

**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**

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**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST
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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 *serving 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.

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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

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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".

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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

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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

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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

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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.

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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 |
| Total | £254,184 |

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.

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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.

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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 |

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PCC Trustees / Members

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

Clergy

Matthew Porter
Andy Baker
Vicky Earll
Michael Perkins
Christian Selvaratnam (until May 2021)
Jim Roberts

Churchwardens

Daniel Brookes
Alison Dawson (until August 2021)
Christopher Dobson
Remi Oduyemi

Deanery Synod

Daniel Brookes
James Hayden (from July 2021)
John Lindley
Tony Scott
Martine Somerville

Elected representatives

Dani Cook
Ali Hale
Jenny Hough (until April 2021)
Ross Kenyon
Joe McKeogh
Andrew Oldroyd (from April 2021)
Alys Tarr (until December 2021)

Officers

Secretary: Martine Somerville
Treasurer: Church Wardens
Electoral Roll Officer: Izzy Pysanczyn

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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. 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 £ |
| Income and endowments from: | | | | | |
| 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 |
| Total income | | 728,523 | 174,533 | 903,056 | 9,247,848 |
| Expenditure on: | 7 | | | | |
| Raising funds | | 277 | 487 | 764 | 550 |
| Charitable church activities | | 761,468 | 392,247 | 1,153,715 | 1,225,146 |
| Total expenditure | | 761,745 | 392,734 | 1,154,479 | 1,225,695 |
| Net income/(expenditure) before gains and losses | | (33,222) | (218,201) | (251,423) | 8,022,153 |
| Net gains revaluation of fixed assets | 11 | 155,000 | - | 155,000 | - |
| Net income/(expenditure) | | 121,778 | (218,201) | (96,423) | 8,022,153 |
| Transfers between funds | | 1,965 | (1,965) | - | - |
| Net movement in Funds | | 123,743 | (220,166) | (96,423) | 8,022,153 |
| Total funds brought forward at 1 January 2021 | | 1,109,841 | 9,430,480 | 10,540,321 | 2,518,169 |
| Total funds carried forward at 31 December 2021 | 17/18 | £1,233,584 | £ 9,210,314 | £ 10,443,898 | £10,540,321 |

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 £ |
|--|------|----------------------------|--------------------------|--------------------------|--------------------|
| Fixed Assets | | | | | |
| Tangible fixed assets | 11 | 954,190 | - | 954,190 | 805,028 |
| | | 954,190 | - | 954,190 | 805,028 |
| Current Assets | | | | | |
| 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 |
| Total Current Assets | | 326,041 | 9,243,360 | 9,569,401 | 9,774,548 |
| Current Liabilities | | | | | |
| Creditors: amounts falling due within one year | 15 | 46,647 | 33,046 | 79,693 | 39,255 |
| Total current liabilities | | 46,647 | 33,046 | 79,693 | 39,255 |
| Net Current Assets | | 279,394 | 9,210,314 | 9,489,708 | 9,735,293 |
| Total assets less current liabilities | | 1,233,584 | 9,210,314 | 10,443,898 | 10,540,321 |
| Net Assets | | £ 1,233,584 | £ 9,210,314 | £ 10,443,898 | £10,540,321 |
| The funds of the charity | | | | | |
| 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 |
| Total Charity Funds | | £ 1,233,584 | £ 9,210,314 | £ 10,443,898 | £10,540,321 |

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

| | 2021 | 2020 |
|---|--------------------|--------------------|
| | £ | £ |
| Cash flows from operating activities: | | |
| Net income for the reporting period | (96,423) | 8,022,153 |
| <i>Adjusted for:</i> | | |
| 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) |
| Net cash provided by operating activities | 236,133 | 341,155 |
| Cash flows from investing activities: | | |
| Dividends and interest from investments | 7,751 | 12,007 |
| Net cash provided by investing activities | 7,751 | 12,007 |
| Change in cash and cash equivalents in the reporting period | 243,884 | 353,161 |
| Cash and cash equivalents at the beginning of the reporting period | 2,107,558 | 1,754,397 |
| Cash and cash equivalents at the end of the reporting period | £ 2,351,442 | £ 2,107,558 |
| Analysis of cash and cash equivalents | | |
| 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 |
| | £ 2,351,442 | £ 2,107,558 |

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)

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2021 £ | 2020 £ |
|-----------------------------------|----------------------------|--------------------------|--------------------------|-------------|
| 2. Donations and legacies | | | | |
| 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 |
| | £ 650,573 | £ 163,801 | £ 814,374 | £ 9,136,653 |

In 2020, income from donations and legacies amounting to £573,954 related to unrestricted funds and £8,562,699 related to restricted funds.

| | | | | |
|--|----------|---------|----------|----------|
| 3. Income from charitable church activities | | | | |
| Events | 51,807 | 1,482 | 53,289 | 57,621 |
| Other income from church activities | 3,242 | - | 3,242 | 3,729 |
| | £ 55,049 | £ 1,482 | £ 56,531 | £ 61,350 |

In 2020, income from charitable church activities amounting to £60,800 related to unrestricted funds and £550 related to restricted funds.

| | | | | |
|------------------------------------|----------|-------|----------|---------|
| 4. Other trading activities | | | | |
| Sales | 6,174 | 142 | 6,316 | 5,135 |
| Hire of facilities | 4,128 | - | 4,128 | 3,022 |
| Music | 30 | - | 30 | 41 |
| | £ 10,332 | £ 142 | £ 10,474 | £ 8,198 |

In 2020, all income from other trading activities related to unrestricted funds.

| | | | | |
|-----------------------------|---------|---------|---------|----------|
| 5. Investment income | | | | |
| Dividends received | - | 1,148 | 1,148 | 1,126 |
| Deposit interest | 1,719 | 4,884 | 6,603 | 10,881 |
| | £ 1,719 | £ 6,032 | £ 7,751 | £ 12,007 |

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.

| | | | | |
|------------------------|----------|---------|----------|----------|
| 6. Other income | | | | |
| Other income | 7,746 | 2,134 | 9,880 | 20,814 |
| Government grants | 3,104 | 942 | 4,046 | 8,826 |
| | £ 10,850 | £ 3,076 | £ 13,926 | £ 29,640 |

In 2020, other income amounting to £28,932 related to unrestricted funds and £708 related to restricted funds.

| | | | | |
|---------------------|------------------|------------------|------------------|--------------------|
| Total Income | £ 728,523 | £ 174,533 | £ 903,056 | £ 9,247,848 |
|---------------------|------------------|------------------|------------------|--------------------|

**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)

7. Analysis of expenditure

| | Unrestricted Funds £ | Restricted Funds £ | 2021 £ | Total 2020 £ |
|---|----------------------------|--------------------------|--------------------|--------------------|
| 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 |
| | 63,722 | 30,392 | 94,114 | 91,881 |
| Ministry: Diocesan free will offering | 180,036 | 2,600 | 182,636 | 177,392 |
| Church - general upkeep and services | 50,749 | 9,051 | 59,800 | 53,634 |
| Church - premises | 114,331 | 178,695 | 293,026 | 418,666 |
| Music | 2,816 | - | 2,816 | 6,081 |
| Events | 4,671 | 694 | 5,365 | 13,211 |
| Staff salaries, pensions and other staffing costs | 306,396 | 137,411 | 443,807 | 412,946 |
| Office and administration costs | 28,430 | 33,075 | 61,505 | 38,740 |
| Finance costs | 1,945 | 329 | 2,274 | 3,012 |
| Audit fee | 3,860 | - | 3,860 | 2,592 |
| Outsourced accountancy, taxation and payroll | 4,512 | - | 4,512 | 6,990 |
| | £ 761,468 | £ 392,247 | £ 1,153,715 | £ 1,225,146 |
| Total | £ 761,745 | £ 392,734 | £ 1,154,479 | £ 1,225,695 |

In 2020, expenditure of £739,572 related to unrestricted funds and £486,124 related to restricted funds.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

| | Unrestricted Funds £ | Restricted Funds £ | Total 2021 £ | 2020 £ |
|---|----------------------------|--------------------------|--------------------|-----------|
| 8. Mission and charitable grants | | | | |
| <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).

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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.

| | 2021 £ | 2020 £ |
|-------------------------------------|-------------|-------------|
| 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.

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| | | |
|---|-----------------|-----------------|
| 15. Creditors: amounts falling due within one year | 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 |
| | <u>£ 79,693</u> | <u>£ 39,255</u> |

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) |
| | <u>£ 6,491</u> | <u>£ 8,081</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 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 | - |
| | <u>£ 40,444</u> | <u>£ 1,504</u> | <u>£ 40,444</u> | <u>£ 2,210</u> |

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 |
| | <u>1,109,841</u> | <u>728,522</u> | <u>(761,745)</u> | <u>1,965</u> | <u>155,000</u> | <u>1,233,584</u> |
| Total Unrestricted and Designated Funds | <u>£ 1,109,841</u> | <u>£ 728,522</u> | <u>£ (761,745)</u> | <u>£ 1,965</u> | <u>£ 155,000</u> | <u>£ 1,233,584</u> |
| <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 |
| | <u>1,052,365</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,052,365</u> |
| Designated fund - Pastoral Development | 122,000 | | - | (122,000) | - | - |
| Total Unrestricted and Designated Funds | <u>£ 1,174,365</u> | <u>£ 675,048</u> | <u>£ (739,572)</u> | <u>-</u> | <u>-</u> | <u>£ 1,109,841</u> |

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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 |
| | 9,430,480 | 174,533 | (392,734) | (1,965) | 9,210,314 |

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.

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18. Restricted Funds - continued

Comparative Year

| | 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 |
| Shoeboxes | 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 |
| | 1,343,804 | 8,572,800 | (486,124) | - | 9,430,480 |

19. Analysis of net assets by fund

| | Unrestricted Funds £ | Restricted Funds £ | Total 2021 £ |
|-------------------------------------|----------------------------|--------------------------|---------------------|
| <i>Current Year</i> | | | |
| 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) |
| | £ 1,233,584 | £ 9,210,314 | £ 10,443,898 |
| | £ 1,233,584 | £ 9,210,314 | £ 10,443,898 |
| <i>Comparative Year</i> | | | |
| 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) |
| | £ 1,109,841 | £ 9,430,480 | £ 10,540,321 |
| | £ 1,109,841 | £ 9,430,480 | £ 10,540,321 |

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.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

21. Comparative Statement of Financial Activities

| STATEMENT OF FINANCIAL ACTIVITIES | | | | | |
|--|-------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|--------------------|
| FOR THE YEAR ENDED 31 DECEMBER 2020 | | | | | |
| | Unrestricted Funds £ | Designated Funds £ | Restricted Funds £ | Total Funds 2020 £ | 2019 £ |
| Income and endowments from: | | | | | |
| 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 |
| Total income | 675,048 | - | 8,572,800 | 9,247,848 | 814,697 |
| Expenditure on: | | | | | |
| Raising funds | 550 | - | - | 550 | 3,793 |
| Charitable church activities | 739,022 | - | 486,124 | 1,225,146 | 1,260,528 |
| Total expenditure | 739,572 | - | 486,124 | 1,225,695 | 1,264,321 |
| Net income/(expenditure) before gains and losses on investments | (64,524) | - | 8,086,676 | 8,022,153 | (449,624) |
| Net (losses) on investments | - | - | - | - | - |
| Net income/(expenditure) | (64,524) | 0 | 8,086,676 | 8,022,153 | - 449,624 |
| Transfers between funds | 122,000 | (122,000) | - | - | - |
| Net movement in Funds | 57,476 | (122,000) | 8,086,676 | 8,022,153 | (449,624) |
| Total funds brought forward at 1 January 2020 | 1,052,365 | 122,000 | 1,343,804 | 2,518,169 | 2,967,793 |
| Total funds carried forward at 31 December 2020 | £1,109,841 | - | £ 9,430,480 | £10,540,321 | £ 2,518,169 |