payroll	2,592	-	-	2,592	2,496
	6,990	-	-	6,990	6,593
<b>Total</b>	<b>£ 739,022</b>	<b>£ -</b>	<b>£ 486,124</b>	<b>£ 1,225,146</b>	<b>£ 1,260,528</b>
	<b>£ 739,572</b>	<b>£ -</b>	<b>£ 486,124</b>	<b>£ 1,225,695</b>	<b>£ 1,264,321</b>

In 2019, expenditure of £779,614 related to unrestricted funds, £72,089 related to designated funds and £412,618 related to restricted funds.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2020 £	2019 £
<b>8. Mission and charitable grants</b>					
<i>Grants</i>					
Acts 435	-	-	1,659	1,659	215
Storehouse Restricted Expenditure	-	-	120	120	232
House of Prayer Restricted Donations	-	-	1	1	650
Donations for IJM Rachel Sterling	-	-	-	-	9
One-Off Restricted Donations	10	-	9,008	9,018	77,375
Giving from Gift Day	-	-	138	138	1,176
	<u>10</u>	<u>-</u>	<u>10,926</u>	<u>10,936</u>	<u>79,657</u>
<i>Overseas mission</i>					
Blacker Support	10,318	-	-	10,318	1,000
Wycliffe (Eves)	8,610	-	-	8,610	7,850
Fletcher Support	8,020	-	-	8,020	7,220
Homer Support	6,120	-	-	6,120	6,320
Philippines Outreach Centre	-	-	-	-	1,000
Roberts Support	11,064	-	-	11,064	10,160
Tear Fund	10,000	-	-	10,000	10,000
Wilson	2,040	-	-	2,040	2,240
International Students	-	-	-	-	106
Missionary Discretionary	190	-	-	190	18
Global Connections	230	-	-	230	215
Seed Fund	-	-	-	-	500
Short Term Mission	500	-	-	500	500
	<u>57,092</u>	<u>-</u>	<u>-</u>	<u>57,092</u>	<u>47,129</u>
<i>Home mission</i>					
Church Missions	-	-	-	-	494
Eastfield	2,000	-	-	2,000	2,000
Friends International	2,000	-	-	2,000	2,000
Ace Active Ministry	2,000	-	-	2,000	2,000
Paul Myers Mission	2,000	-	-	2,000	2,000
Poor Fund	-	-	-	-	49
Restore	1,000	-	-	1,000	1,000
Riding Lights	3,000	-	-	3,000	3,000
YoYo Mission Giving	3,000	-	-	3,000	3,000
Evangelism Cafes	16	-	-	16	791
Women's Ministry	-	-	265	265	813
Student Mission	186	-	-	186	752
Children and Family Outreach	-	-	-	-	576
Youth Outreach	-	-	-	-	115
Evangelism Ministry	85	-	-	85	903
G2 Giving to mission	-	-	3,023	3,023	2,923
Youth Outreach Legacy	-	-	5,142	5,142	9,073
Social Justice & Action	-	-	17	17	-
Student Alpha	119	-	-	119	-
	<u>15,406</u>	<u>-</u>	<u>8,447</u>	<u>23,853</u>	<u>31,489</u>
	<u>£ 72,508</u>	<u>£ -</u>	<u>£ 19,373</u>	<u>£ 91,881</u>	<u>£ 158,275</u>

In 2019, Grants was made up of £Nil relating to unrestricted funds, £50,000 relating to designated funds and £29,657 relating to restricted funds. Overseas Mission was made up of £47,129 relating to unrestricted funds, £Nil relating to designated funds and £Nil relating to restricted funds. Home Mission was made up of £18,680 relating to unrestricted funds, £Nil relating to designated funds and £12,809 relating to restricted funds.

**9. Net income for the year**

This is stated after charging:		
Staff pension contribution	18,304	16,297
Depreciation	5,838	5,837
Auditors' remuneration - audit of financial statements	2,592	2,496

**10. Staff costs and emoluments**

Total staff costs were as follows:		
Wages and salaries	366,754	339,055
Social security costs	19,205	19,665
Other pension costs	18,304	16,297
	<u>£ 404,263</u>	<u>£ 375,017</u>

During the year the PCC employed no one who earned more than £60,000.

The average head count (number of staff employed - all administrative staff) during the year was 28 (2019 - 29). The average number of employees calculated on the basis of full-time equivalents was 16 (2019 - 15)

The PCC considers its key management personnel to comprise only of the PCC Members (Trustees). They receive no remuneration in their capacity as trustees but may be employed under a contract of employment to carry out their roles within the church. The total of remuneration received by 2 trustees and key management personnel for their services to the church amounted to £19,088 (2019 - £18,894).

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

**11. Tangible fixed assets**

	Freehold Land & Buildings £	Motor Vehicles £	Church Equipment £	Total £
Cost or valuation				
At 1 January 2020	795,000	12,850	83,891	891,741
At 31 December 2020	795,000	12,850	83,891	891,741
Depreciation				
At 1 January 2020	-	6,425	74,451	80,876
Charge for year	-	3,213	2,625	5,838
At 31 December 2020	-	9,638	77,076	86,714
Net book value				
At 31 December 2020	£ 795,000	£ 3,213	£ 6,815	£ 805,028
At 31 December 2019	£ 795,000	£ 6,425	£ 9,440	£ 810,865

The freehold land and buildings, comprising 13 Hempland Drive, 28 Langdale Avenue and the Church Hall were revalued at 1 December 2016 by Stephenson's Estate Agents, and are included at their revised market values of £375,000, £155,000 and £265,000 respectively.

If the freehold property had not been included at valuation, they would have been included under the historical cost convention as follows:

	2020	2019
Historical cost at 31 December 2020	£ 639,000	£ 639,000

At 31 December 2020 tangible fixed assets with a net book value of £801,815 (2019 - £804,440) related to the unrestricted funds and tangible fixed assets with a net book value of £3,213 (2018 - £6,425) related to restricted funds.

	2020	2019
	£	£
<b>12. Investments</b>		
Market value at 1 January 2020	-	657
Disposal	-	(657)
Market value at 31 December 2020	£ -	£ -
Historical cost at 31 December 2020	£ -	£ -

The investments are UK listed quoted shares. At 31 December 2019 all investments related to the unrestricted funds.

The PCC also receives income from 2,212 Charities Official Investment Fund shares. However, the value of the shares has not been included within the balance sheet because, although the PCC receives the income, the legal title belongs to two charities associated to the PCC.

**13. Stock**

Bookstall stock and other	£ 638	£ 749
---------------------------	-------	-------

At both 31 December 2019 and 31 December 2020 stock related to the unrestricted funds.

**14. Debtors**

Trade debtors	15	2,087
Income tax recoverable	7,524	6,351
Prepayments and accrued income	8,813	19,156
Accrued income - Church Planting and Impact grants within one year	400,000	-
Accrued income - Church Planting and Impact grants more than one year	7,250,000	-
	£ 7,666,352	£ 27,594

At 31 December 2020 £7,656,021 (2019 - £6,505) of debtors related to restricted funds, the balance of debtors related to the unrestricted funds.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

	2020 £	2019 £
<b>15. Cash at bank and in hand</b>		
Bank balances	2,107,175	1,754,023
Cash balances	383	374
	£ 2,107,558	£ 1,754,397

At 31 December 2020 £331,705 (2019 - £271,793) of cash and bank balances related to unrestricted funds, £NIL (2019 - £122,000) related to designated funds and £1,775,853 (2019 - £1,360,604) related to restricted funds.

<b>16. Creditors: amounts falling due within one year</b>		
Trade creditors	4,634	16,360
Accruals	28,725	48,847
Tax and social security creditor	5,474	5,586
Pension creditors	422	4,643
	£ 39,255	£ 75,436

At 31 December 2020 £4,617 (2019 - £29,730) of creditors related to restricted funds, the balance of creditors related to unrestricted funds.

**17. Commitments under operating leases**

At 31 December 2020 the PCC had annual commitments under non-cancellable operating leases as set out below:

	2020		2019	
	Land and buildings £	Other items £	Land and buildings £	Other items £
Operating leases which expire				
Under 1 year	-	2,210	32,800	2,947
Within 2 to 5 years	7,644	-	20,844	-
After more than 5 years	32,800	-	-	-
	£ 40,444	£ 2,210	£ 53,644	£ 2,947

**18. Unrestricted and Designated Funds**

	Brought forward		Incoming Resources £	Outgoing Resources £	Transfers Between Funds £	Other recognised gains and (losses) £	Carried forward 31/12/2020 £
	01/01/2020 £	£					
<i>Current Year</i>							
Unrestricted fund - General	896,365	675,048	(739,572)	122,000	-	953,841	
Unrestricted fund - Revaluation Reserve	156,000	-	-	-	-	156,000	
	1,052,365	675,048	(739,572)	122,000	-	1,109,841	
Designated fund - Pastoral Development	122,000	-	-	(122,000)	-	-	
	122,000	-	-	(122,000)	-	-	
<b>Total Unrestricted and Designated Funds</b>	£ 1,174,365	£ 675,048	£ (739,572)	-	-	£ 1,109,841	
<i>Comparative Year</i>							
Unrestricted fund - General	1,031,104	644,875	(779,614)	-	-	896,365	
Unrestricted fund - Revaluation Reserve	156,000	-	-	-	-	156,000	
	1,187,104	-	-	-	-	1,052,365	
Designated fund - Church Planting	50,000	-	(50,000)	-	-	-	
Designated fund - Pastoral Development	122,000	-	-	-	-	122,000	
Designated fund - Prayer Leadership	5,165	-	(5,165)	-	-	-	
Designated fund - Student Mission	15,926	-	(15,926)	-	-	-	
Designated fund - Youth Mission	998	-	(998)	-	-	-	
	194,089	-	(72,089)	-	-	122,000	
<b>Total Unrestricted and Designated Funds</b>	£ 1,381,193	£ 644,875	£ 851,703	-	-	£ 1,174,365	

The Designated Funds are from prior year gifts. The notes above show the 2019 and 2020 spend on each fund.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

**19. Restricted Funds**

<i>Current Year</i>	Brought forward 01/01/2020 £	Incoming Resources £	Outgoing Resources £	Transfers £	Carried forward 31/12/2020 £
G2 Surplus Fund	31,495	87,876	(88,720)	-	30,651
Acts 435	29	1,630	(1,659)	-	-
Storehouse	3,808	890	(3,578)	-	1,120
Belfrey Youth Besom Christmas Hamper Fund	-	134	(134)	-	-
Bible Fund	32	-	-	-	32
Church Planting fund	-	2,550,000	-	-	2,550,000
St Wilfred Ecclesiastical Charity (COIF)	3,972	1,126	-	-	5,098
Evangelism of the North	161	-	-	-	161
Funeral Collections	69	-	-	-	69
Giving Away Day	15,058	-	(273)	-	14,785
Hardship Fund	-	96	(15)	500	581
Holding Crosses	-	840	(340)	500	0
House Of Prayer	1,387	148	(1)	-	1,534
House of Prayer People	25,000	-	(7,680)	-	17,320
Impact Project	1,068,350	5,920,427	(350,785)	-	6,637,992
Jim Fox Donation	39	-	(39)	-	-
Kidz Club	1	-	(1)	-	-
Legacy for Church Silver	311	-	-	-	311
Never Give Up	4,806	10	(496)	-	4,321
One-Off Collections	186	8,571	(8,519)	-	238
Premises Legacy	154,825	-	-	-	154,825
Youth Fund Legacy	9,227	-	(5,142)	-	4,085
Music (royalties)	382	-	-	-	382
Shoebboxes	14	-	-	-	14
Sozo Fund	744	300	(136)	-	908
St Cuthbert's Garden	70	-	(70)	-	-
Stained Glass Maintenance St Michael's Warwick Burton	2,000	-	-	-	2,000
Stained Glass Maintenance St Cuthbert's Warwick Burton	1,000	-	-	-	1,000
Student Worker Fund	18,272	-	(18,272)	-	-
The Corner Youth Outreach	-	500	-	-	500
Unspecified but Restricted	573	-	-	-	573
Women's Ministry (previously Women of Worth)	1,993	253	(265)	-	1,981
	<u>1,343,804</u>	<u>8,572,800</u>	<u>(486,124)</u>	<u>-</u>	<u>9,430,480</u>

The purpose and use of each restricted fund is generally explained by the name of that respective fund. The Impact Project fund is to be used to fulfil the plans to renovate and renew St Michael le Belfrey Church building so it can become more fit for purpose for worship and mission in the coming years. The Church Planting Fund is a new fund and has nothing to do with the previous Designated Fund for Church Planting in Note 18.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

**19. Restricted Funds - continued**

<i>Comparative Year</i>	Brought forward 01/01/2019 £	Incoming Resources £	Outgoing Resources £	Transfers £	Carried forward 31/12/2019 £
G2 Surplus Fund	27,706	104,389	(100,600)	-	31,495
Acts 435	29	215	(215)	-	29
Storehouse	2,600	1,440	(232)	-	3,808
Ben Doolan Church Plant	150	-	(150)	-	-
Bible Fund	32	-	-	-	32
Burundi	-	10,000	(10,000)	-	-
St Wilfred Ecclesiastical Charity (COIF)	2,868	1,104	-	-	3,972
Evangelism of the North	161	-	-	-	161
Funeral Collections	69	814	(814)	-	69
Giving Away Day (supporting local mission organisations)	16,234	-	(1,176)	-	15,058
House Of Prayer	1,626	411	(650)	-	1,387
House of Prayer People	-	25,000	-	-	25,000
Impact Project	1,323,414	9,434	(264,498)	-	1,068,350
Jim Fox Donation	1,500	-	(1,461)	-	39
Kidz Club	1	-	-	-	1
Legacy for Church Silver	311	-	-	-	311
Never Give Up	5,655	466	(1,315)	-	4,806
One-Off Collections	1,151	14,486	(15,451)	-	186
Premises Legacy	154,825	-	-	-	154,825
Youth Fund Legacy	18,300	-	(9,073)	-	9,227
Rachel Sterling IJM	-	9	(9)	-	-
Revive (Roberts)	50	-	(50)	-	-
Music (royalties)	382	-	-	-	382
Shoebboxes	36	18	(40)	-	14
Sozo Fund	444	300	-	-	744
St Cuthbert's Garden	230	-	(160)	-	70
Stained Glass Maintenance St Michael's Warwick Burton	2,000	-	-	-	2,000
Stained Glass Maintenance St Cuthbert's Warwick Burton	1,000	-	-	-	1,000
Student Worker Fund	24,184	-	(5,912)	-	18,272
Unspecified but Restricted	573	-	-	-	573
Women of Worth	1,069	1,736	(812)	-	1,993
	<b>£ 1,586,600</b>	<b>£ 169,822</b>	<b>£ (412,618)</b>	<b>-</b>	<b>£ 1,343,804</b>

**20. Analysis of net assets by fund**

<i>Current Year</i>	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2020 £
Tangible fixed assets	801,815	-	3,213	805,028
Investment fixed assets	-	-	-	-
Current assets	342,664	-	9,431,884	9,774,548
Creditors:				
Amounts falling due within one year	(34,638)	-	(4,617)	(39,255)
	<b>£ 1,109,841</b>	<b>£ -</b>	<b>£ 9,430,480</b>	<b>£10,540,321</b>
<i>Comparative Year</i>	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2019 £
Tangible fixed assets	804,440	-	6,425	810,865
Investment fixed assets	-	-	-	-
Current assets	293,631	122,000	1,367,109	1,782,740
Creditors:				
Amounts falling due within one year	(45,706)	-	(29,730)	(75,436)
	<b>£ 1,052,365</b>	<b>£ 122,000</b>	<b>£ 1,343,804</b>	<b>£ 2,518,169</b>

**21. Related party transactions**

No member of the PCC received any remuneration or expenses for their services to the PCC. Rev'd Matthew Porter, Rev'd Andrew Baker, Rev'd Michael Perkins and Rev'd Victoria Earll are reimbursed for parochial expenses which are necessarily incurred by them to fulfil the duties of their post in accordance with the guidelines set down by the Central Stipends Authority of the Church of England. In addition Rev'd Porter receives set statutory parochial fees for officiating at weddings and funerals, these are accounted for to the local Diocese. Rev'd Christian Selvaratnam was employed under a contract of employment to carry out his role within the church but is not paid for his services as a PCC member. A son of a trustee was paid £850 for design work relating to the Impact project and it is included under office and administration costs. There is no outstanding balance as at 31st December 2020.

During the year a total of £66,445 (including gift aid) (2019 - £71,511) was donated to the PCC by PCC Members (trustees), including close family members.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF  
ST MICHAEL LE BELFREY WITH ST CUTHBERT, YORK

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

22. Comparative Statement of Financial Activities

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds	
				2019 £	2018 £
<b>Income and endowments from:</b>					
Donations and legacies	540,555	-	153,096	693,651	1,310,225
Income from charitable church activities	70,386	-	6,309	76,695	59,956
Other trading activities	23,372	-	-	23,372	18,854
Investments	4,767	-	10,377	15,144	13,451
Other income	5,795	-	40	5,835	11,031
<b>Total income</b>	<b>644,875</b>	<b>-</b>	<b>169,822</b>	<b>814,697</b>	<b>1,413,517</b>
<b>Expenditure on:</b>					
Raising funds	2,354	-	1,439	3,793	3,684
Charitable church activities	777,260	72,089	411,179	1,260,528	972,679
<b>Total expenditure</b>	<b>779,614</b>	<b>72,089</b>	<b>412,618</b>	<b>1,264,321</b>	<b>976,363</b>
<b>Net income/(expenditure) before gains and losses on investments</b>	<b>(134,739)</b>	<b>(72,089)</b>	<b>(242,796)</b>	<b>(449,624)</b>	<b>437,154</b>
Net (losses) on investments	-	-	-	-	(160)
<b>Net income/(expenditure)</b>	<b>(134,739)</b>	<b>(72,089)</b>	<b>(242,796)</b>	<b>449,624</b>	<b>436,994</b>
Transfers between funds	-	-	-	-	-
<b>Net movement in Funds</b>	<b>(134,739)</b>	<b>(72,089)</b>	<b>242,796</b>	<b>(449,624)</b>	<b>436,994</b>
<b>Total funds brought forward at 1 January 2019</b>	<b>1,187,104</b>	<b>194,089</b>	<b>1,586,600</b>	<b>2,967,793</b>	<b>2,530,799</b>
<b>Total funds carried forward at 31 December 2019</b>	<b>£1,052,365</b>	<b>£122,000</b>	<b>£ 1,343,804</b>	<b>£ 2,518,169</b>	<b>£ 2,967,793</b>