

Registered Charity no. 1130914

**The Parochial Church Council Of The
Ecclesiastical Parish Of St Michael,
Chester Square**

**Known as St Michael's Church, Chester
Square**

Trustees Annual Report and Accounts

Year Ended 31st December 2024



St Michael's Church, Chester Square

Year Ended 31st December 2024

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St Michael's Church, Chester Square

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Legal and Administrative Information

Reference

The Charity is called "The Parochial Church Council Of The Ecclesiastical Parish Of St Michael, Chester Square". The Parochial Church Council is known as the PCC for short. Other names which are used for the charity are "St Michael's Church, Chester Square". The church is registered with the Charity Commission for England and Wales and was registered on 13 April 2009; before this, the church was exempt from registration.

Registered Charity Number 1130914

Registered Office St. Michael's Church
Chester Square
London
SW1W 9EF

Website www.smccs.org.uk

Primary Bankers NatWest Bank
169 Victoria Street
London
SW1E 5NA

Independent Examiner Nigel Wyatt BSC FCA
Wyatt & Co Chartered Accountants
125 Main Street
Garforth
Leeds
LS25 1AF

St Michael's Church, Chester Square

Year Ended 31st December 2024

Legal and Administrative Information

Trustees and members of the PCC

The Parochial Church Council (PCC) Members are elected or co-opted by the Annual Parochial Church Meeting in accordance with the Church Representation Rules 2020 or are ex-officio. The following people served as members of the PCC for all or part of the year.

Incumbent	Revd Jamie Mulvaney - instituted March 2025 Revd Rupert Charkham (stepped down April 2024)
Curate	Revd Sam Banner
Curate	Revd Mark Beard

Churchwardens

David Munns (Standing Committee)
Ruth Williams (Deanery Synod Rep, Mission Support Group, Standing Committee)

PCC members

Elizabeth Berridge - elected May 2024
Beatrice Lovell - elected May 2024 (stepped down March 2025)
Geoffrey Green - elected May 2024
Heidi Wiseman - elected May 2024
Timothy Parker (Finance Committee)
Helena Boase
Tola Babatunde
Anneliese Blackwood (lay vice chair)
Michael Bradley (Deanery Synod Rep, Fabric Committee)
Grace Wort (Deanery Synod Rep, Mission Support Group)
Felicity Hunt (Hon Treasurer, Finance Committee, Standing Committee)
Robert Yesubrabha (stepped down January 2025)
Hugo Walford (stepped down spring 2024)
Fredrick Meissner (stepped down spring 2024)
Elizabeth Gallagher (stepped down autumn 2024)

Secretary

Amy Kirk (appointed July 2024, non-voting member)

St Michael's Church, Chester Square

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Trustees' Annual Report

Structure, Governance and Management

St Michael's Parochial Church Council has the responsibility of co-operating with the Incumbent, the Revd Jamie Mulvaney, in promoting in the ecclesiastical parish the whole mission of the Church – pastoral, evangelistic, social and ecumenical. The Parochial Church Council (PCC) is a corporate body (PCC Powers Measure 1956, Church Representation Rules 2006) and a charity registered with the Charity Commission for England and Wales number 1130914.

Committees

The PCC operates through a number of sub-committees which meet between full meetings of the PCC.

Standing Committee

This is the only committee required by law. It has power to transact the business of the PCC between its meetings, subject to any directions given by the Council.

Mission Support Group

This covers all aspects of the local church's mission to the community and the world. A number of grants were given to individuals from St Michael's serving overseas.

Fabric Committee

This committee advise on the maintenance of the fabric of the church, and matters concerning the residential properties used by church staff.

Finance Committee

The committee consists of the Treasurer and a small group of volunteers who advise the Treasurer on the budget, financing and reserves policy.

Risk Management

The PCC has reviewed the risks that St Michael's faces and established systems and controls to mitigate the significant risks, although it recognises that no system of controls can provide absolute assurance against adverse events. Below we discuss the major ongoing risks, along with the control measures we have in place.

Safeguarding and Duty of Care

In line with the House of Bishop's policy statement on promoting a Safer Church, St Michael's is committed to ensuring the care and protection of children, young people and vulnerable adults involved in its activities. Safeguarding is the responsibility of the whole church and everyone who participates in the life of St Michael's has a role to play in promoting a safer church for all. St Michael's continues to adopt and implement the recommendations, policies and procedures outlined in the Church of England Safeguarding documentation. This includes all the latest guidance issued since the last Annual Report, which covers the key roles and responsibilities of officeholders, and includes practical guidance on how to respond to, assess and manage concerns or allegations against church officers. There are multiple resources available for training and development in this area. St Michael's has appointed a Safeguarding Officer, an evidence checker and a children's champion. All staff, PCC members and volunteers with pastoral roles must make a DBS disclosure and undertake appropriate training. The Safeguarding Officer regularly updates the PCC on policy in this area.

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Trustees' Annual Report

Financial Risks

Misuse or misappropriation of funds due to unauthorised expenditure or misuse of cash which we address by:

- Limiting the use of cash where possible.
- The church has purchased card readers which enable cashless payments for special services, such as weddings and funerals or at events.
- PCC policy is that unbudgeted items of expenditure up to £1,000 need the approval of the treasurer or a church warden. For amounts above this, the treasurer, and both church wardens are required to give approval. Unbudgeted expenditure over £5,000 requires full PCC approval.
- PCC has approved the use of the Expense Plus operating system, which enables staff and the finance committee to control expenses at a more granular level.

Poor budgeting:

- We limit this risk by preparing an annual budget approved by PCC.
- Performance against this is monitored monthly and it is updated and amended where appropriate throughout the year.
- The Finance Committee regularly reviews our budgeting process to make sure that it remains fit for purpose.

The soundness of our financial reporting:

- A team from Expense Plus prepares our monthly management accounts using information input by church staff. Monthly calls between their team, our Director of Operations and the treasurer enable any financial concerns to be raised in a timely manner. Our income and assets are below the threshold for a statutory audit. During the year PCC therefore approved the Finance Committees recommendation that we use the firm of Wyatt & Co., to provide an independent examination of the accuracy of our accounts our statutory accounts.

Sudden loss of income, if key donors move away:

- As a central London church, we have regular turnover of church members. To ensure that we can meet our financial obligations, PCC plans to hold two updates on our finances each year. The first in the spring is to discuss our regular, ongoing expenditure. Towards the end of the year, we hold a Gift Day which is designed to support one-off projects and major works.
- Donation income is monitored regularly, and expenditure reviewed if this falls significantly below expectations.

Fire and Health and Safety risks

Harm could come to anyone in the church building due to lack of appropriate procedures in relation to fire and other health and safety risks:

- The PCC has appointed a health and safety officer, who monitors these issues, writes our policy and keeps staff and PCC members abreast of any possible concerns.
- Briefings are given to those involved in ushering, welcoming or making coffee.
- External parties who hire the church are briefed on our health and safety procedures.

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Risks to the building

The age of our building and its central location mean that there could be legal and financial risks caused by damage or decay to the structure and fabric.

- The PCC ensures that it has adequate insurance in place to cover any accidental damage.
- In line with Diocesan recommendations, the PCC commissions a quinquennial survey and follows up on any advice given regarding repairs or maintenance.
- The PCC has appointed a buildings and fabric committee to advise on regular repairs and maintenance and monitor wear and tear.
- The office team maintain a schedule of regular checks and maintenance for the church building and other properties for which the PCC is responsible.
- The PCC sets aside part of the income from the lease on the Sicily Restaurant, at 2 Eccleston Place, to cover major repairs and capital projects.

Recruitment and Training of PCC Members

PCC Members (excluding those that hold ex officio posts or who are co-opted) are nominated and elected at the Annual Parochial Meeting. The Church Treasurer, in particular, together with other members are invited to attend central training meetings run by the Diocese. Similarly, new Council Members are invited to attend conferences held and provided with any information leaflets produced by the Diocese to equip them for their roles.

St Michael's Church, Chester Square

Year Ended 31st December 2024

Trustees' Annual Report

Objectives and Activities

The mission of St Michael's is to enable people to Come to Christ, Learn to Love and Love to learn.

In planning our activities, the Parochial Church Council (PCC) has considered the Commission's guidance on public benefit. As ever, our main focus is holding weekly services and celebrating major Christian holidays, to teach Christian values and promote them in everyday life to the members of the congregation, both regulars and visitors. The Alpha Course —an internationally recognised ten-week course on the basics of Christianity —is organised annually.

The PCC aims to donate 10% of income to support Christian work both overseas and at home. This is managed by a sub-committee, the Mission Support Group. Pastoral care for the congregation is provided in small groups and through individual counselling.

The Year in Review

For most of the year we have been without a Vicar (an Interregnum) as Rupert Charkham stood down officially in April 2024. This has, therefore, been our second vacancy in four years. Despite this and because of it, as our Parish Profile said, we have been led “to wait on the Lord and to seek His wisdom rather than rely on our own”.

We have much to be grateful for. We would like to acknowledge everyone who has prayed, encouraged, supported and been committed to our church family, for the goodwill and appreciation shown to the Interregnum Leadership Team (ILT), the church office and the PCC throughout this time. It has kept us on an even keel but even more than that, using the sailing analogy, we have sailed with the wind of the Holy Spirit and seen much blessing, much to be excited about and people being encouraged, perhaps for the first time, to use their gifts among us.

We are grateful in particular to:

- the PCC and church office team for whom the Interregnum brought unexpected additional pressures;
- those who worked on and created the Parish Profile;
- our wonderful and gifted outside speakers, especially our lay internal speakers who brought God's word and challenged us;
- those who have led and organised our prayer times and home groups; and.
- all our wonderful volunteers in whatever capacity.

Encouragements and Sorrows

- Both congregations combined on a Sunday in November for an 'At Home' morning of worship and fellowship together, led by Simon Downham.
- We had a wonderful and very well-attended Carol Service.

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Trustees' Annual Report

- We celebrated Weddings, Confirmations (including for a number of our young teenagers) and Baptisms of both adults and children.
- Pastoral care of the congregation was provided in small groups and through individual help and counselling.
- Growth in the young teenage group.
- We held an evening for reflection and praise and to consider lessons learnt with the help of Jeremy Crossley.
- It's so exciting to see new people join both the 9:00 and 11:00 services but we are sorry to say goodbye to some very faithful members of our congregation including a number of families who have moved away from London, and some wonderful, faithful and valued members of our family who have gone 'home' to glory.

Personnel

Rupert Charkham stepped down as our vicar and left in April. In November, Jamie Mulvaney was appointed as our new vicar, joining us in March 2025.

Lucy Egbuta left in the autumn after many years on the staff team coordinating events and communications with willingness and creativity. Alice Nnene joined in the summer as our worship leader. She has revitalised our worship at the 11:00 service and expanded our worship team.

We were excited to welcome Melanie Searle in the summer as our new Children's pastor, who has breathed fresh life into our Children's church.

In the autumn, Jack Campbell stepped down as our operations director and Beth Jolley took over. We are grateful to Jack for all he has done and reorganised in the church office and for his insight as part of the ILT, and to Beth, who has quickly taken up the challenge, bringing huge gifts and organisational ability.

The Future

We are still conscious of the ongoing challenges set out in the Parish Profile. However, as we thank God for the past, we have this confidence that we can do "even greater things" by the Holy Spirit working in and through us with our new vicar, Jamie Mulvaney, to lead us "on this new journey". We believe strongly that God has brought Jamie and his family to us to help us reflect Jesus and grow closer to Him as His disciples and to be 'a Church in the heart of London with a heart for London'.

Ruth Williams and David Munns, Church Wardens.

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Treasurer's Finance Report

Income

During the year, our total income from all sources reached £606,776, representing a slight drop of £57,360 or 9% compared to 2023. While regular giving rose by around 5% to £241,630 and the rental income we receive from the Sicily restaurant at 2, Eccleston Place rose by 24% to £124,151 on receipt of the first instalments of the newly agreed rent, we received fewer large one-off gifts and did not hold a Gift Day during the year.

Expenditure

Expenditure came in below budget at £606,538 and some £77,820 or 11% below the 2023 level.

While our costs for clergy and giving to the London diocesan fund were unchanged for the year – as no discounts are given to churches during a vacancy- most other costs fell compared to 2023, as there were fewer events, lower staff costs and lower expenditure on repairs and maintenance. The only exception was in administration costs which rose sharply during the year, due to advertising costs related to our search for a new vicar, for our children's pastor and director of operations, as well as for professional advice related to rent review on the Sicily restaurant.

We give away 10% of our income from giving and our rental income from the Sicily restaurant to mission support and outreach. (The timing of gifts to our mission partners does not always tally exactly with our monthly income.)

We ended the year with a slight surplus of £238.

In addition, our investments with CCLA (the investment fund controlled by the Church of England), gained slightly in value, by about 2% or £5,034 during the year.

Balance Sheet

Although our balance sheet might appear exceptionally strong, with total funds of £2.6m, most of this sum is accounted for by our lease on the Sicily restaurant (valued at £1.6m) and the house at 24 Sullivan Road, which until late 2023 was occupied by Matt White, our former associate vicar. Our liquid reserves (cash and investments), while sufficient, accounted for the much lower sum of £357,138.

Reserves Policy

PCC policy is to maintain liquid funds to cover at least three months' anticipated expenditure plus the costs of any projected major works. At the end of the year, we had cash at the bank and in hand of £109,812 and an investment in the CCLA global income fund (Share investment in the notes to the accounts) worth £224,958. On the balance sheet, we held £57,388 in debtors and £8,254 in creditors. Then, removing £26,774 funds held for restricted purposes, this gave us liquid funds of £357,138, which represented approximately seven months' anticipated expenditure.

Going concern

The PCC believes that the current level of giving and other income received by the church is sufficient to pay for the expected expenses in the coming year. They prepare annual budgets and monitor expenses throughout the year. If the income should fall due to some unexpected circumstances, the PCC would adjust spending accordingly.

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Year Ended 31st December 2024

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The PCC conclude that there are no material uncertainties to prevent the church from continuing as a going concern.

Grant making policy

Grants are allocated by the Mission Support Group for clearly defined goals, projects, time frames (usually three years or less) and people. The Group seeks to balance local, national and overseas needs and supports both social/historic and gospel work. Prayer support is an essential part of grant making, as are reports back from Mission Partners and contact with them throughout their assignments. Grant applications are considered at the group's meetings, which take place three or four times a year. Priority is given to those applications where there is a connection to St Michael's Church, either because the applicant is a member of the congregation, or the project directly supports the Objectives of the PCC.

Fundraising policy

In line with the reporting requirements included in the Charities Act 2016 the PCC members are pleased to confirm that all fundraising is done in compliance with best fundraising practice. No professional fundraisers were employed during the year under review, nor were there any complaints or criticisms during the year about our fundraising activities.

Performance of fundraising against objectives

The total income for the year was lower than budgeted, due to fewer large one-off gifts and some large donors moving away.

Performance of investments against objectives

The PCC strives to keep enough cash in current accounts to fund current expenditure and has invested the remainder to yield higher returns. The main investment of the church is the lease on 2 Eccleston Place, now known as the Sicily Restaurant. We also hold an investment in the CCLA Equity Income fund.

Independent Examination

The PCC has given due thought to the annual review of our accounts. A resolution will be proposed at the Annual General Meeting that Wyatt & Co Chartered Accountants conduct an Independent Examination for the forthcoming year.

St Michael's Church, Chester Square

Year Ended 31st December 2024

Trustees' Annual Report

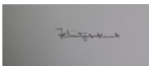
Trustees' Responsibilities in Relation to Financial Statements

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the Church's activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the trustees should follow best practices:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements.
- Prepare the financial statements on a going-concern basis unless it is inappropriate to assume that the charity will continue in operation.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity, which enables them to ascertain its financial position, and which enable them to ensure the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the trust deed. The trustees are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

Trustees Approval



Signed on behalf of the Trustees.....

Felicity Anne Mary Hunt

Name of Trustee

20/05/2025

Date:.....

St Michael's Church, Chester Square

Year Ended 31st December 2024

Independent Examiner's Report

I report to the trustees on my examination of the financial statements of St Michael's Church, Chester Square ('the charity') for the year ended 31 December 2024.

Responsibilities and Basis of Report

Members of the PCC, as trustees of the charity are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

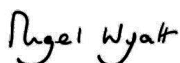
Independent Examiner's Statement

I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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



Nigel Wyatt BSC FCA
Independent Examiner
125 Main Street
Garforth
Leeds
LS25 1AF

Date: 21/05/2025

St Michael's Church, Chester Square

Year Ended 31st December 2024

Statement of Financial Activities

		2024		2023	
		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	Note	£	£	£	£
Income					
Donations and legacies		395,681	5,541	401,222	497,368
Charitable activities		5,297	-	5,297	2,091
Activities for generating income		62,888	3,289	66,177	53,952
Investment income		134,080	-	134,080	110,325
Other		-	-	-	400
Total Income	2	<u>597,946</u>	<u>8,830</u>	<u>606,776</u>	<u>664,136</u>
Expenditure					
Expenditure on charitable activities	3	<u>592,906</u>	<u>13,632</u>	<u>606,538</u>	<u>684,358</u>
Total Expenditure		<u>592,906</u>	<u>13,632</u>	<u>606,538</u>	<u>684,358</u>
Net Income / (Expenditure) Before Gains/(Loses)		<u>5,040</u>	<u>(4,802)</u>	<u>238</u>	<u>(20,222)</u>
Gain/(loss) on investment portfolio	10	<u>5,034</u>	<u>-</u>	<u>5,034</u>	<u>19,086</u>
Net Income / (Expenditure) After Gains/(Loses)		<u>10,074</u>	<u>(4,802)</u>	<u>5,272</u>	<u>(1,136)</u>
Net Income and Net Movement in Funds					
Total funds brought forward	13	2,614,556	31,576	2,646,132	2,647,268
Transfers	13	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Funds Carried Forward	13	<u>2,624,630</u>	<u>26,774</u>	<u>2,651,404</u>	<u>2,646,132</u>

All income and expenditure derive from continuing activities.

St Michael's Church, Chester Square

Year Ended 31st December 2024

Statement of Financial Position

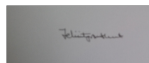
	Note	2024 £	2023 £
Fixed Assets			
Tangible fixed assets	9	667,491	682,369
Investments	10	1,824,958	1,819,924
		<u>2,492,449</u>	<u>2,502,293</u>
Current Assets			
Debtors	11	57,388	31,372
Cash at bank and in hand		109,812	161,142
		<u>167,200</u>	<u>192,514</u>
Creditors: Amounts Falling Due Within One Year	12	8,245	48,675
Net Current Assets		<u>158,955</u>	<u>143,839</u>
Total Assets Less Current Liabilities		<u>2,651,404</u>	<u>2,646,132</u>
Funds of the Charity			
Restricted funds	13	26,774	31,576
Unrestricted funds	13		
Unrestricted general		132,181	106,810
Designated funds		2,492,449	2,507,746
Total Charity Funds		<u>2,651,404</u>	<u>2,646,132</u>

Trustees Responsibilities

These financial statements were approved by the board of trustees and authorised for issue:

Name of Trustee: Felicity Anne Mary Hunt

Signed on Behalf of the Trustees:



Date of Approval:

20/05/2025

St Michael's Church, Chester Square

Year Ended 31st December 2024

Statement of Cash Flows

	2024 £	2023 £
Cash Flows From Operating Activities		
Net cash provided by (used in) operating activities	(185,410)	(246,177)
	<u>(185,410)</u>	<u>(246,177)</u>
Cash Flows From Investing Activities		
Investment income received	134,080	110,325
Investment realisation	-	5,000
Purchase of tangible fixed assets	-	(22,324)
Net cash provided by (used in) investing activities	<u>134,080</u>	<u>93,001</u>
Cash Flows From Financing Activities		
Repayments on borrowing	-	-
Cash inflows from new borrowing	-	-
Net cash provided by (used in) financing activities	<u>-</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period	(51,330)	(153,176)
Cash and cash equivalents at the beginning of the reporting period	161,142	314,318
Cash and Cash Equivalents at the End of the Reporting Period	<u>109,812</u>	<u>161,142</u>

Reconciliation of Net Movement in Funds to Net Cash Flow from Operating Activities

	2024 £	2023 £
Net movement in funds for the reporting period (as per the statement of financial activities)	5,272	(1,136)
Adjustments for:		
Gain/(loss) on investment portfolio	(5,034)	(19,086)
Investment income received	(134,080)	(110,325)
Depreciation of tangible fixed assets	14,877	16,752
(Increase)/decrease in debtors	(26,016)	6,278
Increase/(decrease) in creditors	(40,429)	(138,660)
Net cash provided by (used in) operating activities	<u>(185,410)</u>	<u>(246,177)</u>

Analysis of Cash and Cash Equivalents

	2024 £	2023 £
Cash at bank and in hand	109,812	161,142
Total cash and cash equivalents	<u>109,812</u>	<u>161,142</u>

St Michael's Church, Chester Square

Year Ended 31st December 2024

Notes to the Financial Statements

1 Accounting Policies

Basis of Preparation

The financial statements have been prepared under the Charities Act 2011 and in accordance with Church Accounting Regulations 2006 together with the Charities Statement of Recommended Practice (Charities SORP (FRS102)) and Financial Reporting Standard 102 (FRS102).

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at fair value. St Michael's Church, Chester Square meets the definition of a public benefit entity under FRS 102. The financial statements are prepared in sterling, which is the functional currency of the church. Monetary amounts in these financial statements are rounded to the nearest f. The Parochial Church Council of St Michael's Church is a Charity Registered in England and Wales No 1130914 and the Parish Office is at The Vestry, St Michael's Church Chester Square, London SW1W 9EF.

Assessment of Going Concern

At the time of approving the financial statements, the PCC members have a reasonable expectation that the church has adequate resources to continue in operational existence for the foreseeable future. Thus the PCC members continue to adopt the going concern basis of accounting in preparing the financial statements.

Fund Accounting

PCC funds are required to be analysed under specific headings, as follows:

General funds represent the 'free' funds of the PCC that are not subject to any restriction regarding their use and are available for application for the general purposes of the PCC.

Designated funds are earmarked by the PCC for particular purposes but are nevertheless still unrestricted as the PCC can redesignate the funds if it wishes.

Restricted funds are funds collected or donated for a particular purpose and cannot be used by the PCC for any other purpose except by agreement with the donor.

The funds of the PCC have been appropriately analysed and the statement of financial activities has been prepared in accordance with this analysis.

St Michael's Church, Chester Square

Year Ended 31st December 2024

Notes to the Financial Statements

Incoming Resources

All incoming resources are recognised once the charity has entitlement to the resources, it is probable that the resources will be received, and the monetary value of incoming resources can be measured with sufficient reliability.

- All voluntary income from members of the church are recognised as donations and are included in full, with associated Gift Aid receivable in the Statement of Financial Activities.
- Grants where entitlement is not conditional on the delivery of specific performance by the charity are recognised when the charity becomes unconditionally entitled to the grant.
- Incoming resources from charitable trading activities such as the letting of the building are accounted for when invoices are drawn up (as the point of entitlement).
- Donated services and facilities are included at the value to the charity where this can be quantified.
- Gifts in Kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised.
- Volunteer time, the value of voluntary support for the work of the church, is not included in the accounts but is described in the trustees' annual report.
- Investment income is included in the accounts when receivable.

Application of Resources

Grants and outward giving are accounted for in the SOFA when paid, unless an obligation, whether constructive or legal, exists to the recipient in accordance with the Charities SORP and FRS 102.

Parish share and other costs directly relating to the work and activities of the Church are accounted for when they are incurred or become due and payable.

Resources Expended

Expenditure is recognised on an accrual basis as a liability is incurred. Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out the resources and the amount of the obligation can be measured with reasonable certainty.

Governance Costs

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

Liability Recognition

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

St Michael's Church, Chester Square

Year Ended 31st December 2024

Notes to the Financial Statements

Operating Leases

Rental charges payable under operating leases are charged on a straight line basis over the terms of the lease.

Tangible Fixed Assets

Consecrated land and buildings and moveable church furnishings

Consecrated and beneficed property is excluded from the accounts by s10(2)(a) of the Charities Act 2011. No value is placed on moveable church furnishings held by the churchwardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be inalienable property.

All expenditure incurred during the year on consecrated or beneficed buildings and moveable church furnishings, whether maintenance or improvement, is written off as expenditure in the SOFA and separately disclosed.

Assets with a value of over £1,000 are capitalized to the statement of financial position, with items of equipment and furniture and fittings with a value below this are written off in the year of purchase.

Depreciation has been provided on tangible fixed assets except consecrated land and buildings and other freehold property at the following rates which are calculated to write off the cost of the assets over their estimated useful lives:

Furniture and fittings	4 to 10 years straight line
Equipment	4 to 10 years straight line

Where the useful economic life and holding value of the freehold property are so great that depreciation is immaterial, it is not charged.

Pensions

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

Investments

Investments (properties, bonds and shareholding accounts) were valued at fair value at 31st December 2023 and in each subsequent year the PCC will review the valuation for any permanent impairment in value which is transferred to the Statement of Financial Activities (SOFA).

St Michael's Church, Chester Square

Year Ended 31st December 2024

Notes to the Financial Statements

Financial Instruments

The charity only invests in basic financial products and such assets are stated at the value invested and any gains or losses are recorded when the product is sold. Current assets
Amounts owing to the PCC at 31st December in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectable.

St Michael's Church, Chester Square

Year Ended 31st December 2024

Notes to the Financial Statements

2 Analysis of Income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Donations and Legacies			
Donations	317,276	496	317,772
Income tax recoverable	56,674	45	56,719
Legacies	20,000	-	20,000
Grants	1,731	5,000	6,731
	<u>395,681</u>	<u>5,541</u>	<u>401,222</u>
Charitable Activities			
Weddings and funerals	3,987	-	3,987
Church activities and events	1,310	-	1,310
	<u>5,297</u>	<u>-</u>	<u>5,297</u>
Activities for Generating Income			
Church rental income	36,823	-	36,823
Accommodation rental income	26,065	3,289	29,354
	<u>62,888</u>	<u>3,289</u>	<u>66,177</u>
Investment Income			
Dividends and interest	9,929	-	9,929
Lease income	124,151	-	124,151
	<u>134,080</u>	<u>-</u>	<u>134,080</u>
Other			
Other Income	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Income	<u>597,946</u>	<u>8,830</u>	<u>606,776</u>

St Michael's Church, Chester Square

Year Ended 31st December 2024

Notes to the Financial Statements

2 Analysis of Income (Continued)

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Donations and Legacies			
Donations	385,320	35,161	420,481
Income tax recoverable	57,471	6,313	63,784
Legacies	-	-	-
Grants	8,103	5,000	13,103
	<u>450,894</u>	<u>46,474</u>	<u>497,368</u>
Charitable Activities			
Weddings and funerals	(178)	-	(178)
Church activities and events	2,269	-	2,269
	<u>2,091</u>	<u>-</u>	<u>2,091</u>
Activities for Generating Income			
Church rental income	53,952	-	53,952
Accommodation rental income	-	-	-
	<u>53,952</u>	<u>-</u>	<u>53,952</u>
Investment Income			
Dividends and interest	10,325	-	10,325
Lease income	100,000	-	100,000
	<u>110,325</u>	<u>-</u>	<u>110,325</u>
Other			
Other income	400	-	400
	<u>-</u>	<u>-</u>	<u>400</u>
Total Income	<u>617,262</u>	<u>46,474</u>	<u>664,136</u>

St Michael's Church, Chester Square

Year Ended 31st December 2024

Notes to the Financial Statements

3 Expenditure on Charitable Activities by Fund Type

	Unrestricted Funds	Restricted Funds	Total Funds 2024
	£	£	£
Accommodation	82,230	3,289	85,519
Administration	41,444	-	41,444
Audio visual and redecoration project	-	421	421
Church building running costs	69,916	-	69,916
Clergy costs	89,492	-	89,492
Diocesan quota	28,142	-	28,142
Depreciation	14,877	-	14,877
Mission support and outreach	56,860	7,206	64,066
Other ministry costs	12,127	2,716	14,843
Services & music	27,918	-	27,918
Staff costs	169,900	-	169,900
	<u>592,906</u>	<u>13,632</u>	<u>606,538</u>

	Unrestricted Funds	Restricted Funds	Total Funds 2023
	£	£	£
Accommodation	81,181	-	81,181
Administration	27,252	-	27,252
Audio visual and redecoration project	-	24,036	24,036
Church building running costs	58,266	-	58,266
Clergy costs	97,600	-	97,600
Diocesan quota	37,450	-	37,450
Depreciation	16,752	-	16,752
Mission support and outreach	64,342	3,013	67,355
Other ministry costs	13,935	5,000	18,935
Services & music	16,789	-	16,789
Staff costs	238,742	-	238,742
	<u>652,309</u>	<u>32,049</u>	<u>684,358</u>

St Michael's Church, Chester Square

Year Ended 31st December 2024

Notes to the Financial Statements

4 Expenditure on charitable activities by activity

	Activities Directly Undertaken	Grant Funding	Support Costs	Total Funds 2024
Accommodation	-	-	85,519	85,519
Administration	-	-	41,444	41,444
Audio visual and redecoration project	-	-	421	421
Church building running costs	-	-	69,916	69,916
Clergy costs	89,492	-	-	89,492
Diocesan quota	28,142	-	-	28,142
Depreciation	-	-	14,877	14,877
Mission support and outreach	-	64,066	-	64,066
Other ministry costs	14,843	-	-	14,843
Services & music	27,918	-	-	27,918
Staff costs	169,900	-	-	169,900
	<u>330,295</u>	<u>64,066</u>	<u>212,177</u>	<u>606,538</u>

	Activities Directly Undertaken	Grant Funding	Support Costs	Total Funds 2023
Accommodation	-	-	81,181	81,181
Administration	-	-	27,252	27,252
Audio visual and redecoration project	-	-	24,036	24,036
Church building running costs	-	-	58,266	58,266
Clergy costs	97,600	-	-	97,600
Diocesan quota	37,450	-	-	37,450
Depreciation	-	-	16,752	16,752
Mission support and outreach	-	67,355	-	67,355
Other ministry costs	18,935	-	-	18,935
Services & music	16,789	-	-	16,789
Staff costs	238,742	-	-	238,742
	<u>409,516</u>	<u>67,355</u>	<u>207,487</u>	<u>684,358</u>

5 Parish Share

St Michael's Church is a parish church of the Church of England in the Diocese of London, by means of Parish Share, helps the funding of ministers, particularly parochial clergy, throughout the Diocese, the work of various Diocesan bodies and the work of the Church of England as a whole. The Diocese is a community resourcing a common task, and not a charity trying to raise funds to meet a need. In 2024, the amount paid by the PCC was £28,142 (2023: £37,450).

St Michael's Church, Chester Square

Year Ended 31st December 2024

Notes to the Financial Statements

6 Independent Examination Fees

Fees payable to the independent examiner for:

	2024	2023
	£	£
Independent examination and accounts preparation	2,371	2,280
	<u>2,371</u>	<u>2,280</u>

7 Staff Costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2024	2023
	£	£
Wages and salaries	160,083	204,238
Social security costs	5,815	13,918
Employer pension contribution	3,256	5,343
Redundancy costs	-	6,129
Ex gratia payments	-	9,114
Total Employment Costs	<u>169,154</u>	<u>223,499</u>

The clergy are employed by the London Diocese so their costs have not been included in the salary figures shown above.

The average headcount of employees during the year was as follows:

	2024	2023
Headcount	8	9

Number of employees who received employee benefits of more than £60,000 during the year was as follows:

	2024	2023
More than £60,000	-	-

Key Management Personnel

The charity's key management personnel comprise the associate ministers, communications manager, operations manager and youth & children's pastor. Total remuneration paid to key management personnel was £60,304.

St Michael's Church, Chester Square

Year Ended 31st December 2024

Notes to the Financial Statements

8 Trustee Remuneration, Expenses and Donations

During the year, the PCC covered the accommodation expenses of the clergy members who were also part of the PCC. The total accommodation costs paid during the year were £63,970 (2023: £81,181).

During the year five trustees received payments for expense claims during 2024 (2023: 3). These expenses mainly related to day to day running cost of the Church along with accommodation maintenance and moving costs. The expenses reimbursed to trustees during the year totalled £9,038 of (2023: £10,697).

The aggregate value of donations made by PCC members was £106,684 (2023: £62,581).

9 Tangible Fixed Assets

	Freehold Land and Buildings £	Equipment £	Fixtures & Fittings £	Total £
Cost or Valuation				
At 1st January 2024	615,776	117,807	103,958	837,541
Additions	-	-	-	-
At 31st December 2024	615,776	117,807	103,958	837,541
Depreciation				
At 1st January 2024	-	95,047	60,125	155,172
Depreciation charge	-	5,583	9,295	14,878
At 31st December 2024	-	100,630	69,420	170,050
Net Book Value				
At 31st December 2024	615,776	17,177	34,538	667,491
At 31st December 2023	615,776	22,760	43,833	682,369

The freehold property is 24 Sullivan Road.

St Michael's Church, Chester Square

Year Ended 31st December 2024

Notes to the Financial Statements

10 Investments

	2024	2023
	£	£
Freehold		
Fair value brought forward as at 1 January 2024	1,600,000	1,600,000
Revaluation	-	-
Fair value brought forward as at 31 December 2024	<u>1,600,000</u>	<u>1,600,000</u>
Share investment		
Fair value brought forward as at 1 January 2024	219,924	200,862
Additions / (disposals) in the year	-	-
Revaluation	<u>5,034</u>	<u>19,062</u>
Fair value brought forward as at 31 December 2024	<u>224,958</u>	<u>219,924</u>
Bond		
Fair value brought forward as at 1 January 2024	-	5,000
Additions / (disposals) in the year	<u>-</u>	<u>(5,000)</u>
Fair value brought forward as at 31 December 2024	<u>-</u>	<u>-</u>
Total Investments	<u>1,824,958</u>	<u>1,819,924</u>

The freehold property is 2 Eccleston Place, London, SW1W 9NE, which is held on lease by Pirandello Ltd trading as "Sicily". The legal title of the property is vested in the Diocesan Authority and the London Diocesan Fund as Custodian Trustees on behalf of the Parochial Church Council. Following a valuation taken by outside counsel, the PCC determined that the value of the property increased to £1.6m at the end of 2022.

The share investment account was opened with CCLA in 2014 in order to generate higher returns than the bank interest available from high street banks. Dividends are recognised as income in the period paid. The revaluation has been provided by CCLA at the year end.

The bond was a five year bond that matured on 31 May 2023 with the London Housing Association yielding 1.25%pa.

St Michael's Church, Chester Square

Year Ended 31st December 2024

Notes to the Financial Statements

11 Debtors

	2024	2023
	£	£
Income tax recoverable	5,215	2,585
Prepayments	24,372	4,278
Other debtors	27,801	24,509
	<u>57,388</u>	<u>31,372</u>

12 Creditors: Amounts Falling Due Within One Year

	2024	2023
	£	£
Trade creditors	2,250	2,438
Accruals and other creditors	3,280	3,925
Deferred income	30	40,162
Payroll taxes and pension	2,686	2,150
	<u>8,245</u>	<u>48,675</u>

St Michael's Church, Chester Square

Year Ended 31st December 2024

Notes to the Financial Statements

13 Analysis of Charitable Funds

	1 Jan 2024 £	Income £	Expenditure £	Gains/Loses £	Transfers £	31 Dec 2024 £
Unrestricted Funds						
Unrestricted						
General	106,810	597,946	(521,169)	-	(51,406)	132,181
Total	106,810	597,946	(521,169)	-	(51,406)	132,181
Designated						
Fixed assets	2,282,369	-	(14,877)	-	-	2,267,492
Reserves	219,923	-	-	5,034	-	224,957
Mission Support & LDF Outreach	5,454	-	(56,860)	-	51,406	-
Total	2,507,746	-	(71,737)	5,034	51,406	2,492,449
Total Unrestricted	2,614,556	597,946	(592,906)	5,034	-	2,624,630
Restricted Funds						
Audio visual and redecoration	24,846	-	(421)	-	-	24,425
AC grant	-	5,000	(2,716)	-	-	2,284
Jelena	6,730	335	(7,000)	-	-	65
Housing deposit	-	3,289	(3,289)	-	-	-
Pimlico Foundation	-	206	(206)	-	-	-
Total Restricted	31,576	8,830	(13,632)	-	-	26,774
Total Funds						
Total	2,646,132	606,776	(606,538)	5,034	-	2,651,404

Material Fund Transfers 2024

Mission Support & LDF Outreach Transfer from the General fund to the designated Mission Support fund for donations and grant to be made to organisation and individuals during the year.

St Michael's Church, Chester Square

Year Ended 31st December 2024

Notes to the Financial Statements

Analysis of Charitable Funds cont.

	1 Jan 2023	Income	Expenditure	Gains/Loses	Transfers	31 Dec 2023
	£	£	£	£	£	£
Unrestricted Funds						
Unrestricted						
General	112,217	617,662	(571,215)	-	(51,854)	106,810
Total	112,217	617,662	(571,215)	-	(51,854)	106,810
Designated						
Fixed assets	2,276,798	-	(16,752)	-	22,323	2,282,369
Reserves	205,861	-	-	19,086	(5,024)	219,923
Mission Support & LDF Outreach	15,942	-	(64,342)	-	53,854	5,454
Total	2,498,601	-	(81,094)	19,086	71,153	2,507,746
Total Unrestricted	2,610,818	617,662	(652,309)	19,086	19,299	2,614,556
Restricted Funds						
Audio visual and redecoration	31,512	36,669	(24,036)	-	(19,299)	24,846
AC grant	-	5,000	(5,000)	-	-	-
Jelena	4,625	2,255	(150)	-	-	6,730
Events for seniors	302	-	(302)	-	-	-
The passage	11	-	(11)	-	-	-
Pimlico Foundation	-	550	(550)	-	-	-
Mission partners	-	2,000	(2,000)	-	-	-
Total Restricted	36,450	46,474	(32,049)	-	(19,299)	31,576
Total Funds						
Total	2,647,268	664,136	(684,358)	19,086	-	2,646,132

Material Fund Transfers 2023

Mission Support & LDF Outreach Transfer from the general fund to the designated Mission Support fund for donations and grant to be made to organisation and individuals during the year.

St Michael's Church, Chester Square

Year Ended 31st December 2024

Notes to the Financial Statements

Fund Descriptions

Outlined below are the details for all the material funds held during the financial year.

Designated Funds

Fixed assets	Fund to hold the year end closing balance of tangible assets and investment assets.
Reserves	Fund to hold the reserves of the organisation per the reserves policy outlined in the trustees' report.
Mission Support & LDF Outreach	Designated fund for giving to mission partners.

Restricted Funds

Audio visual and redecoration	Special offering collection in 2022 for AV and building.
AC grant	Restricted grant from the Arthur Cross charity.
Jelena	Restricted income for supporting a mission partner.
Housing deposit	A fund used to hold and pass on the deposit for the rented accommodation
Events for seniors	Donation to fund the ministry.
Pimlico Foundation	Funds received and donated to this charity that works with young people in Pimlico' and lose 'in a nearby estate.
Mission partners	Restricted income for supporting missionary partners.

14 Analysis of Net Assets Between Funds

	Unrestricted Funds	Restricted Funds	Total Funds 2024
	£	£	£
Fixed Assets	2,492,449	-	2,492,449
Current Assets	140,426	26,774	167,200
Creditors less than 1 year	(8,245)	-	(8,245)
	<u>2,624,630</u>	<u>26,774</u>	<u>2,651,404</u>

	Unrestricted Funds	Restricted Funds	Total Funds 2023
	£	£	£
Fixed Assets	2,502,293	-	2,502,293
Current Assets	160,938	31,576	192,514
Creditors less than 1 year	(48,675)	-	(48,675)
	<u>2,614,556</u>	<u>31,576</u>	<u>2,646,132</u>

St Michael's Church, Chester Square

Year Ended 31st December 2024

Notes to the Financial Statements

15 Related Party Transactions

During the year Liz Charkham who is a close family member of trustee Rupert Charkham was employed by the church. The total remuneration received during the year including employer national insurance was £798 (2023: £3,039).

During the year Andrew and Elizabeth Parker recieved gifts to the value of of £3,000 for thier charitble work with Mission Aviation Fellowship, and Elizabeth Parker recieved a £75 gift as a visiting speaker. Andrew and Elizabeth are related parties due to being close family members with Timothy Parker on the Board of Trustees (PCC member).

16 Operating Lease

The total future minimum lease payments under non-cancellable operating leases relating to rent paid for property are as follows:

	2024	2023
	£	£
Within one year	33,538	33,538
Within two to five years	134,152	134,152
More than five years	214,457	248,554
	<u>382,147</u>	<u>416,244</u>

The operating lease is held for accommodation purposes

17 Operating Lease Income as a Lessor

The church acts as a lessor for 2 Eccleston Place, in respect of property leases granted under operating lease agreements. The future minimum lease payments receivable under non-cancellable operating leases are as follows:

	2024	2023
	£	£
Within one year	139,093	126,230
Within two to five years	700,000	700,000
More than five years	478,333	618,333
	<u>1,317,426</u>	<u>1,444,563</u>

The operating lease is hled with Pirandello Ltd. The lease runs for periods of 10 years, with rent reviews every 5 years.