THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. MICHAEL, WORKINGTON

England & Wales · Charity number 1131867

Details

Other names	ST. MICHAEL'S PCC, WORKINGTON
Status	Registered
Legal form	Previously excepted
Registered	2009-09-28
Register	View on the Charity Commission register

Contact

Address	St. Michaels Church Dora Crescent Workington CA14 2EZ
Phone	01900604450
Email	st.michaelsworkington@btinternet.com
Website	www.stmichaelsworkington.org.uk

Activities

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

Activities: Regular public worship open to all. Provision of sacred space for prayer & contemplation. Pastorial work. Teaching Christianity through sermons, courses & small groups. Religious school assemblies. Youth club. Promotion of Christianity through events & meetings & literature and through activities for senior citizens, parent & toddlers & other special need groups. Supporting other charities.

Classification

- **How:** Makes Grants To Organisations, Provides Buildings/facilities/open Space, Provides Services
- **What:** Religious Activities
- **Who:** The General Public/mankind

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Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, LOCAL.
- Cumbria

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£104,957	£115,311	-	-
2023-12-31	£107,060	£113,934	-	-
2022-12-31	£107,180	£107,860	-	-
2021-12-31	£68,614	£84,372	-	-
2020-12-31	£58,448	£97,291	-	-

Trustees

Name	Role	Appointed
Barry Clark		2023-04-01
Brian Colin Wilkinson		2020-09-28
Clare Stilwell		2016-04-12
ERIC MARTIN		
Eleanor Rose Wilson		2022-05-18
Helen Kay Tinnion		2020-09-28
JULIA CATHERINE SHARPE		
Joanne Braniff		2019-05-07
Keith Beattie		2016-04-12
Mark Stilwell		2018-04-24
Rev Benjamin Thompson		2026-02-01
Stuart Scott Edger		2016-04-12
Wendy Kendall		2022-05-18

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THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. MICHAEL, WORKINGT

England & Wales - Charity number 1131867

Accounts

CHARITY REGISTRATION NUMBER: 1131867

Workington St Michael Parochial Church Council

Unaudited Financial Statements

31 December 2024

robinson+co
Chartered Accountants

Workington St Michael Parochial Church Council

Financial Statements

Year ended 31 December 2024

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Workington St Michael Parochial Church Council

Trustees' Annual Report

Year ended 31 December 2024

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2024.

Reference and administrative details

Registered charity name	Workington St Michael Parochial Church Council
Charity registration number	1131867
Principal office	Workington Parochial Church Council Parish Office St Michael's Church Falcon Place Workington CA14 2EZ

The trustees in 2024

Chair	Mr Eric Martin (Appointed September 2024) The Very Revd Dr Frances Ward (Resigned September 2024)
Associate Priest	The Revd Dr Peter Powell (Resigned September 2024)
Readers	Ms Charlotte Lait Ms Rachel Rose
Pioneer Minister	Mrs Valerie Hallard
Wardens	Mr Eric Martin Mrs Wendy Kendall
Secretary	Mrs Julia Sharpe
Treasurer	Mrs Joanne Braniff
Lay Chairperson	Mr Eric Martin
Deanery Synod Representatives	Mr Brian Wilkinson (from 2020) Mrs Julia Sharpe (from 2020) Ms Charlotte Lait (from 2024)
Safeguarding Officer	Mrs Jan Witty, Mrs Wendy Kendall
Electoral Roll Officer	Mr Brian Wilkinson
Gift Aid Officer	Mrs Wendy Kendall

Workington St Michael Parochial Church Council

Trustees' Annual Report

Year ended 31 December 2024

Trustees

To serve until APCM 2025:	Mrs Clare Stilwell Mrs Wendy Kendall Miss Eleanor Wilson
to serve until APCM 2026:	Mr Eric Martin Mr Stuart Edger Mrs Julia Sharpe Mr Mark Stilwell Mr Keith Beattie Mrs Helen Tinnion Mr Brian Wilkinson Mrs Sheila Clark Mr Barry Clark
to serve until APCM 2027:	Joanne Braniff

Committees
The PCC meets approximately eight times a year to oversee the overall direction of mission, vision and strategy, and the work of a number of committees, which meet as required between full meetings of the PCC.

Standing and Finance Committee
This committee meets occasionally as need arises or in emergency as a subcommittee of the PCC, and is comprised of the Priest in Charge, the Lay Chair, the Wardens, the Secretary, the Treasurer and any co-opted members.

Social Committee
This committee plans and co-ordinates social activities of the parish church, to develop and promote good fellowship, to fund raise for the parish and for other social causes.

Stewardship Committee
The Stewardship committee, with the help of the Diocesan support team of Sophie Hodges and John Thompson, who consulted with the PCC in June 2022, and again in July 2023, organised a Generosity Week in October 2023, which was well received and showed small increases in giving. The church currently holds a Generosity Week on an annual basis.

Safeguarding Committee
In 2024 Mrs Jan Witty holds the Safeguarding Officer role for both parishes, with the support of Mrs Wendy Kendall.

Accountants

robinson+co
Chartered Accountants
Oxford Chambers, New Oxford Street
Workington
CA14 2LR

Workington St Michael Parochial Church Council

Trustees' Annual Report

Year ended 31 December 2024

Structure, Governance and Management

The Parochial Church Council is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure (1956) lately amended by the Church Representation Rules, 2020. The PCC became an Official Charity registered with the Charity Commission in 2009, Charity Number 1131867.

Recruitment and Appointment of Members
Members of the PCC are either ex officio or elected by the Annual Parochial Church Meeting in accordance with the Church Representation Rules.

Objectives and activities

The PCC's objectives are to provide worship and provide facilities to benefit the environment and the community at large.

Public Benefit
The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities, to ensure such activities contribute to the aims and objectives.

Achievements and performance

Church attendance
At the 2024 APCM it was report that there were 218 names on the roll. 66 of those on the roll reside in the parish; 131 reside elsewhere in Workington and 21 are non-resident. A new electoral roll will be drafted for the APCM in 2025.

Attendance on normal Sundays is approximately as follows:-

9:30am at St Michael's	30-40	Common Worship (Sung) with Sunday School
11 am at St John's	30-40	Common Worship (Sung) with Sunday School

The midweek Eucharist on Tuesday at 11 am is followed by refreshments with approximately 12-20 communicants. (CW, said)
Thursday (now monthly on 3rd Thursday) at 6:30pm 10-12 Common Worship (Said)

During 2024:

Baptisms in Church:	29
Funerals in Church:	39
Weddings in Church:	2

Review of the year - Chair's Report

In 2024 spirits remain high at St Michael's, with many new initiatives fulfilling the four goals of growing younger, growing greener, growing outwards and growing closer to God. The retirement of the Rector and Priest in Charge in September 2024 has put the parish into an interregnum. Weekly services are taken by different clergy.
The conference facilities and office continue to be administrated by a team of volunteers, headed by the Church Warden, Mrs Wendy Kendall.
The two parishes of St Michael's and St John's are developing in their status of a united Benefice, which came into being on 1 January 2024, with the re-instatement of the ancient post of Rector of Workington.
In September 2024 the Rector, the Very Revd Dr Frances Ward, and the associate priest, The Revd Dr Peter Powell, retired from their posts.

Growing Closer to God:

- The Sunday services are as follows:
    - 9.30 at St Michael's Parish Eucharist
    - 11 am at St John's Parish Eucharist
    - Weekly baptisms at either or both churches on the second and fourth Sundays each month
    - 6.30 pm at St Michael's (with a monthly pattern of a variety of services, including healing, choral evensong, the offering of incense, and faith story sharing)
- The two midweek services at 11 am on Tuesday (St M) and 11 am on Wednesday (St J) are both followed by refreshments and lunch club respectively, which were designated warm hubs during the cost of living crisis.

Growing Greener:

- The parishes collaborate with a 'green group', chaired by Valerie Hallard, and are working towards gold Eco awards.
- Pollinator projects and 'greening the churchyards' are underway across each parish, and close links developed with local wildlife and nature partnerships.

Growing Younger:
Both churches continue to hold Sunday Schools every Sunday. The Youth Group at St. Michaels continues to meet on Thursday evenings, and the Messy Michaels session happens in church on the first Sunday in the month.

Growing outwards in the Town:
Civic services continue to be held in St. Michaels.

These things are important to both PCCs:

- Continuing voice and presence of the Church in Workington
    - With the announcement of the retirement of the Rector and associate Priest, both churches collaborate on the process towards the appointment of the next Rector, with a strong sense of positivity.
    - The Parish Magazine, Church Crack, is edited by Mrs Sue Shaw.
- Both parishes continue to explore ways to collaborate, for example, by sharing office resources and roles (e.g. the Safeguarding Officer).
- Sustaining a full worship programme on Sundays and through the week
    - Sharing musical expertise, including bell ringing
    - Both parishes have real resources to develop in this area and are committed to further collaboration
- Faithful discipleship: all learning – study groups, confirmation, etc – is done over both parishes

The United Benefice has the following Governance:

- Separate PCCs, meeting monthly or bimonthly
- 2 or 3 joint PCC days each year to determine strategy, mission and outreach, and governance
- 4 meetings a year of a joint Standing Committee: Church wardens, secretaries, treasurers with clergy and ministers
- Four Growing Groups, to take forward mission and strategy
- Subcommittee meetings, sharing practice and expertise, on fabric/building maintenance, finance and stewardship, social programmes, teaching, communication and social media, etc
- Streamlined administration, with shared roles to avoid duplication, e.g. Safeguarding.

Ministry and Worship: see above for change to the pattern of worship, as St Michael's and St John's parishes work more closely together. Online worship was made possible by Mr Mark Stilwell. The organist role is shared by Mr Mark Hazzard, Mr Alan Jackson, Mr Mark Stilwell and Mr Christopher Lamb.
There were joint services held with both churches, through Holy Week and Easter, at Ascension, at Remembrance Sunday in November, and over Christmas.

Vocations and training: a focus continues on lay education and encouraging a sense of vocation to licensed lay ministry, ordination and volunteering, particularly after Charlotte Lait and Rachel Rose's licensing in November 2023, who preached increasingly often through the year.

PCC members have taken over pastoral roles, visiting parishioners on a regular basis, including monthly provision of home communion for those in need, and facilitating funerals as required in church.

Building and Maintenance: The PCC continues to be grateful to Eric Martin, in particular, for his commitment to ensure our facilities continues to be well maintained for use by the congregation and organisations throughout our community.

Throughout 2024 the **Social committee**, chaired by Mrs Clare Stilwell, continued to meet to plan a calendar of events and the Youth Group continued to provide some events.

The **Sunday School** under the leadership of Mrs Wendy Kendall, continues in good heart, for which the PCC was grateful. The **Tots Group and Youth Group** continues to thrive and grow, with the tots group full and with a waiting list, and the youth group increasing with approximately 12 members. Thanks to Mrs Clare Stilwell and Miss Ellie Wilson and their teams for their continued commitment, time and effort.

Planning for a secure financial future

In July the Parish Offer for 2024 was pledged at £39,500.

The Reserves Policy:
Supported by advice from Robinsons & Co, the PCC agreed in November 2023 to consolidate its reserves and funds into three main CCLA interest generating accounts:

1. Fabric (Restricted)

2. Mission (Designated)

3. General

With continuing accounts:

4. a CCLA account that holds the (restricted to fabric) endowments of Jackson and Bowes, now to include also another endowment fund (restricted to fabric)

and other separate endowments that will remain with their own accounts:

5. MA & N Howarth (unrestricted) endowment

6. Shaw (unrestricted) endowment

The Fabric CCLA (Restricted) account (no. 1 above) to consolidate

GE Jones; W Jackson; Cowan; Murphy; CBF Church a/c. Into this account would go the interest from account (4) comprising the endowments of Jackson and Bowes (restricted to fabric).

The Mission CCLA (Designated) account (no. 2 above) to consolidate

A Hogarth; GE Jones; Misc. Into this account would go the interest from endowment accounts 5 and 6 above (MA & N Howarth and Shaw).

Shares are also held in the names of MA & N Howarth and Shaw. The dividends from these shares would go into the Mission Account.

The General CCLA Unrestricted Account will hold funds to generate interest, to support the current account as required.

Principal funding sources
Aside from the income generated by the church hall and conference centre lettings, the principal funding is voluntary income through planned giving, service collections and general donations.

Risk Management
During 2024, the members have continued to be mindful of the major strategic, business and operational risks which the PCC faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.
The trustees annual report was approved at the APCM on Sunday 18th May 2025 and signed on behalf of the board of trustees by:

Mr Eric Martin
Church Warden, Lay Chair of the PCC.

Workington St Michael Parochial Church Council

Independent Examiner's Report to the Trustees of Workington St Michael Parochial Church Council

Year ended 31 December 2024

I report to the trustees on my examination of the financial statements of Workington St Michael Parochial Church Council ('the charity') for the year ended 31 December 2024.

Responsibilities and basis of report

As the trustees of the charity you 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 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.

Darren Mewse FCA
Independent Examiner

robinson+co
Chartered Accountants
Oxford Chambers, New Oxford Street
Workington
CA14 2LR

18 May 2025

Workington St Michael Parochial Church Council

Statement of Financial Activities

Year ended 31 December 2024

	Note	2024 Unrestricted funds £	2024 Restricted funds £	2024 Endowment funds £	2024 **Total funds £**	2023 Total funds £
Income and endowments						
Donations and legacies	**4**	38,730	–	–	38,730	40,364
Charitable activities	**5**	8,920	–	–	8,920	8,815
Other trading activities	**6**	35,735	–	–	35,735	41,338
Investment income	**7**	17,045	4,527	–	21,572	16,543
Total income		100,430	4,527	–	104,957	107,060
Expenditure						
Expenditure on charitable activities	**8,9**	(100,346)	(14,965)	–	(115,311)	(113,934)
Total expenditure		(100,346)	(14,965)	–	(115,311)	(113,934)
Net gains on investments	**10**	–	–	1,650	1,650	6,200
Net expenditure		84	(10,438)	1,650	(8,704)	(674)
Net movement in funds		84	(10,438)	1,650	(8,704)	(674)
Reconciliation of funds						
Total funds brought forward		304,275	50,191	152,010	506,476	507,150
Total funds carried forward		304,359	39,753	153,660	497,772	506,476

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 10 to 23 form part of these financial statements.

Workington St Michael Parochial Church Council

Statement of Financial Position

31 December 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible fixed assets	**14**	36,409	35,913
Fixed asset investments	**15**	73,755	72,105
		110,164	108,018
Current assets			
Debtors	**16**	14,429	22,156
Short term deposits	**17**	364,014	353,460
Cash at bank and in hand		23,976	30,507
		402,419	406,123
Creditors: amounts falling due within one year	**18**	(14,811)	(7,665)
Net current assets		387,608	398,458
Total assets less current liabilities		497,772	506,476
Net assets		497,772	506,476
Funds of the charity			
Endowment funds:			
Permanent endowment funds		146,274	144,624
Expendable endowment funds		7,386	7,386
Restricted funds		39,753	50,191
Unrestricted funds		304,359	304,275
Total charity funds	**21**	497,772	506,476

These financial statements were approved by the board of trustees and authorised for issue on 18 May 2025, and are signed on behalf of the board by:

Mr Eric Martin
Church Warden, Lay Chair of the PCC.

The notes on pages 10 to 23 form part of these financial statements.

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Workington Parochial Church Council, Parish Office, St Michael's Church, Falcon Place, Workington, CA14 2EZ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

The financial statements have been produced to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following 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) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Disclosure exemptions

The charity has taken advantage of the exemption in FRS 102 Update Bulletin 1 from the requirement to produce a cashflow statement because it is a small charity.

Judgements and key sources of estimation uncertainty

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.

3. Accounting policies ***(continued)***

Judgements and key sources of estimation uncertainty ***(continued)***

Significant judgements
The judgements (apart from those involving estimations) that the members have made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

Investment valuations
Investments held by the PCC are listed and therefore are independently valued at market value.

Impairment of tangible fixed assets
The PCC is required to review fixed assets for impairment. The members make judgments about the condition of assets and review their estimated lives. Key sources of estimation uncertainty Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

The useful economic life of each category of fixed asset is assessed when acquired by the PCC. A degree of estimation is occasionally used in assessing the useful economic life of assets.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Restricted funds are subjected to restrictions on their expenditure declared by the donor through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

- legacy income is recognised when receipt is probable and entitlement is established.

- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

3. Accounting policies ***(continued)***

Incoming resources ***(continued)***

- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

- income from investments is included in the year in which it is receivable.

- realised gains or losses are recognised when investments are sold.

- unrealised gains or losses are accounted for on revaluation of investments at 31 December.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

The diocesan quota or parish share is accounted for when payable. Any quota unpaid at 31 December is not provided for in these accounts as it is an operational (though not a legal) liability.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Consecrated and beneficed property is excluded from the accounts by s.10(2)(a) of the Charities Act 2011.

No value is placed on movable 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 benefice buildings and movable church furnishings, whether maintenance or improvement, is written off as expenditure in the SOFA and separately disclosed.

3. Accounting policies ***(continued)***

Depreciation

Individual items of equipment with a purchase price of £1,000 or less are written off when the asset is acquired.

Freehold property	-	2% straight line
Fixtures and fittings	-	25% straight line

Investments

Investments held as fixed assets are revalued at mid-market value at the balance sheet date and the gain or loss taken to the statement of financial activities.

Current asset investments are at the lower of cost and net realisable value.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

Basic financial instruments are recognised at amortised cost, except for fixed asset investments which are measured at fair value.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Donations and legacies

	Unrestricted Funds £	**Total Funds 2024 £**	Unrestricted Funds £	Total Funds 2023 £
Donations				
Collections at all services	6,167	6,167	6,626	6,626
Planned giving	25,730	25,730	26,407	26,407
Taxes recoverable	(626)	(626)	–	–
Sundry donations	7,459	7,459	5,201	5,201
Grants				
Grants receivable type 15	–	–	2,130	2,130
	38,730	38,730	40,364	40,364

5. Charitable activities

	Unrestricted Funds £	**Total Funds 2024 £**	Unrestricted Funds £	Total Funds 2023 £
Fees	8,580	8,580	8,185	8,185
Magazine donations and advertising	340	340	630	630
	8,920	8,920	8,815	8,815

6. Other trading activities

	Unrestricted Funds £	**Total Funds 2024 £**	Unrestricted Funds £	Total Funds 2023 £
Shop income	1,011	1,011	1,802	1,802
Church hall lettings	25,985	25,985	28,510	28,510
Catering and refreshments income	–	–	508	508
Fetes, bazaars and other fund raising	7,674	7,674	9,665	9,665
Sundry income	1,065	1,065	853	853
	35,735	35,735	41,338	41,338

7. Investment income

	Unrestricted Funds	Restricted Funds	**Total Funds 2024**
	£	£	**£**
Dividend income	2,863	–	2,863
Bank interest receivable	14,182	4,527	18,708
	17,045	4,527	21,571

	Unrestricted Funds	Restricted Funds	Total Funds 2023
	£	£	£
Dividend income	1,971	–	1,971
Bank interest receivable	10,823	3,749	14,572
	12,794	3,749	16,543

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2024 £**
Catering supplies	87	–	87
Wages and salaries	–	–	–
Organist's expenses	470	–	470
Ministry – parish offer	39,500	–	39,500
Ministry – clergy expenses	416	–	416
Insurance	8,748	–	8,748
Church running expenses	12,765	–	12,765
Church repairs and maintenance	12,243	14,965	27,208
Church hall running costs	5,866	–	5,866
Diocese fees	3,329	–	3,329
Sundry expenses	6,601	–	6,601
Depreciation of tangible fixed assets	3,344	–	3,344
Missionary and charitable giving	815	–	815
Accountancy charges	2,545	–	2,545
Legal and professional fees	816	–	816
Bank interest	–	–	–
Telephone and internet charges	1,373	–	1,373
Printing and stationery	1,428	–	1,428
	100,346	14,965	115,311

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Catering supplies	270	–	270
Wages and salaries	12,969	–	12,969
Organist's expenses	225	–	225
Ministry – parish offer	38,000	–	38,000
Ministry – clergy expenses	414	–	414
Insurance	7,858	–	7,858
Church running expenses	12,733	–	12,733
Church repairs and maintenance	2,799	13,762	16,561
Church hall running costs	1,924	–	1,924
Diocese fees	3,090	–	3,090
Sundry expenses	7,769	–	7,769
Depreciation of tangible fixed assets	2,386	–	2,386
Missionary and charitable giving	100	–	100
Accountancy charges	2,355	–	2,355
Legal and professional fees	1,194	–	1,194
Bank interest	–	–	–
Telephone and internet charges	1,523	–	1,523
Printing and stationery	4,563	–	4,563
	100,172	13,762	113,934

9. Expenditure on charitable activities by activity type

	Activities undertaken directly	**Total funds 2024**	Total fund 2023
	£	**£**	£
Church activities	115,310	115,310	113,934

10. Net gains on investments

	Endowment Funds	**Total Funds 2024**	Endowment Funds	Total Funds 2023
	£	**£**	£	£
Gains/(losses) on listed investments	1,650	1,650	6,200	6,200

11. Net expenditure

Net expenditure is stated after charging/(crediting):

	2024	2023
	£	£
Depreciation of tangible fixed assets	3,344	2,386

12. Independent examination fees

	2024 £	2023 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	2,545	2,355

13. Trustee remuneration and expenses

During the current and previous year no trustee received remuneration from the PCC.

14. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	**Total £**
Cost			
At 1 January 2024	75,000	24,917	99,917
Additions	–	3,840	3,840
At 31 December 2024	75,000	28,757	103,757
Depreciation			
At 1 January 2024	40,500	23,504	64,004
Charge for the year	1,500	1,844	3,344
At 31 December 2024	42,000	25,348	67,348
Carrying amount			
At 31 December 2024	33,000	3,409	36,409
At 31 December 2023	34,500	1,413	35,913

15. Fixed asset investments

	Listed investments £
Valuation	
At 1 January 2024	72,105
Additions	–
Fair value movements	1,650
At 31 December 2024	73,755
Carrying amount	
At 31 December 2024	73,755
At 31 December 2023	72,105

All investments shown above are held at valuation.

15. Fixed asset investments *(continued)*

Financial assets held at fair value

The historical cost of fixed asset investments at 31 December 2024 was £36,500 (2023: £36,500).

All fixed asset investments are held within the United Kingdom.

The above investments consisted of 3,189.75 income shares in the CBF Church of England Investment Fund. The share valuation at 31 December 2024 was £2,312.27p per share (2023 - £2,260.53p).

16. Debtors

	2024	2023
	£	£
Trade debtors	3,772	1,421
Prepayments and accrued income	4,623	3,552
Other debtors	6,034	17,183
	14,429	22,156

17. Short term deposits

	2024	2023
	£	£
Short-term deposits brought forward	353,460	359,958
Short-term deposits additions	20,554	13,502
Short-term deposits disposals	(10,000)	(20,000)
	364,014	353,460

Short-term deposits comprise short-term deposits in the CBF Church of England Deposit Fund or at the bank.

18. Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	11,757	4,839
Accruals and deferred income	3,054	2,826
	14,811	7,665

19. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £Nil (2023: £276).

20. Analysis of charitable funds

Unrestricted funds

	At 1 Jan 2024	Income	Expenditure	Transfers	Gains and losses	**At 31 Dec 2024**
	£	£	£	£	£	£
General funds	270,092	98,717	(100,346)	–	–	268,463
Designated mission fund	34,183	1,713	–	–	–	35,896
	304,275	100,430	(100,346)	–	–	304,359

	At 1 Jan 2023	Income	Expenditure	Transfers	Gains and losses	At 31 Dec 2023
	£	£	£	£	£	£
General funds	267,296	102,397	(100,172)	572	–	270,092
A Hogarth fund	1,000	–	–	(1,000)	–	–
G E Jones fund	28,541	914	–	(29,456)	–	–
Designated mission fund	–	–	–	34,183	–	34,183
	296,837	103,311	(100,172)	4,299	–	304,275

General funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for application on the general purposes of the PCC. Funds designated for a particular purpose by the PCC are also unrestricted.

The PCC agreed in November 2023 to consolidate its reserves and funds which has resulted in various transfers in the year as summarised below:

Transferred into General unrestricted funds from restricted funds was £572 which comprised of some small historic restricted fund balances (VS Bowes £55, TW Jackson £468 and Youth group/parish outings £49) in 2023.

The A Hogarth Fund of £1,000 and G E Jones Fund of £29,456 were transferred into the designated mission fund, along with £3,727 transferred from ‘Miscellaneous’ restricted funds in 2023.

Restricted funds

	At 1 Jan 2024	Income	Expenditure	Transfers	Gains and losses	**At 31 Dec 2024**
	£	£	£	£	£	£
Fabric fund	50,191	4,527	(14,965)	–	–	39,753
	50,191	4,527	(14,965)	–	–	39,753

	At 1 Jan 2023	Income	Expenditure	Transfers	Gains and losses	At 31 Dec 2023
	£	£	£	£	£	£
Miscellaneous Restricted Funds	33,622	1,065	–	(34,687)	–	–
Fabric fund	30,881	2,684	(13,762)	30,388	–	50,191
	64,503	3,749	(13,762)	(4,299)	–	50,191

Restricted funds are those funds which must be spent on restricted purposes in accordance with the donors' wishes.

The fabric fund represents monies raised for the maintenance and upkeep of the Church building.

The PCC agreed in November 2023 to consolidate its reserves and funds which has resulted in various transfers in the year as summarised below:

Miscellaneous restricted funds was largely made up of different donations received in the past for the maintenance of the Church building such as the John Clark Slee maintenance fund (£11,090) G E Jones (£2,061) TW Jackson (£4,230), Cowan (£8,051) and Murphy (£4,669) as well as a small balance held in a CBF Church Hall account. These have all been transferred into the Fabric Fund. The remaining £4,299 previously held in miscellaneous restricted funds has been transferred into unrestricted funds as disclosed above in 2023.

20. Analysis of charitable funds *(continued)*

Endowment funds

	At 1 Jan 2024 £	Income £	Expenditure £	Transfers £	Gains and losses £	**At 31 Dec 2024** £
Elsie Shaw Bequest	78,530	–	–	–	904	79,434
MA & N Hogarth	66,094	–	–	–	746	66,840
Miss V S Bowes	447	–	–	–	–	447
Revd. T W Jackson	6,939	–	–	–	–	6,939
	152,010	–	–	–	1,650	153,660

	At 1 Jan 2023 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Dec 2023 £
Elsie Shaw Bequest	75,132	–	–	–	3,398	78,530
MA & N Hogarth	63,292	–	–	–	2,802	66,094
Miss V S Bowes	447	–	–	–	–	447
Revd. T W Jackson	6,939	–	–	–	–	6,939
	145,810	–	–	–	6,200	152,010

The V S Bowes fund is restricted to use for the parish hall.

The T W Jackson fund is restricted to use for the church fabric.

The Elsie Shaw bequest and the MA & N Hogarth permanent fund are permanent endowments but the income can be used for general church purposes and is therefore unrestricted.

21. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	**Total Funds 2024 £**
Tangible fixed assets	36,409	–	–	36,409
Investments	–	–	73,756	73,756
Current assets	282,761	39,753	79,904	402,418
Creditors less than 1 year	(14,811)	–	–	(14,811)
Net assets	304,359	39,753	153,660	497,772

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2023 £
Tangible fixed assets	35,913	–	–	35,913
Investments	–	–	72,105	72,105
Current assets	276,027	50,191	79,905	406,123
Creditors less than 1 year	(7,665)	–	–	(7,665)
Net assets	304,275	50,191	152,010	506,476

22. Related parties

The charity received donations in the year from trustees of £9,800 (2023 - £9,183).

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. MICHAEL, WORKINGT

England & Wales - Charity number 1131867

Accounts

CHARITY REGISTRATION NUMBER: 1131867

Workington St Michael
Parochial Church Council

Unaudited Financial Statements

31 December 2023

robinson+co

Chartered Accountants

Workington St Michael Parochial Church Council

Financial Statements

Year ended 31 December 2023

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Workington St Michael Parochial Church Council

Trustees' Annual Report

Year ended 31 December 2023

The trustees present their report and the unaudited financial statements of the PCC for the year ended 31 December 2023.

Reference and administrative details

Registered charity name	Workington St Michael Parochial Church Council
Charity registration number	1131867
Principal office	Workington Parochial Church Council Parish Office St Michael's Church Falcon Place Workington CA14 2EZ

The trustees in 2023

Chair	The Very Revd Dr Frances Ward
Associate Priest	The Revd Dr Peter Powell
Reader	Ms Charlotte Lait Ms Rachel Rose
Reader emeritus	Mr Richard Jones
Pioneer Minister	Mrs Valerie Hallard
Wardens	Mr Eric Martin Mrs Wendy Kendall, from APCM 2023
Secretary	Mrs Julia Sharpe
Treasurer	Mrs Joanne Braniff
Lay Chairperson	Mr Eric Martin
Deanery Synod Representatives	Mr Brian Wilkinson Mrs Julia Sharpe Mrs Margaret Nichol
Safeguarding Officer	Mrs Jan Witty, Mrs Wendy Kendall
Electoral Roll Officer	Mr Brian Wilkinson
Gift Aid Officer	Ms Helen Tinnion, with Mrs Wendy Kendall

Trustees

To serve until APCM 2024:	Joanne Braniff
To serve until APCM 2025:	Clare Stilwell Margaret Nichol Chris Cunliffe (resigned, September 2023) Wendy Kendall Eleanor Wilson
to serve until APCM 2026:	Mr Eric Martin Mr Stuart Edger Mrs Julia Sharpe Mr Mark Stilwell Mr Keith Beattie Mrs Helen Tinnion Mr Brian Wilkinson Mrs Sheila Clark Mr Barry Clark

Committees

The PCC meets approximately eight times a year to oversee the overall direction of mission, vision and strategy, and the work of a number of committees, which meet as required between full meetings of the PCC.

Standing and Finance Committee

This committee meets occasionally as need arises or in emergency as a subcommittee of the PCC, and is comprised of the Priest in Charge, the Lay Chair, the Wardens, the Secretary, the Treasurer and any co-opted members.

Social Committee

This committee makes arrangements for and co-ordinates social activities of the parish church, to develop and promote good fellowship, to fund raise for the parish and for other social causes.

Stewardship Committee

The Stewardship committee, with the help of the Diocesan support team of Sophie Hodges and John Thompson, who consulted with the PCC in June 2022, and again in July 2023, organised a Generosity Week in October 2023, which was well received and showed small increases in giving. The plan is to hold a Generosity Week on an annual basis.

Safeguarding Committee

In 2023 Mrs Jan Witty holds the Safeguarding Officer role for both parishes, with the support of Mrs Wendy Kendall.

Accountants

robinson+co
Chartered Accountants
Oxford Chambers
New Oxford Street
Workington
CA14 2LR

Structure, Governance and Management

The Parochial Church Council is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure (1956) lately amended by the Church Representation Rules, 2020. The PCC became an Official Charity registered with the Charity Commission in 2009, Charity Number 1131867.

Recruitment and Appointment of Members
Members of the PCC are either ex officio or elected at the Annual Parochial Church Meeting in accordance with the Church Representation Rules.

Objectives and activities

The PCC's objectives are to provide worship and provide facilities to benefit the environment and the community at large.

Public Benefit
The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities, to ensure such activities contribute to the aims and objectives.

Achievements and performance

Church attendance
At the 2023 APCM it was reported that there were 218 names on the electoral roll. 66 of those on the roll reside in the parish; 131 reside elsewhere in Workington and 21 are non-resident.

Attendance on normal Sundays is approximately as follows:-

8:00am at St John's	4-7	Common Worship or Book of Common Prayer
9:30am at St Michael's	30-40	Common Worship (Sung) with Sunday School
11 am at St John's	30-40	Common Worship (Sung) with Sunday School
6:30pm at St Michael's	10-15	variety of services, including healing and evensong, on a monthly pattern

There continues to be a significant following on line of the live-streamed 9:30 service of worship.

The midweek Eucharist on Tuesday at 11 am is followed by refreshments with approximately 12-20 communicants. (CW, said)
Thursday (now monthly on 3rd Thursday) at 6:30pm 10-12 Common Worship (Said)

During 2023:

Baptisms in Church:	43
Funerals in Church:	16
Weddings in Church:	2

Achievements and performance *(Continued)*

In 2023 spirits remain high at St Michael's, with many new initiatives fulfilling the four goals of growing younger, growing greener, growing outwards and growing closer to God.

The Conference facilities were managed by an Office Administrator, Mrs Lorna Wilson, who resigned from effect in August 2023. The conference facilities and office continued to be administrated very satisfactorily by a team of volunteers, headed by the Church Warden, Mrs Wendy Kendall.

The year saw agreement between the two parishes of St Michael's and St John's to become a united Benefice, which came into being on 1 January 2024, with the re-instatement of the ancient post of Rector of Workington.

In January 2024 the Rector, the Very Revd Dr Frances Ward, and the associate priest, The Revd Dr Peter Powell, announced their retirement to take effect from September 2024.

Growing Closer to God:

- The Sunday services are as follows:
  - 8:00 am at St John's
  - 9.30 am at St Michael's Parish Eucharist
  - 11:00 am at St John's Parish Eucharist
  - Weekly baptisms at either or both churches
  - 6.30 pm at St Michael's (with a monthly pattern of a variety of services, including healing, choral evensong, the offering of incense, and faith story sharing)
- The two midweek services at 11:00 am on Tuesday (St M) and 11:00 am on Wednesday (St J) are both followed by refreshments and lunch club respectively, which were designated warm hubs during the cost of living crisis.

There is a monthly Eucharist on Thursday evenings, for the young@heart

- In November 2023, Ms Charlotte Lait and Ms Rachel Rose were licensed as Readers at Carlisle Cathedral.

Growing Greener:

- The parishes collaborate with a 'green group', chaired by Valerie Hallard, and following a joint PCC day on 'Going for Gold' as Ecochurches on Saturday 10 September 2022, both churches have attained silver Eco awards and are working towards gold Eco awards.
- Pollinator projects and 'greening the churchyards' are underway across each parish, and close links developed with local wildlife and nature partnerships.

Growing Younger:

Both churches continue to hold Sunday Schools every Sunday with children proceeding to become servers at St Michaels. The Youth Group continues to meet on Thursday evenings, and the Messy Michaels session happens in church on the first Sunday in the month.

Growing outwards in the Town:

The Rector in 2023/24 was the chaplain to the Mayor, which consolidated and developed ongoing contacts in the town.

These things are important to both PCCs:

- Continuing voice and presence of the Church in Workington
- > With the announcement of the retirement of the Rector and associate Priest, both churches collaborate on the process towards the appointment of the next Rector, with a strong sense of positivity.
- > The Parish Magazine, Church Crack, is edited by Mrs Sue Shaw, from September 2023.
- Both parishes continue to explore ways to collaborate, for example, by sharing back office resources and roles (e.g. the Safeguarding Officer).

Achievements and performance *(Continued)*

- Sustaining a full worship programme on Sundays and through the week
- Sharing musical expertise, including bell ringing
- Both parishes have real resources to develop in this area and are committed to further collaboration
- Faithful discipleship: all learning – study groups, confirmation, etc – is done over both parishes

The United Benefice has the following Governance:

- Separate PCCs, meeting monthly or bimonthly
- 2 or 3 joint PCC days each year to determine strategy, mission and outreach, and governance
- 4 meetings a year of a joint Standing Committee: Church wardens, secretaries, treasurers with clergy and ministers
- Four Growing Groups, to take forward mission and strategy
- Subcommittee meetings, sharing practice and expertise, on fabric/building maintenance, finance and stewardship, social programmes, teaching, communication and social media, etc
- Streamlined administration, with shared roles to avoid duplication, e.g. Safeguarding.

Ministry and Worship: see above for change to the pattern of worship, as St Michael's and St John's parishes work more closely together. Online worship was made possible by Mr Mark Stilwell. The organist role is shared by Mr Mark Hazzard, Mr Alan Jackson, Mr Mark Stilwell and Mr Christopher Lamb.
There were joint services held with both churches, through Holy Week and Easter, at Ascension, at an Animal Service in October, at Remembrance Sunday in November, and over Christmas.

Vocations and training: a focus continues on lay education and encouraging a sense of vocation to licensed lay ministry, ordination and volunteering, particularly after Charlotte Lait and Rachel Rose's licensing in November 2023, who preached increasingly often through the year.

Drs Ward and Powell continued their **pastoral ministry** over both parishes, visiting parishioners on a regular basis, including monthly provision of home communion for those in need, and conducting funerals as required in church and at the crematorium or graveside.

Building and Maintenance: The PCC continues to be grateful to Eric Martin, in particular, for his commitment to ensure our facilities continues to be well maintained for use by the congregation and organisations throughout our community.

Throughout 2023 the **Social committee**, chaired by Mrs Clare Stilwell, continued to meet in person or on Zoom to plan a calendar of events and the Young Ladies Group and Youth Group continued to provide some events.

The **Sunday School** under the leadership of Mrs Wendy Kendall, continues in good heart, for which the PCC was grateful. The **Tots Group and Youth Group** continues to thrive and grow, with the tots group full and with a waiting list, and the youth group increasing from 3 to 12 since Covid lockdowns. Thanks to Mrs Joan Collins and Mrs Lorna Wilson and their teams for their continued commitment, time and effort.

Financial review

At 31 December 2023 the PCC held £304,275 (2022 - £296,837) in unrestricted funds, £50,191 (2022 - £64,503) in restricted funds and £152,010 (2022 - £145,810) in endowment funds. The PCC remains in a strong position.

Parish Offer
In July the Parish Offer for 2024 was pledged at £39,520.

The Reserves Policy:
The PCC agreed to hold 2 years of unrestricted funds: £225,000 – including designatory reserves:

- General reserve £150,000
- Building reserve £50,000 (which could be covered by the Fabric fund)
- Community reserve £25,000

Principal funding sources
Aside from the income generated by the church hall lettings, the principal funding is voluntary income through planned giving, service collections and general donations.

Risk Management
During 2023, the members have continued to be mindful of the major strategic, business and operational risks which the PCC faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

The trustees annual report was approved at the APCM on Sunday 12 May 2024 and signed on behalf of the board of trustees by:

Frances Ward

The Very Revd Dr Frances Ward
Rector of Workington, chair of the PCC.

Workington St Michael Parochial Church Council

Independent Examiner's Report to the Trustees of Workington St Michael Parochial Church Council

Year ended 31 December 2023

I report to the trustees on my examination of the financial statements of Workington St Michael Parochial Church Council ('the charity') for the year ended 31 December 2023.

Responsibilities and basis of report

As the trustees of the charity you 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 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.

D. Mewse

Darren Mewse FCA
Independent Examiner

robinson+co
Chartered Accountants
Oxford Chambers, New Oxford Street
Workington
CA14 2LR

12 May 2024

Workington St Michael Parochial Church Council

Statement of Financial Activities

Year ended 31 December 2023

	Note	2023 Unrestricted funds £	2023 Restricted funds £	2023 Endowment funds £	2023 Total funds £	2022 Total funds £
Income and endowments						
Donations and legacies	4	40,364	–	–	40,364	51,174
Charitable activities	5	8,815	–	–	8,815	13,587
Other trading activities	6	41,338	–	–	41,338	35,601
Investment income	7	12,794	3,749	–	16,543	6,818
Total income		103,311	3,749	–	107,060	107,180
Expenditure						
Expenditure on charitable activities	8,9	100,172	13,762	–	113,934	107,860
Total expenditure		100,172	13,762	–	113,934	107,860
Net gains/(losses) on investments	10	–	–	6,200	6,200	(8,793)
Net income/(expenditure)		3,139	(10,013)	6,200	(674)	(9,473)
Transfers between funds		4,299	(4,299)	–	–	–
Net movement in funds		7,438	(14,312)	6,200	(674)	(9,473)
Reconciliation of funds						
Total funds brought forward		296,837	64,503	145,810	507,150	516,623
Total funds carried forward		304,275	50,191	152,010	506,476	507,150

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 10 to 23 form part of these financial statements.

Workington St Michael Parochial Church Council

Statement of Financial Position

31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	**14**	35,913	37,795
Fixed asset investments	**15**	72,105	65,905
		108,018	103,700
Current assets			
Debtors	**16**	22,156	19,527
Short term deposits	**17**	353,460	359,959
Cash at bank and in hand		30,507	28,178
		406,123	407,664
Creditors: amounts falling due within one year	**18**	(7,665)	(4,214)
Net current assets		398,458	403,450
Total assets less current liabilities		506,476	507,150
Net assets		506,476	507,150
Funds of the charity			
Endowment funds:			
Permanent endowment funds		144,624	138,424
Expendable endowment funds		7,386	7,386
Restricted funds		50,191	64,503
Unrestricted funds		304,275	296,837
Total charity funds	**20**	506,476	507,150

These financial statements were approved by the board of trustees and authorised for issue on 12 May 2024, and are signed on behalf of the board by:

The Very Revd Dr Frances Ward
Chair

The notes on pages 10 to 23 form part of these financial statements.

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Workington Parochial Church Council, Parish Office, St Michael's Church, Falcon Place, Workington, CA14 2EZ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

The financial statements have been produced to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following 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) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Disclosure exemptions

The charity has taken advantage of the exemption in FRS 102 Update Bulletin 1 from the requirement to produce a cashflow statement because it is a small charity.

Judgements and key sources of estimation uncertainty

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.

3. **Accounting policies** *(continued)*

Judgements and key sources of estimation uncertainty *(continued)*

Significant judgements
The judgements (apart from those involving estimations) that the members have made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

Investment valuations
Investments held by the PCC are listed and therefore are independently valued at market value.

Impairment of tangible fixed assets
The PCC is required to review fixed assets for impairment. The members make judgments about the condition of assets and review their estimated lives. Key sources of estimation uncertainty Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

The useful economic life of each category of fixed asset is assessed when acquired by the PCC. A degree of estimation is occasionally used in assessing the useful economic life of assets.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Restricted funds are subjected to restrictions on their expenditure declared by the donor through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

- legacy income is recognised when receipt is probable and entitlement is established.

- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

3. Accounting policies *(continued)*

Incoming resources *(continued)*

- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

- income from investments is included in the year in which it is receivable.

- realised gains or losses are recognised when investments are sold.

- unrealised gains or losses are accounted for on revaluation of investments at 31 December.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

The diocesan quota or parish share is accounted for when payable. Any quota unpaid at 31 December is not provided for in these accounts as it is an operational (though not a legal) liability.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Consecrated and beneficed property is excluded from the accounts by s.10(2)(a) of the Charities Act 2011.

No value is placed on movable 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 benefice buildings and movable church furnishings, whether maintenance or improvement, is written off as expenditure in the SOFA and separately disclosed.

3. **Accounting policies** *(continued)*

Depreciation

Individual items of equipment with a purchase price of £1,000 or less are written off when the asset is acquired.

Freehold property	-	2% straight line
Fixtures and fittings	-	25% straight line

Investments

Investments held as fixed assets are revalued at mid-market value at the balance sheet date and the gain or loss taken to the statement of financial activities.

Current asset investments are at the lower of cost and net realisable value.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

Basic financial instruments are recognised at amortised cost, except for fixed asset investments which are measured at fair value.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Donations and legacies

	Unrestricted Funds £	**Total Funds 2023 £**	Unrestricted Funds £	Total Funds 2022 £
Donations				
Collections at all services	6,626	6,626	8,854	8,854
Planned giving	26,407	26,407	23,685	23,685
Taxes recoverable	–	–	4,000	4,000
Sundry donations	5,201	5,201	8,987	8,987
Legacies				
Legacies	–	–	5,648	5,648
Grants				
Grants receivable	2,130	2,130	–	–
	40,364	40,364	51,174	51,174

5. Charitable activities

	Unrestricted Funds £	**Total Funds 2023 £**	Unrestricted Funds £	Total Funds 2022 £
Fees	8,185	8,185	12,919	12,919
Magazine donations and advertising	630	630	668	668
	8,815	8,815	13,587	13,587

6. Other trading activities

	Unrestricted Funds £	**Total Funds 2023 £**	Unrestricted Funds £	Total Funds 2022 £
Shop income	1,802	1,802	263	263
Church hall lettings	28,510	28,510	25,457	25,457
Catering and refreshments income	508	508	895	895
Fetes, bazaars and other fund raising	9,665	9,665	8,669	8,669
Sundry income	853	853	317	317
	41,338	41,338	35,601	35,601

7. Investment income

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2023 £**
Dividend income	1,971	–	1,971
Bank interest receivable	10,823	3,749	14,572
	12,794	3,749	16,543

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Dividend income	1,960	–	1,960
Bank interest receivable	3,766	1,092	4,858
	5,726	1,092	6,818

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2023 £**
Catering supplies	270	–	270
Wages and salaries	12,969	–	12,969
Organist's expenses	225	–	225
Ministry – parish offer	38,000	–	38,000
Ministry – clergy expenses	414	–	414
Insurance	7,858	–	7,858
Church running expenses	12,733	–	12,733
Church repairs and maintenance	2,799	13,762	16,561
Church hall running costs	1,924	–	1,924
Diocese fees	3,090	–	3,090
Sundry expenses	7,769	–	7,769
Depreciation of tangible fixed assets	2,386	–	2,386
Missionary and charitable giving	100	–	100
Accountancy charges	2,355	–	2,355
Legal and professional fees	1,194	–	1,194
Bank interest	–	–	–
Telephone and internet charges	1,523	–	1,523
Printing and stationery	4,563	–	4,563
	100,172	13,762	113,934

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Catering supplies	404	–	404
Wages and salaries	18,755	–	18,755
Organist's expenses	1,363	–	1,363
Ministry – parish offer	36,000	–	36,000
Ministry – clergy expenses	1,880	–	1,880
Insurance	7,188	–	7,188
Church running expenses	5,169	–	5,169
Church repairs and maintenance	9,762	–	9,762
Church hall running costs	4,588	–	4,588
Diocese fees	4,970	–	4,970
Sundry expenses	5,469	–	5,469
Depreciation of tangible fixed assets	2,871	820	3,691
Missionary and charitable giving	434	–	434
Accountancy charges	2,210	–	2,210
Legal and professional fees	1,002	–	1,002
Bank interest	1	–	1
Telephone and internet charges	1,618	–	1,618
Printing and stationery	3,356	–	3,356
	107,040	820	107,860

9. Expenditure on charitable activities by activity type

	Activities undertaken directly	**Total funds 2023**	Total fund 2022
	£	£	£
Church activities	113,934	113,934	107,860

10. Net gains/(losses) on investments

	Endowment Funds	**Total Funds 2023**	Endowment Funds	Total Funds 2022
	£	£	£	£
Gains/(losses) on listed investments	6,200	6,200	(8,793)	(8,793)

11. Net expenditure

Net expenditure is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation of tangible fixed assets	2,386	3,690

12. Independent examination fees

	2023	2022
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	2,355	2,210

13. Trustee remuneration and expenses

During the current and previous year no trustee received remuneration from the PCC.

14. Tangible fixed assets

	Freehold property	Fixtures and fittings	Total
	£	£	£
Cost			
At 1 January 2023	75,000	24,413	99,413
Additions	–	504	504
At 31 December 2023	75,000	24,917	99,917
Depreciation			
At 1 January 2023	39,000	22,618	61,618
Charge for the year	1,500	886	2,386
At 31 December 2023	40,500	23,504	64,004
Carrying amount			
At 31 December 2023	34,500	1,413	35,913
At 31 December 2022	36,000	1,795	37,795

15. Fixed asset investments

	Listed investments
	£
Valuation	
At 1 January 2023	65,905
Additions	–
Fair value movements	6,200
At 31 December 2023	72,105
Carrying amount	
At 31 December 2023	72,105
At 31 December 2022	65,905

All investments shown above are held at valuation.

15. Fixed asset investments *(continued)*

Financial assets held at fair value

The historical cost of fixed asset investments at 31 December 2023 was £36,500 (2022: £36,500).

All fixed asset investments are held within the United Kingdom.

The above investments consisted of 3,189.75 income shares in the CBF Church of England Investment Fund. The share valuation at 31 December 2023 was 2260.53p per share (2022 – 2066.14p).

16. Debtors

	2023	2022
	£	£
Trade debtors	1,421	1,864
Prepayments and accrued income	3,552	480
Other debtors	17,183	17,183
	22,156	19,527

17. Short term deposits

	2023	2022
	£	£
Short-term deposits brought forward	359,959	367,967
Short-term deposits additions	13,501	12,460
Short-term deposits disposals	(20,000)	(20,468)
	353,460	359,959

Short-term deposits comprise short-term deposits in the CBF Church of England Deposit Fund or at the bank.

18. Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	4,839	207
Accruals and deferred income	2,826	3,252
Social security and other taxes	–	471
Other creditors	–	284
	7,665	4,214

19. Pensions and other post-retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £276 (2022: £365).

20. Analysis of charitable funds

Unrestricted funds

	At 1 January 2023	Income	Expenditure	Transfers	Gains and losses	**At 31 December 2023**
	£	£	£	£	£	£
General funds	267,295	102,397	(100,172)	572	–	270,092
A Hogarth fund	1,000	–	–	(1,000)	–	–
G E Jones fund	28,542	914	–	(29,456)	–	–
Designated mission fund	–	–	–	34,183	–	34,183
	296,837	103,311	(100,172)	4,299	–	304,275

	At 1 January 2022	Income	Expenditure	Transfers	Gains and losses	At 31 December 2022
	£	£	£	£	£	£
General funds	268,618	105,717	(107,040)	–	–	267,295
A Hogarth fund	1,000	–	–	–	–	1,000
G E Jones fund	28,171	371	–	–	–	28,542
Designated mission fund	–	–	–	–	–	–
	297,789	106,088	(107,040)	–	–	296,837

General funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for application on the general purposes of the PCC. Funds designated for a particular purpose by the PCC are also unrestricted.

The PCC agreed in November 2023 to consolidate its reserves and funds which has resulted in various transfers in the year as summarised below:

Transferred into General unrestricted funds from restricted funds was £572 which comprised of some small historic restricted fund balances (VS Bowes £55, TW Jackson £468 and Youth group/parish outings £49).

The A Hogarth Fund of £1,000 and G E Jones Fund of £29,456 were transferred into the designated mission fund, along with £3,727 transferred from 'Miscellaneous' restricted funds.

20. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 January 2023 £	Income £	Expenditure £	Transfers £	Gains and losses £	**At 31 December 2023** £
Miscellaneous Restricted Funds	33,622	1,065	–	(34,687)	–	–
Fabric fund	30,881	2,684	(13,762)	30,388	–	50,191
	64,503	3,749	(13,762)	(4,299)	–	50,191

	At 1 January 2022 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 December 2022 £
Miscellaneous Restricted Funds	33,398	424	(200)	–	–	33,622
Fabric fund	30,833	668	(620)	–	–	30,881
	64,231	1,092	(820)	–	–	64,503

Restricted funds are those funds which must be spent on restricted purposes in accordance with the donors' wishes.

The fabric fund represents monies raised for the maintenance and upkeep of the Church building.

The PCC agreed in November 2023 to consolidate its reserves and funds which has resulted in various transfers in the year as summarised below:

Miscellaneous restricted funds was largely made up of different donations received in the past for the maintenance of the Church building such as the John Clark Slee maintenance fund (£11,090) G E Jones (£2,061) TW Jackson (£4,230), Cowan (£8,051) and Murphy (£4,669) as well as a small balance held in a CBF Church Hall account. These have all been transferred into the Fabric Fund. The remaining £4,299 previously held in miscellaneous restricted funds has been transferred into unrestricted funds as disclosed above.

20. **Analysis of charitable funds** *(continued)*

Endowment funds

	At 1 January 2023 £	Income £	Expenditure £	Transfers £	Gains and losses £	**At 31 December 2023** £
Elsie Shaw Bequest	75,132	–	–	–	3,398	78,530
MA & N Hogarth	63,292	–	–	–	2,802	66,094
Miss V S Bowes	447	–	–	–	–	447
Revd. T W Jackson	6,939	–	–	–	–	6,939
	145,810	–	–	–	6,200	152,010

	At 1 January 2022 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 December 2022 £
Elsie Shaw Bequest	79,950	–	–	–	(4,818)	75,132
MA & N Hogarth	67,267	–	–	–	(3,975)	63,292
Miss V S Bowes	447	–	–	–	–	447
Revd. T W Jackson	6,939	–	–	–	–	6,939
	154,603	–	–	–	(8,793)	145,810

The Elsie Shaw bequest and the MA & N Hogarth permanent fund are permanent endowments but the income can be used for general church purposes and is therefore unrestricted.

The V S Bowes fund is restricted to use for the parish hall.

The T W Jackson fund is restricted to use for the church fabric.

21. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	**Total Funds 2023 £**
Tangible fixed assets	35,913	–	–	35,913
Investments	–	–	72,105	72,105
Current assets	276,027	50,191	79,905	406,123
Creditors less than 1 year	(7,665)	–	–	(7,665)
Net assets	304,275	50,191	152,010	506,476

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2022 £
Tangible fixed assets	37,795	–	–	37,795
Investments	–	–	65,905	65,905
Current assets	263,256	64,503	79,905	407,664
Creditors less than 1 year	(4,214)	–	–	(4,214)
Net assets	296,837	64,503	145,810	507,150

22. Related parties

The PCC received donations in the year from trustees of £9,380 (2022 - £8,620).

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. MICHAEL, WORKINGT

England & Wales - Charity number 1131867

Accounts

Workington St Michael
Parochial Church Council

Unaudited Financial Statements

31 December 2022

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Trustees

Mr Richard Ashcroft (Resigned January 2022)
Mrs Stephanie Hughes (Resigned April 2022)
Mrs Margaret Smith (Resigned May 2022)
Mrs Lena Askew (Resigned September 2022)

to serve until APCM 2023:	Mr Eric Martin Mr Stuart Edger Mrs Julia Sharpe Mr Mark Stilwell Mr Keith Beattie Mrs Helen Tinnion Mr Brian Wilkinson
to serve until APCM 2024:	Mrs Joanne Braniff
to serve until APCM 2025:	Mrs Clare Stilwell Mrs Margaret Nichol Mr Chris Cunliffe Mrs Wendy Kendall Mrs Eleanor Wilson

Committees
The PCC meets approximately eight times a year to oversee the overall direction of mission, vision and strategy, and the work of a number of committees, which meet as required between full meetings of the PCC.

Standing and Finance Committee
This committee meets occasionally as need arises or in emergency as a subcommittee of the PCC, and is comprised of the Priest in Charge, the Lay Chair, the Wardens, the Secretary, the Treasurer and any co-opted members.

Social Committee
This committee makes arrangements for and co-ordinates social activities of the parish church, to develop and promote good fellowship, to fund raise for the parish and for other social causes.

Stewardship Committee
The Stewardship committee, with the help of the Diocesan support team of Sophie Hodges and John Thompson, who consulted with the PCC in June 2022, organised a Generosity Week in October 2022, which was well received and showed small increases in giving. The plan is to hold a Generosity Week on an annual basis.

Safeguarding Committee
In 2022 Mrs Jan Witty holds the Safeguarding Officer role for both parishes, with the increasing support of Mrs Wendy Kendall.

Accountants	robinson+co Chartered Accountants Oxford Chambers, New Oxford Street, Workington CA14 2LR

Structure, Governance and Management

The Parochial Church Council is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure (1956) lately amended by the Church Representation Rules, 2020. The PCC became an Official Charity registered with the Charity Commission in 2009, Charity Number 1131867.

Recruitment and Appointment of Members
Members of the PCC are either ex officio or elected by the Annual Parochial Church Meeting in accordance with the Church Representation Rules.

Related Parties
The Parish Church of St Michael was destroyed by fire in September 1994. To facilitate the rebuilding process a limited company, "St Michael's Church Workington Limited", was formed in July 1996. Its trustees/directors are appointed according to its constitution, and in 2020 were The Very Revd Dr Frances Ward (chair), (from 2020), Eric Martin, Stuart Edger, Margaret Smith and the Revd Dr Peter Powell. Lorna Wilson is the Company Secretary. In September 2021, the Trustees decided to wind down the Limited Company, to cease to exist by 31 December 2021.

Objectives and activities

The PCC's objectives are to provide worship and provide facilities to benefit the environment and the community at large.

Public Benefit
The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities, to ensure such activities contribute to the aims and objectives.

Achievements and performance

Church attendance
There were 218 parishioners on the Electoral Roll at the APCM in May 2022. 66 of those on the roll reside in the parish. 131 reside elsewhere in Workington and 21 are non-resident.

Attendance on normal Sundays is approximately as follows:-

8:00am at St John's	4-7	Common Worship or Book of Common Prayer
9:30am at St Michael's	30-40	Common Worship (Sung) + Sunday School
11 am at St John's	30-40	Common Worship (Sung) with Sunday School
6:30pm at St Michael's	10-15	variety of services, including healing and even song, on a monthly pattern

Since the nation lockdown in response to the Covid 19 Pandemic, there is a significant following on line of the live-streamed 9.30 service of worship.

The midweek Eucharist on Tuesday at 11 am was followed by a lunch club until October 2022, and now has refreshments which is well attended, with approximately 12-20 communicants. (CW, said) Thursday (now monthly on 3rd Thursday) at 6:30pm 10-12 Common Worship (Said)

Baptisms during 2022:	41
Funerals in Church:	20
Weddings in Church:	10

Review of the year - Chair's Report

The COVID 19 pandemic of 2020 to 2022 continued to have an impact through the year, as pandemic became endemic, with significant days lost to illness and self-isolation. However, spirits remain high at St Michael's, with many new initiatives fulfilling the four goals of growing younger, growing greener, growing outwards and growing closer to God.

The year saw agreement between the two parishes of St Michael's and St John's to become a united Benefice, which should be completed during 2023.

This was agreed at both churches in July: The United Benefice of St Michael and St John, Workington: The PCCs of St Michael's Church and St John's Church have been on a journey together since they met together for a joint PCC day on 12 March 2020 with Elaine Appelbee. That day resulted in the identification of four areas of mission, ministry and outreach that both parishes could work on together, with groups of members from each church to oversee development:
Growing Closer to God Growing Greener
Growing Younger Growing Outwards to the Town

Growing Closer to God:
• Following a survey of worship in summer 2021, the parishes have collaborated to avoid duplication of major festivals, sharing in services wherever possible, whilst maintaining a Sunday services programme of
> 8 am at St John's (BCP communion)
> 9.30 at St Michael's Parish Eucharist
> 11 am at St John's Parish Eucharist
> Weekly baptisms at either or both churches
> 6.30 pm at St Michael's (with a monthly pattern of a variety of services, including healing, choral evensong, the offering of incense, and faith story sharing)
• The two midweek services at 11 am on Tuesday (St M) and 11 am on Wednesday (St J) are both followed by lunch clubs. There is a monthly Eucharist on Thursday evenings, for the young@heart
• We have three people in training or trained as readers/pioneer ministers
Growing Greener:
• The parishes are setting up a 'green group' to consider ways to tackle the challenges of climate change, with St John's committed to an energy and heating review
• Pollinator projects is underway across each parish
• A joint PCC day on 'Going for Gold' as Eco churches is on Saturday 10 September 2022
Growing Younger:
In late 2021 a group was set up of members from both PCCs to consider how we might develop our work with young people. This has resulted in a job description for a faith and families worker, for which the parishes are seeking funding.
Growing outwards in the Town:
The Lockdowns of 2020 and 2021 has curtailed this to some extent; however there is continued commitment from individuals, including the clergy, to sustain and develop ongoing contacts in the town.

These things are important to both PCCs:
• Continuing voice and presence of the Church in Workington
> Both churches recognise that when the current priests serving them move on, they need to be in a strong position of collaboration to ensure they attract a good priest as Rector of Workington to ensure the ongoing witness of both churches in the town over the decades to come. They are committed to a positive message from both churches to improve profiles for both churches, particularly

> Both churches have very different financial situations and would not welcome, at this stage, merging their financial commitments and assets; though they increasingly share back office resources (e.g. photocopier), and roles (e.g. the Safeguarding Officer).

- Keeping distinctive sense of identity

> The cultural background to each church is distinctive, and the sense of identity of each church needs to be maintained to ensure full collaboration

- Sustaining a full worship programme on Sundays and through the week

> The current pattern suits both churches well

- Sharing musical expertise, including bell ringing

> Both parishes have real resources to develop in this area and are committed to further collaboration

- Faithful discipleship

> All learning – study groups, confirmation, etc – is done over both parishes

Recognising that they are stronger together in their witness to God into the future, in July 2022 the PCCs of St John and St Michael Churches resolved to become a United Benefice within the nascent Mission Community of Workington.

Governance:

- Separate PCCs, meeting monthly or bimonthly
- 2 or 3 joint PCC days each year to determine strategy, mission and outreach, and governance
- 4 meetings a year of a joint Standing Committee: Church wardens, secretaries, treasurers with clergy and ministers
- Four Growing Groups, to take forward mission and strategy
- Subcommittee meetings, sharing practice and expertise, on fabric/building maintenance, finance and stewardship, social programmes, teaching, communication and social media, etc
- Streamlined administration, with shared roles to avoid duplication, e.g. Safeguarding.

St Michael's PCC	date	27th July 2022
St John's PCC	date	13th July 2022

A joint PCC away day in September meant that both churches worked for the A Rocha award of Eco Church at silver level, which was achieved.

Ministry and Worship: see above for change to the pattern of worship, as St Michael's and St John's parishes work more closely together. Online worship was made possible by Mr Mark Stilwell. During the year, owing to family and work commitments Mr Mark Hazzard stepped away from full time organ playing to play occasionally, with other Sundays filled by Mr Mark Stilwell and Mr Christopher Lamb. There were joint services held with both churches, through Holy Week and Easter, at Ascension, at an Animal Service in October, and on the Sunday before Christmas.

Vocations and training: Mrs Charlotte Lait commenced training as a Reader in September 2021, to be licensed in November 2023. She has preached increasingly often through the year.

Drs Ward and Powell continued their **pastoral ministry** over both parishes, visiting parishioners on a regular basis, including monthly provision of home communion for those in need, and conducting funerals as required in church and at the crematorium or graveside.

Building and Maintenance: The PCC continues to be grateful to Eric Martin, in particular, for his commitment to ensure our facilities continues to be well maintained for use by the congregation and organisations throughout our community.

Throughout 2022 the **Social committee**, chaired by Mrs Clare Stilwell, continued to meet in person or

The **Sunday School** under the leadership of Mrs Wendy Kendall, continues in good heart, for which the PCC was grateful. The **Tots Group and Youth Group** continues to thrive and grow, with the tots group full and with a waiting list, and the youth group increasing from 3 to 12 since Covid lockdowns. Thanks to Mrs Joan Collins and Mrs Lorna Wilson and their teams for their continued commitment, time and effort.

Planning for a secure financial future

In July the Parish Offer for 2023 was pledged at £38,000.

The Reserves Policy:
Supported by advice from robinson+co, it was advised that the accounts to 31 December 2022 showed a break even situation, which alleviates the need for too much concern about previous years' losses when "burn time" was being considered. It is still advisable to have a reserves policy, which is reviewed annually. It was considered that there is no need to change the reserves policy despite the improved results. Available funds can be used freely on the purpose of the church which is its mission and ministry.

The Charity Commission require charities to use reserves in accordance with its purpose; which, as a PCC, is to ensure the church engages in mission and ministry that enhances growth to secure a sustainable future of worship and resources. Good charity practice is to maintain a general reserve to cover ongoing costs for a period of 12 months should all income fail (the annual costs at the moment are in the region of £107,000). In the light of the fact that St Michael's currently holds a significant amount over and above this level and the current economic uncertainty caused by the pandemic and energy crisis, the PCC should continue its robust policy that enables 24 months costs to be covered. This policy concerned only the unrestricted reserves, as the Restricted and Endowment Funds are held for a specific purpose and are therefore not the "free" reserves of the PCC.

In 2022, the miscellaneous restricted fund showed a balance of £35,139. There are names attached to some of this amount, although no real record of how this fund should be expended; so the PCC agreed that these funds are used in accordance with the supposed wishes of those who left legacies, to be designated by the PCC for particular use – youth work, for example.

The PCC agreed to hold 2 years of unrestricted funds: £225,000 – including designatory reserves

- General reserve £150,000
- Building reserve £50,000 (which could be covered by the Restoration Fund.)
- Community reserve £25,000

The PCC agreed, that, in **setting the annual budget for 2022, provision is made for outreach, mission and ministry, and the needs of the wider church, as follows:**

1. Parish administration and development of the Conference Centre, as part of our ministry to the local community and region:
   £20,000
2. Work with young people, from baptism onwards, to include mission and ministry through choirs and music:
   £20,000
3. Supporting the wider church and charitable giving, including Parish Offer £45,000

Principal funding sources
Aside from the income generated by the church hall lettings, the principal funding is voluntary income through planned giving, service collections and general donations.

Risk Management
During 2022, the members have continued to be mindful of the major strategic, business and operational risks which the PCC faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

The trustees annual report was approved at the APCM on 17 May 2023 and signed on behalf of the board of trustees by:

The Very Revd Dr Frances Ward
Priest in Charge, chair of the PCC.

	Note	2022 Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £	2021 Total funds £
Income and endowments						
Donations and legacies	4	51,174	–	–	51,174	49,798
Charitable activities	5	13,587	–	–	13,587	6,642
Other trading activities	6	35,601	–	–	35,601	10,078
Investment income	7	5,726	1,092	–	6,818	2,096
Total income		106,088	1,092	–	107,180	68,614
Expenditure						
Expenditure on raising funds:						
Costs of other trading activities	8	–	–	–	–	136
Expenditure on charitable activities	9,10	107,040	820	–	107,860	84,236
Total expenditure		107,040	820	–	107,860	84,372
Net (losses)/gains on investments	11	–	–	(8,793)	(8,793)	9,349
Net expenditure and net movement in funds		(952)	272	(8,793)	(9,473)	(6,409)
Reconciliation of funds						
Total funds brought forward		297,789	64,231	154,603	516,623	523,032
Total funds carried forward		296,837	64,503	145,810	507,150	516,623

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

	Note	2022 £	2021 £
Fixed assets			
Tangible fixed assets	**15**	37,795	40,378
Fixed asset investments	**16**	65,905	74,698
		103,700	115,076
Current assets			
Debtors	**17**	19,527	16,083
Short term deposits	**18**	359,959	367,964
Cash at bank and in hand		28,178	45,035
		407,664	429,082
Creditors: amounts falling due within one year	**19**	(4,214)	(27,535)
Net current assets		403,450	401,547
Total assets less current liabilities		507,150	516,623
Net assets		507,150	516,623
Funds of the charity			
Endowment funds:			
Permanent endowment funds		138,424	147,217
Expendable endowment funds		7,386	7,386
Restricted funds		64,503	64,231
Unrestricted funds		296,837	297,789
Total charity funds	**21**	507,150	516,623

These financial statements were approved by the board of trustees and authorised for issue on 17 May 2023, and are signed on behalf of the board by:

The Very Revd Dr Frances Ward
Chair

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Workington Parochial Church Council, Parish Office, St Michael's Church, Falcon Place, Workington, CA14 2EZ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

The financial statements have been produced to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following 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) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Disclosure exemptions

The charity has taken advantage of the exemption in FRS 102 Update Bulletin 1 from the requirement to produce a cashflow statement because it is a small charity.

Judgements and key sources of estimation uncertainty

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.

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty *(continued)*

Significant judgements
The judgements (apart from those involving estimations) that the members have made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

Investment valuations
Investments held by the PCC are listed and therefore are independently valued at market value.

Impairment of tangible fixed assets
The PCC is required to review fixed assets for impairment. The members make judgments about the condition of assets and review their estimated lives. Key sources of estimation uncertainty Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

The useful economic life of each category of fixed asset is assessed when acquired by the PCC. A degree of estimation is occasionally used in assessing the useful economic life of assets.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Restricted funds are subjected to restrictions on their expenditure declared by the donor through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

- legacy income is recognised when receipt is probable and entitlement is established.

- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

3. **Accounting policies** *(continued)*

Incoming resources *(continued)*

- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

- income from investments is included in the year in which it is receivable.

- realised gains or losses are recognised when investments are sold.

- unrealised gains or losses are accounted for on revaluation of investments at 31 December.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

The diocesan quota or parish share is accounted for when payable. Any quota unpaid at 31 December is not provided for in these accounts as it is an operational (though not a legal) liability.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Consecrated and beneficed property is excluded from the accounts by s.10(2)(a) of the Charities Act 2011.

No value is placed on movable 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 benefice buildings and movable church furnishings, whether maintenance or improvement, is written off as expenditure in the SOFA and separately disclosed.

3. Accounting policies *(continued)*

Depreciation

Individual items of equipment with a purchase price of £1,000 or less are written off when the asset is acquired.

Freehold property	-	2% straight line
Fixtures and fittings	-	25% straight line

Investments

Investments held as fixed assets are revalued at mid-market value at the balance sheet date and the gain or loss taken to the statement of financial activities.

Current asset investments are at the lower of cost and net realisable value.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

Basic financial instruments are recognised at amortised cost, except for fixed asset investments which are measured at fair value.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Donations and legacies

	Unrestricted Funds £	**Total Funds 2022 £**	Unrestricted Funds £	Total Funds 2021 £
Donations				
Collections at all services	8,854	8,854	4,521	4,521
Planned giving	23,685	23,685	22,337	22,337
Taxes recoverable	4,000	4,000	11,183	11,183
Sundry donations	8,987	8,987	10,590	10,590
Legacies				
Legacies	5,648	5,648	–	–
Grants				
Grants receivable	–	–	1,167	1,167
	51,174	51,174	49,798	49,798

5. Charitable activities

	Unrestricted Funds £	**Total Funds 2022 £**	Unrestricted Funds £	Total Funds 2021 £
Fees	12,919	12,919	6,509	6,509
Magazine donations and advertising	668	668	133	133
	13,587	13,587	6,642	6,642

6. Other trading activities

	Unrestricted Funds £	**Total Funds 2022 £**	Unrestricted Funds £	Total Funds 2021 £
Shop income	263	263	30	30
Church hall and meeting room lettings	25,457	25,457	3,760	3,760
Catering and refreshments income	895	895	–	–
Fetes, bazaars and other fund raising	8,669	8,669	6,214	6,214
Sundry income	317	317	74	74
	35,601	35,601	10,078	10,078

7. Investment income

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2022 £**
Dividend income	1,960	–	1,960
Bank interest receivable	3,766	1,092	4,858
	5,726	1,092	6,818

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Dividend income	1,896	–	1,896
Bank interest receivable	148	52	200
	2,044	52	2,096

8. Costs of other trading activities

	Unrestricted Funds £	**Total Funds 2022 £**	Unrestricted Funds £	Total Funds 2021 £
Fundraising costs	–	–	136	136

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2022 £**
Catering supplies	404	–	404
Wages and salaries	18,755	–	18,755
Organist's expenses	1,363	–	1,363
Ministry – parish offer	36,000	–	36,000
Ministry – clergy expenses	1,880	–	1,880
Insurance	7,188	–	7,188
Church running expenses	5,169	–	5,169
Church repairs and maintenance	9,762	–	9,762
Church hall running costs	4,588	–	4,588
Diocese fees	4,970		4,970
Contribution to St Michaels Church Workington Ltd	–	–	–
Sundry expenses	5,469	–	5,469
Depreciation of tangible fixed assets	2,871	820	3,691
Missionary and charitable giving	434	–	434
Accountancy charges	2,210	–	2,210
Legal and professional fees	1,002	–	1,002
Bank interest	1	–	1
Telephone and internet charges	1,618	–	1,618
Printing and stationery	3,356	–	3,356
	107,040	820	107,860

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Catering supplies	–	–	–
Wages and salaries	4,689	–	4,689
Organist's expenses	590	–	590
Ministry – parish offer	36,000	–	36,000
Ministry – clergy expenses	261	–	261
Insurance	1,943	–	1,943
Church running expenses	2,642	–	2,642
Church repairs and maintenance	–	5,825	5,825
Church hall running costs	8,683	–	8,683
Diocese fees	2,703	–	2,703
Contribution to St Michaels Church Workington Ltd	7,000	–	7,000
Sundry expenses	4,063	–	4,063
Depreciation of tangible fixed assets	2,596	820	3,416
Missionary and charitable giving	566	–	566
Accountancy charges	2,075	–	2,075
Legal and professional fees	–	–	–
Bank interest	–	–	–
Telephone and internet charges	1,359	–	1,359
Printing and stationery	2,421	–	2,421
	77,591	6,645	84,236

7. Investment income

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2022 £**
Dividend income	1,960	–	1,960
Bank interest receivable	3,766	1,092	4,858
	5,726	1,092	6,818

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Dividend income	1,896	–	1,896
Bank interest receivable	148	52	200
	2,044	52	2,096

8. Costs of other trading activities

	Unrestricted Funds £	**Total Funds 2022 £**	Unrestricted Funds £	Total Funds 2021 £
Fundraising costs	–	–	136	136

10. Expenditure on charitable activities by activity type

	Activities undertaken directly	**Total funds 2022**	Total fund 2021
	£	**£**	£
Church activities	107,860	107,860	84,236

11. Net (losses)/gains on investments

	Endowment Funds	**Total Funds 2022**	Endowment Funds	Total Funds 2021
	£	**£**	£	£
Gains/(losses) on listed investments	(8,793)	(8,793)	9,349	9,349

12. Net expenditure

Net expenditure is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation of tangible fixed assets	3,691	3,418

13. Independent examination fees

	2022	2021
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	2,210	2,075

14. Trustee remuneration and expenses

During the year remuneration no trustee received remuneration from the Charity.

15. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	**Total £**
Cost			
At 1 January 2022	75,000	23,306	98,306
Additions	–	1,107	1,107
At 31 December 2022	75,000	24,413	99,413
Depreciation			
At 1 January 2022	37,500	20,428	57,928
Charge for the year	1,500	2,190	3,690
At 31 December 2022	39,000	22,618	61,618
Carrying amount			
At 31 December 2022	36,000	1,795	37,795
At 31 December 2021	37,500	2,878	40,378

16. Fixed asset investments

	Listed investments £
Valuation	
At 1 January 2022	74,698
Additions	–
Fair value movements	(8,793)
At 31 December 2022	65,905
Carrying amount	
At 31 December 2022	65,905
At 31 December 2021	74,698

All investments shown above are held at valuation.

Financial assets held at fair value

The historical cost of fixed asset investments at 31 December 2022 was £36,500 (2021: £36,500).

All fixed asset investments are held within the United Kingdom.

The above investments consisted of 3,189.75 income shares in the CBF Church of England Investment Fund. The share valuation at 31 December 2022 was £2066.14p per share (2021 – 2341.81p).

17. Debtors

	2022	2021
	£	£
Trade debtors	1,864	506
Prepayments and accrued income	480	394
Other debtors	17,183	15,183
	19,527	16,083

18. Short term deposits

	2022	2021
	£	£
Short-term deposits brought forward	367,964	410,869
Short-term deposits additions	12,463	2,095
Short-term deposits disposals	(20,468)	(45,000)
	359,959	367,964

Short-term deposits comprise short-term deposits in the CBF Church of England Deposit Fund or at the bank.

19. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	207	22,899
Accruals and deferred income	3,252	4,423
Social security and other taxes	471	–
Other creditors	284	213
	4,214	27,535

20. Pensions and other post-retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £365 (2021: £91).

21. Analysis of charitable funds

Unrestricted funds

	At 1 January 2022	Income	Expenditure	Transfers	Gains and losses	**At 31 December 2022**
	£	£	£	£	£	£
General funds	268,632	106,088	(107,040)	–	–	267,680
A Hogarth fund	1,000	–	–	–	–	1,000
G E Jones fund	28,157	–	–	–	–	28,157
	297,789	106,088	(107,040)	–	–	296,837

	At 1 January 2021	Income	Expenditure	Transfers	Gains and losses	At 31 December 2021
	£	£	£	£	£	£
General funds	277,797	68,562	(77,727)	–	–	268,632
A Hogarth fund	1,000	–	–	–	–	1,000
G E Jones fund	28,157	–	–	–	–	28,157
	306,954	68,562	(77,727)	–	–	297,789

General funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for application on the general purposes of the PCC. Funds designated for a particular purpose by the PCC are also unrestricted.

21. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 January 2022 £	Income £	Expenditure £	Transfers £	Gains and losses £	**At 31 December 2022** £
Miscellaneous Restricted Funds	34,867	1,092	(820)	–	–	35,139
Fabric fund	29,364	–	–	–	–	29,364
	64,231	1,092	(820)	–	–	64,503

	At 1 January 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 December 2021 £
Miscellaneous Restricted Funds	34,815	52	–	–	–	34,867
Restoration fund	27,670	–	–	(27,670)	–	–
Fabric fund	8,339	–	(6,645)	27,670	–	29,364
	70,824	52	(6,645)	–	–	64,231

Restricted funds are those funds which must be spent on restricted purposes in accordance with the donors' wishes.

The miscellaneous fund and the fabric fund represent accumulated donations and investment income for the stated purpose.

Also included in miscellaneous restricted funds is insurance interest fund monies. The PCC has decided to show these as restricted funds although the PCC's insurers paid the monies without any restriction other than that the funds had to be used for the church rebuilding.

The restoration fund represents monies raised for the church rebuilding. On 24 September 2021 the Charity Commission granted approval for this fund to be utilised as a building maintenance fund.

21. Analysis of charitable funds *(continued)*

Endowment funds

	At 1 January 2022 £	Income £	Expenditure £	Transfers £	Gains and losses £	**At 31 December 2022** £
Elsie Shaw Bequest	90,079	–	–	–	(8,793)	81,286
MA & N Hogarth	57,138	–	–	–	–	57,138
Miss V S Bowes	447	–	–	–	–	447
Revd. T W Jackson	6,939	–	–	–	–	6,939
	154,603	–	–	–	(8,793)	145,810

	At 1 January 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 December 2021 £
Elsie Shaw Bequest	80,730	–	–	–	9,349	90,079
MA & N Hogarth	57,138	–	–	–	–	57,138
Miss V S Bowes	447	–	–	–	–	447
Revd. T W Jackson	6,939	–	–	–	–	6,939
	145,254	–	–	–	9,349	154,603

The V S Bowes fund is restricted to use for the parish hall.

The T W Jackson fund is restricted to use for the church fabric.

The Elsie Shaw bequest and the MA & N Hogarth permanent fund are permanent endowments but the income can be used for general church purposes and is therefore unrestricted.

I report to the trustees on my examination of the financial statements of Workington St Michael Parochial Church Council ('the charity') for the year ended 31 December 2022.

Responsibilities and basis of report

As the trustees of the charity you 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 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.

Darren Mewse FCA
Independent Examiner

Independent examiner
robinson+co
Chartered Accountants
Oxford Chambers, New Oxford Street
Workington
CA14 2LR

17 May 2023

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. MICHAEL, WORKINGT

England & Wales - Charity number 1131867

Accounts

CHARITY REGISTRATION NUMBER: 1131867

Workington St Michael Parochial Church Council

Unaudited Financial Statements

31 December 2021

robinson+co

Chartered Accountants

Workington St Michael Parochial Church Council

Financial Statements

Year ended 31 December 2021

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Workington St Michael Parochial Church Council

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2021.

Reference and administrative details

Registered charity name	Workington St Michael Parochial Church Council
Charity registration number	1131867
Principal office	Workington Parochial Church Council Parish Office St Michael's Church Falcon Place Workington CA14 2EZ

The trustees

Chair	The Very Revd Dr Frances Ward (full time Priest in Charge for St Michael's and St John's parishes from Easter 2021.)
Associate Priest from June 2021	The Revd Dr Peter Powell
Reader	Mr Richard Jones
Wardens	Mr Eric Martin Mr Stuart Edger
Secretary	Mrs Julia Sharpe
Treasurer	Mrs Lorna Wilson until September 2021, then Mrs Joanne Braniff
Lay Chairperson	Mr Eric Martin
Deanery Synod Representatives	Mr Brian Wilkinson (from 2020) Mrs Julia Sharpe (from 2020) Mrs Margaret Nichol (from 2020)
Safeguarding Officer	Mrs Joan Braniff until September 2021, then Mrs Jan Witty
Electoral Roll Officer	Mr Brian Wilkinson
Gift Aid Officer	Ms Helen Tinnion

Workington St Michael Parochial Church Council

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

Trustees

to serve until APCM 2022:	Mr Richard Ashcroft Mrs Margaret Nichol Mrs Claire Stilwell
to serve until APCM 2023:	Mr Eric Martin Mr Stuart Edger Mrs Stephanie Hughes Mrs Julia Sharpe Mr Mark Stilwell Mr Keith Beattie Mrs Helen Tinnion Mr Brian Wilkinson
to serve until APCM 2024:	Mrs Joanne Braniff Mrs Margaret Smith

Committees
The PCC meets approximately eight times a year to oversee the overall direction of mission, vision and strategy, and the work of a number of committees, which meet as required between full meetings of the PCC. During the time of Covid, 2020, PCC meetings were either on Zoom, or in person.

Standing and Finance Committee
This committee meets as a subcommittee of the PCC, and is comprised of the Priest in Charge, the Lay Chair, the Wardens, the Secretary, the Treasurer and any co-opted members. It transacts the business of the PCC between its meetings and also serves as the Fabric Committee in relation to the Church and the Parish Rooms.

Social Committee
This committee makes arrangements for and co-ordinates social activities of the parish church, to develop and promote good fellowship, to fund raise for the parish and for other social causes.

Stewardship Committee
This committee has not met in recent years. When it does, it oversees parish giving and stewardship to generate income to cover expenditure and to meet the annual Parish Offer.

Safeguarding Committee
This committee oversees parish safeguarding policies and supports the Safeguarding Officer.

Company secretary Mrs Julia Sharpe

Accountants

robinson+co
Chartered Accountants
Oxford Chambers, New Oxford Street
Workington
CA14 2LR

Workington St Michael Parochial Church Council

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

Structure, Governance and Management

The Parochial Church Council is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure (1956) lately amended by the Church Representation Rules, 2020. The PCC became an Official Charity registered with the Charity Commission in 2009, Charity Number 1131867.

Recruitment and Appointment of Members
Members of the PCC are either ex officio or elected by the Annual Parochial Church Meeting in accordance with the Church Representation Rules.

Related Parties
The Parish Church of St Michael was destroyed by fire in September 1994. To facilitate the rebuilding process a limited company, "St Michael's Church Workington Limited", was formed in July 1996. Its trustees/directors are appointed according to its constitution, and in 2020 were The Very Revd Dr Frances Ward (chair), (from 2020), Eric Martin, Stuart Edger, Margaret Smith and the Revd Dr Peter Powell. Lorna Wilson is the Company Secretary. In September 2021, the Trustees decided to wind down the Limited Company, to cease to exist by 31 December 2021.

Objectives and activities

The PCC's objectives are to provide worship and provide facilities to benefit the environment and the community at large.

Public Benefit
The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities, to ensure such activities contribute to the aims and objectives.

Achievements and performance

Church attendance
There were 150 parishioners on the Electoral Roll in September 2021.

Following a survey of worship across St Michael's and St John's Parishes, the PCCs of both churches decided on the following pattern of worship: Attendance on normal Sundays is approximately as follows:-

8:00am at St John's		Book of Common Prayer (Said)
9:30am at St Michael's	30-40	Common Worship (Sung) + Sunday School
11 am at St John's		Common Worship with Sunday School
6:30pm at St Michael's	10-15	variety of services, including healing and evensong, on a monthly pattern

Since the nation lockdown in response to the Covid 19 Pandemic, numbers at the 9.30 have fallen, but there is a significant following on line of the life-streamed worship.

The midweek Eucharist was changed from Wednesday to Tuesday from September, with continuing strong attendance, and now followed by a weekly lunch club.

Wednesday 10:00am	20	Common Worship (Said)
Thursday (now monthly on 3rd Thursday) at 6:30pm	10-12	Common Worship (Said)

Baptisms during 2021:	33
Funerals in Church:	25
Weddings in Church:	0

Review of the year - Chair's Report

The extraordinary and unprecedented events caused by the COVID 19 pandemic of 2020/22 continue to have an impact and this Annual Report pays tribute to the many people who provided time, support, resources and a commitment above and beyond the normal. A huge thanks goes out to each and everyone.

The ongoing impact of the pandemic resulted in an authorised delay in holding the APCM until 19 May 2021.

Ministry and Worship: see above for change to the pattern of worship, as St Michael's and St John's parishes work more closely together. Online worship was made possible by Mr Mark Stilwell, and the organ was played by Mr Mark Hazzard, with singing provided by a group of cantors.

Vocations and training: Mrs Charlotte Lait commenced training as a Reader in September 2021.

Drs Ward and Powell continued their **pastoral ministry** over both parishes, visiting parishioners on a regular basis, including monthly provision of home communion for those in need, and conducting funerals as required in church and at the crematorium or graveside.

Building and Maintenance: A great deal of usual activity was suspended due to Covid in 2021. The PCC continues to be grateful to Eric Martin, in particular, for his commitment to ensure our facilities continues to be well maintained for use by the congregation and organisations throughout our community.

Throughout 2021 the **Social committee**, chaired by Mrs Clare Stilwell, continued to meet in person or on Zoom to plan a calendar of events and the Young Ladies Group continued to provide events and support.

The **Sunday School** resumed weekly from September 2021, and Wendy Kendall, the Sunday **School** leader, continued contact with families and young people, for which the PCC was grateful. The **Tots Group and Youth Group** reopened in September 2021, when restrictions are sufficiently lifted. Thanks to Mrs Joan Collins and Mrs Lorna Wilson and their teams for their continued commitment, time and effort.

Planning for a secure financial future

The Parish Offer for 2021 was pledged at £36,000, which was met, drawing on reserves.

The PCC took note and implemented a review of finances, presented in April 2021, by Mr Geoff Hine, who recommended that:

The wheel need not be re-invented! The National Church has invested considerably in designing resources and information which will assist the PCC in achieving its aspirations and I suggest each member review www.parishresources.org.uk/pccs/trusteeship

As a result, the PCC adopted the following:

A reserves policy	adopted by the PCC in September 2021
Recording of conflicts of interest	adopted by PCC 16/06/21
Trustee eligibility and Fit and Proper Persons Declaration	adopted by PCC 16/06/21
annual budget setting for 2022	initiated September 2021 onwards

With regard to **The Limited Company**, GH commented that:
The company is now a recipient of financial support from the PCC and this may continue (approximately £5K a year). The Parish Rooms no longer attract lettings in the profitable manner of the past and are unlikely to do so in the near future. This is not simply a COVID response but reflects the changing nature of the requirements of organisations seeking to hold events. Added to this is the overall surplus of venues in many areas.
These comments, in agreement with those of Darren Mewse at the APCM in 2020 and 2021, prompted the Trustees of the Limited Company to resolve In September 2021 to wind down the Limited Company, that it cease to exist by 31 December 2021.

In the light of this, EM, SE, FW and PP, in consultation with LW, ensured that the parish administrator, Mrs Lorna Wilson, was employed by the PCC, with an agreed job description, from September 2021.

The Reserves Policy:
Supported by advice from Robinsons & Co, it was evident that the accounts to 31 December 2020 showed the current "burn time" for the PCC is around 12.5 years – which is the 'free' unrestricted reserves. A Reserves Policy is calculated by dividing the unrestricted reserves by the year's loss on those reserves: in 2020 there was a loss on unrestricted funds of £24,496, with the total unrestricted funds carried forward at 31 December 2020 of £306,954. (£306,954/£24,496 = 12.53).

The Charity Commission require charities to use reserves in accordance with its purpose; which, as a PCC, is to ensure the church engages in mission and ministry that enhances growth to secure a sustainable future of worship and resources. Good charity practice is to maintain a general reserve to cover ongoing costs for a period of 12 months should all income fail (the annual costs at the moment are in the region of £100,000). In the light of the fact that St Michael's currently holds a significant amount over and above this level and the current economic uncertainty caused by the global pandemic, the PCC determined a more robust policy that enables 24 months costs to be covered. This policy concerned only the unrestricted reserves, as the Restricted and Endowment Funds are held for a specific purpose and are therefore not the "free" reserves of the PCC.

In 2021, the miscellaneous restricted fund showed a balance of £35,489. There are names attached to some of this amount, although no real record of how this fund should be expended; so the PCC agreed that these funds are used in accordance with the supposed wishes of those who left legacies, to be designated by the PCC for particular use – youth work, for example.

The PCC agreed to hold 2 years of unrestricted funds: £225,000 – including designatory reserves

- General reserve £150,000
- Building reserve £50,000 (which could be covered by the Restoration Fund.)

- Community reserve £25,000

The PCC agreed, that, in **setting the annual budget for 2022, provision is made for outreach, mission and ministry, and the needs of the wider church, as follows:**

1. Parish administration and development of the Conference Centre, as part of our ministry to the local community and region: £20,000
2. Work with young people, from baptism onwards, to include mission and ministry through choirs and music: £20,000
3. Supporting the wider church and charitable giving, including Parish Offer £45,000

Principal funding sources
Aside from the income generated by the church hall lettings, the principal funding is voluntary income through planned giving, service collections and general donations. The PCC resolved to consider a focus on stewardship in 2022.

Risk Management
During 2021, the members have continued to be mindful of the major strategic, business and operational risks which the PCC faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

The trustees annual report was approved at the APCM on 18 May 2022 and signed on behalf of the board of trustees by:

Frances Ward

The Very Revd Dr Frances Ward
Priest in Charge, chair of the PCC, and of the Standing Committee

Workington St Michael Parochial Church Council

Independent Examiner's Report to the Trustees of Workington St Michael Parochial Church Council

Year ended 31 December 2021

I report to the trustees on my examination of the financial statements of Workington St Michael Parochial Church Council ('the charity') for the year ended 31 December 2021.

Responsibilities and basis of report

As the trustees of the charity you 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 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.

D. Mewse

Darren Mewse FCA
Independent Examiner

robinson+co
Chartered Accountants
Oxford Chambers, New Oxford Street
Workington
CA14 2LR

18 May 2022

Workington St Michael Parochial Church Council

Statement of Financial Activities

Year ended 31 December 2021

	Note	2021 Unrestricted funds £	2021 Restricted funds £	2021 Endowment funds £	2021 Total funds £	2020 Total funds £
Income and endowments						
Donations and legacies	4	49,798	–	–	49,798	40,403
Charitable activities	5	6,642	–	–	6,642	9,174
Other trading activities	6	10,078	–	–	10,078	5,270
Investment income	7	2,044	52	–	2,096	3,601
Total income		68,562	52	–	68,614	58,448
Expenditure						
Expenditure on raising funds:						
Costs of other trading activities	8	136	–	–	136	63
Expenditure on charitable activities	9,10	77,591	6,645	–	84,236	97,228
Total expenditure		77,727	6,645	–	84,372	97,291
Net gains on investments	11	–	–	9,349	9,349	3,206
Net expenditure and net movement in funds		(9,165)	(6,593)	9,349	(6,409)	(35,637)
Reconciliation of funds						
Total funds brought forward		306,954	70,824	145,254	523,032	558,669
Total funds carried forward		297,789	64,231	154,603	516,623	523,032

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 10 to Error! Bookmark not defined. **form part of these financial statements.**

Workington St Michael Parochial Church Council

Statement of Financial Position

31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	**15**	40,378	41,866
Fixed asset investments	**16**	74,698	65,349
		115,076	107,215
Current assets			
Debtors	**17**	16,083	9,421
Short term deposits	**18**	367,964	410,869
Cash at bank and in hand		45,035	19,225
		429,082	439,515
Creditors: amounts falling due within one year	**19**	(27,535)	(23,698)
Net current assets		395,651	415,817
Total assets less current liabilities		516,623	523,032
Net assets		516,623	523,032
Funds of the charity			
Endowment funds:			
Permanent endowment funds		147,217	137,868
Expendable endowment funds		7,386	7,386
Restricted funds		64,231	70,824
Unrestricted funds		297,789	306,954
Total charity funds	**21**	516,623	523,032

These financial statements were approved by the board of trustees and authorised for issue on 18 May 2022, and are signed on behalf of the board by:

Frances Ward

The Very Revd Dr Frances Ward
Chair

The notes on pages 10 to Error! Bookmark not defined. **form part of these financial statements.**

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Workington Parochial Church Council, Parish Office, St Michael's Church, Falcon Place, Workington, CA14 2EZ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

The financial statements have been produced to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following 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) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Disclosure exemptions

The charity has taken advantage of the exemption in FRS 102 Update Bulletin 1 from the requirement to produce a cashflow statement because it is a small charity.

Judgements and key sources of estimation uncertainty

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.

3. **Accounting policies** *(continued)*

Judgements and key sources of estimation uncertainty *(continued)*

Significant judgements
The judgements (apart from those involving estimations) that the members have made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

Investment valuations
Investments held by the PCC are listed and therefore are independently valued at market value.

Impairment of tangible fixed assets
The PCC is required to review fixed assets for impairment. The members make judgments about the condition of assets and review their estimated lives. Key sources of estimation uncertainty Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

The useful economic life of each category of fixed asset is assessed when acquired by the PCC. A degree of estimation is occasionally used in assessing the useful economic life of assets.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Restricted funds are subjected to restrictions on their expenditure declared by the donor through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

- legacy income is recognised when receipt is probable and entitlement is established.

- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

3. **Accounting policies** *(continued)*

Incoming resources *(continued)*

- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

- income from investments is included in the year in which it is receivable.

- realised gains or losses are recognised when investments are sold.

- unrealised gains or losses are accounted for on revaluation of investments at 31 December.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

The diocesan quota or parish share is accounted for when payable. Any quota unpaid at 31 December is not provided for in these accounts as it is an operational (though not a legal) liability.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Consecrated and beneficed property is excluded from the accounts by s.10(2)(a) of the Charities Act 2011.

No value is placed on movable 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 benefice buildings and movable church furnishings, whether maintenance or improvement, is written off as expenditure in the SOFA and separately disclosed.

3. **Accounting policies** *(continued)*

Depreciation

Individual items of equipment with a purchase price of £1,000 or less are written off when the asset is acquired.

Freehold property	-	2% straight line
Fixtures and fittings	-	25% straight line

Investments

Investments held as fixed assets are revalued at mid-market value at the balance sheet date and the gain or loss taken to the statement of financial activities.

Current asset investments are at the lower of cost and net realisable value.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

Basic financial instruments are recognised at amortised cost, except for fixed asset investments which are measured at fair value.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2021 £**
Donations			
Collections at all services	4,521	–	4,521
Planned giving	22,337	–	22,337
Gift aid donations	1,990	–	1,990
Taxes recoverable	11,183	–	11,183
Sundry donations	8,600	–	8,600
Legacies			
Legacies	–	–	–
Grants			
Grants receivable	1,167	–	1,167
	49,798	–	49,798

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Collections at all services	2,890	–	2,890
Planned giving	21,155	–	21,155
Gift aid donations	1,220	–	1,220
Taxes recoverable	(3,131)	–	(3,131)
Sundry donations	7,070	7,837	14,907
Legacies			
Legacies	3,362	–	3,362
Grants			
Grants receivable	–	–	–
	32,566	7,837	40,403

5. Charitable activities

	Unrestricted Funds £	**Total Funds 2021 £**	Unrestricted Funds £	Total Funds 2020 £
Fees	6,509	6,509	8,953	8,953
Magazine donations and advertising	133	133	221	221
	6,642	6,642	9,174	9,174

6. Other trading activities

	Unrestricted Funds £	**Total Funds 2021 £**	Unrestricted Funds £	Total Funds 2020 £
Shop income	30	30	241	241
Church hall lettings	3,760	3,760	2,672	2,672
Fetes, bazaars and other fund raising	6,214	6,214	2,357	2,357
Sundry income	74	74	–	–
	10,078	10,078	5,270	5,270

7. Investment income

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2021 £**
Dividend income	1,896	–	1,896
Bank interest receivable	148	52	200
	2,044	52	2,096

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Dividend income	1,831	–	1,831
Bank interest receivable	1,383	387	1,770
	3,214	387	3,601

8. Costs of other trading activities

	Unrestricted Funds £	**Total Funds 2021 £**	Unrestricted Funds £	Total Funds 2020 £
Fundraising costs	136	136	63	63

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2021 £**
Wages and salaries	4,689		4,689
Organist's expenses	590		590
Ministry – parish offer	36,000		36,000
Ministry – clergy expenses	261		261
Church running expenses	4,585		4,585
Church repairs and maintenance	–	5,825	5,825
Church hall running costs	8,683		8,683
Diocese fees	2,703		2,703
Contribution to St Michaels Church Workington Ltd	7,000		7,000
Sundry expenses	4,063		4,063
Depreciation of tangible fixed assets	2,596	820	3,416
Missionary and charitable giving	566		566
Accountancy charges	2,075		2,075
Telephone and internet charges	1,359		1,359
Printing and stationery	2,421		2,421
	77,591	6,645	84,236

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2020 £**
Organist's expenses	653	–	653
Ministry – parish offer	36,000	–	36,000
Ministry – clergy expenses	410	–	410
Church running expenses	9,026	–	9,026
Church repairs and maintenance	4,501	13,913	18,414
Church hall running costs	5,198	–	5,198
Diocese fees	3,535	–	3,535
Contribution to St Michaels Church Workington Ltd	10,000	–	10,000
Sundry expenses	4,695	1,021	5,716
Depreciation of tangible fixed assets	2,115	820	2,935
Missionary and charitable giving	–	–	–
Accountancy charges	2,015	–	2,015
Telephone and internet charges	1,384	–	1,384
Printing and stationery	1,942	–	1,942
	81,474	15,754	97,228

10. Expenditure on charitable activities by activity type

	Activities undertaken directly	**Total funds 2021**	Total fund 2020
	£	£	£
Church activities	84,236	84,236	97,228

11. Net gains on investments

	Endowment Funds	**Total Funds 2021**	Endowment Funds	Total Funds 2020
	£	£	£	£
Gains/(losses) on listed investments	9,349	9,349	3,206	3,206

12. Net expenditure

Net expenditure is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation of tangible fixed assets	3,418	2,935

13. Independent examination fees

	2021	2020
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	2,075	2,015

14. Trustee remuneration and expenses

There are no other staff costs relating to the trustees (key management personnel).

15. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Total £
Cost			
At 1 January 2021	75,000	21,376	96,376
Additions	–	1,930	1,930
At 31 December 2021	75,000	23,306	98,306
Depreciation			
At 1 January 2021	36,000	18,510	54,510
Charge for the year	1,500	1,918	3,418
At 31 December 2021	37,500	20,428	57,928
Carrying amount			
At 31 December 2021	37,500	2,878	40,378
At 31 December 2020	39,000	2,866	41,866

16. Fixed asset investments

	Listed investments £
Valuation	
At 1 January 2021	65,349
Additions	–
Fair value movements	9,349
At 31 December 2021	74,698
Carrying amount	
At 31 December 2021	74,698
At 31 December 2020	65,349

All investments shown above are held at valuation.

Financial assets held at fair value

The historical cost of fixed asset investments at 31 December 2021 was £36,500 (2015: £36,500).

All fixed asset investments are held within the United Kingdom.

The above investments consisted of 3,189.75 income shares in the CBF Church of England Investment Fund. The share valuation at 31 December 2021 was £2,341.81p per share (2020 – £2,048.73p).

17. Debtors

	2021	2020
	£	£
Trade debtors	506	–
Prepayments and accrued income	394	568
Other debtors	15,183	8,853
	16,083	9,421

18. Short term deposits

	2021	2020
	£	£
Short-term deposits brought forward	410,869	427,275
Short-term deposits additions	(2,095)	3,594
Short-term deposits disposals	(45,000)	(20,000)
	367,964	410,869

Short-term deposits comprise short-term deposits in the CBF Church of England Deposit Fund or at the bank.

19. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	22,899	21,210
Accruals and deferred income	4,423	2,488
Other creditors	213	–
	27,535	23,698

20. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £91 (2020: £Nil).

21. Analysis of charitable funds

Unrestricted funds

	At 1 January 2021	Income	Expenditure	Transfers	Gains and losses	At 31 December 2021
	£	£	£	£	£	£
General funds	277,797	68,562	(77,727)	–	–	268,632
A Hogarth fund	1,000	–	–	–	–	1,000
G E Jones fund	28,157	–	–	–	–	28,157
	306,954	68,562	(77,727)	–	–	297,789

	At 1 January 2020	Income	Expenditure	Transfers	Gains and losses	At 31 December 2020
	£	£	£	£	£	£
General funds	302,412	50,105	(81,537)	6,817	–	277,797
A Hogarth fund	1,000	–	–	–	–	1,000
G E Jones fund	28,038	119	–	–	–	28,157
	331,450	50,224	(81,537)	6,817	–	306,954

General funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for application on the general purposes of the PCC. Funds designated for a particular purpose by the PCC are also unrestricted.

21. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 January 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 December 2021 £
Miscellaneous Restricted Funds	34,815	52	–	–	–	34,867
Restoration fund	27,670	–	–	(27,670)	–	–
Fabric and building maintenance fund	8,339	–	(6,645)	27,670	–	29,364
	70,824	52	(6,645)	–	–	64,231

	At 1 January 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 December 2020 £
Miscellaneous Restricted Funds	35,498	7,974	(1,840)	(6,817)	–	34,815
Restoration fund	38,174	201	(10,705)	–	–	27,670
Fabric and building maintenance fund	11,499	49	(3,209)	–	–	8,339
	85,171	8,224	(15,754)	(6,817)	–	70,824

Restricted funds are those funds which must be spent on restricted purposes in accordance with the donors' wishes.

The miscellaneous fund and the fabric fund represent accumulated donations and investment income for the stated purpose.

Also included in miscellaneous restricted funds is insurance interest fund monies. The PCC has decided to show these as restricted funds although the PCC's insurers paid the monies without any restriction other than that the funds had to be used for the church rebuilding.

The restoration fund represent monies raised for the church rebuilding. On 24 September 2021 the Charity Commission granted approval for this fund to be utilised as a building maintenance fund.

21. Analysis of charitable funds *(continued)*

Endowment funds

	At 1 January 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 December 2021 £
Elsie Shaw Bequest	80,730	–	–	–	9,349	90,079
MA & N Hogarth	57,138	–	–	–	–	57,138
Miss V S Bowes	447	–	–	–	–	447
Revd. T W Jackson	6,939	–	–	–	–	6,939
	145,254	–	–	–	9,349	154,603

	At 1 January 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 December 2020 £
Elsie Shaw Bequest	77,524	–	–	–	3,206	80,730
MA & N Hogarth	57,138	–	–	–	–	57,138
Miss V S Bowes	447	–	–	–	–	447
Revd. T W Jackson	6,939	–	–	–	–	6,939
	142,048	–	–	–	3,206	145,254

The V S Bowes fund is restricted to use for the parish hall.

The T W Jackson fund is restricted to use for the church fabric.

The Elsie Shaw bequest and the MA & N Hogarth permanent fund are permanent endowments but the income can be used for general church purposes and is therefore unrestricted.

22. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	**Total Funds 2021 £**
Tangible fixed assets	39,558	820	–	40,378
Investments	–	–	74,698	74,698
Current assets	285,766	63,411	79,905	429,082
Creditors less than 1 year	(27,535)	–	–	(33,431)
Net assets	297,789	64,234	154,603	516,623

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £
Tangible fixed assets	40,226	1,640	–	41,866
Investments	–	–	65,349	65,349
Current assets	290,426	69,184	79,905	439,515
Creditors less than 1 year	(23,698)	–	–	(23,698)
Net assets	306,954	70,824	145,254	523,032

23. Connected persons

St Michaels Church Workington Limited is a connected person in relation to the Council, the directors of the Company being members of the Standing Committee of the PCC. The Company was incorporated on 9 July 1996 and its objects are to assist and promote the religious and other charitable work of the Church and in particular to oversee the reconstruction of the church and employ suitable persons to act as project managers and assist the local community.

During the year the PCC made a contribution to the company in the sum of £7,000 (2020 - £10,000).

24. Related parties

The charity received donations in the year from trustees of £9,614 (2020 - £9,183).

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST. MICHAEL, WORKINGT

England & Wales - Charity number 1131867

Accounts

Charity Registration Number 1131867

Workington St Michael

Parochial Church Council

Unaudited Financial Statements

31 December 2020

robinson+co

Chartered Accountants

Workington St Michael Parochial Church Council

Financial Statements

Year ended 31 December 2020

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Workington St Michael Parochial Church Council

Trustees' Annual Report

Year ended 31 December 2019

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2020.

Reference and administrative details

Registered charity name	Workington St Michael Parochial Church Council
Charity registration number	1131867
Principal office	Workington Parochial Church Council Parish Office St Michael's Church Falcon Place Workington CA14 2EZ

The trustees

Chair	The Very Revd Dr Frances Ward
Curate	The Revd Dr Peter Powell
Reader emeritus	Mr Richard Jones
Wardens	Mr Eric Martin Mr Stuart Edger
Secretary	Mrs Margaret Smith (resigned March 2020) Mrs Julia Sharpe (appointed March 2020)
Treasurer	Mrs Lorna Wilson
Lay Chairperson	Mr Eric Martin
Deanery Synod Representatives	Mrs Brian Wilkinson (from 2020) Mrs Julia Sharpe (from 2020) Mr Margaret Nichol (from 2020)
Safeguarding Officer	Mrs Joanne Braniff

To serve until APCM 2021	Mrs Margaret Smith Mrs Lorna Wilson
To serve until APCM 2022	Mr Richard Ashcroft Mrs Joanne Braniff Mrs Margaret Nichol Mrs Clare Stilwell
To serve until APCM 2023	Mr Eric Martin Mr Stuart Edger Mrs Stephanie Hughes Mrs Julia Sharpe Mr Mark Stilwell Mr Keith Beattie Mrs Helen Tinnion Mr Brian Wilkinson

Committees
The PCC meets approximately eight times a year to oversee the overall direction of vision and strategy, and the work of a number of committees, which meet as required between full meetings of the PCC. During 2020, owing to the Covid Lockdown imposed in March, PCC meetings were suspended from April to July.

Standing and Finance Committee
This committee meets as a subcommittee of the PCC, and is comprised of the Priest in Charge, the Lay Chair, the Wardens, the Secretary, the Treasurer and any co-opted members. It transacts the business of the PCC between its meetings and also serves as the Fabric Committee in relation to the Church and the Parish Rooms.

Social Committee
This committee makes arrangements for and co-ordinates social activities of the parish church, to develop and promote good fellowship, to fund raise for the parish and for other social causes.

Stewardship Committee
This committee has not met in recent years. When it does, it oversees parish giving and stewardship to generate income to cover expenditure and to meet the annual Parish Offer.

Safeguarding Committee
This committee oversees parish safeguarding policies and supports the Safeguarding Officer.

Company secretary	Mrs Julia Sharpe
Accountants	robinson+co Chartered Accountants Oxford Chambers New Oxford Street Workington CA14 2LR

Structure, governance and management

The Parochial Church Council is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure (1956) lately amended by the Church Representation Rules, 2020. The PCC became an Official Charity registered with the Charity Commission in 2009, Charity Number 1131867.

Recruitment and Appointment of Members
Members of the PCC are either ex officio or elected by the Annual Parochial Church Meeting in accordance with the Church Representation Rules.

Related Parties
The Parish Church of St Michael was destroyed by fire in September 1994. To facilitate the rebuilding process a limited company, "St Michael's Church Workington Limited", was formed in July 1996. Its trustees/directors are appointed according to its constitution, and in 2020 were The Very Revd Dr Frances Ward (Chair) (from 2020), Eric Martin, Stuart Edger, Margaret Smith and Revd Dr Peter Powell. Lorna Wilson is the Company Secretary. It held the AGM in October 2020 and meets four times a year.

Objectives and activities

The PCC's objectives are to provide worship and provide facilities to benefit the environment and the community at large.

Public Benefit
The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities, and how these planned activities will contribute to the aims and objectives they have set.

Achievements and performance

Church attendance
There were 150 parishioners on the Electoral Roll in September 2020. Attendance on normal Sundays is approximately as follows:-

8:00am	5	Common Worship (Said)
9:30am	50-60	Common Worship (Sung) + Sunday School
6:30pm	10	Evening (BCP) Sung

However, from 17 March 2020 the nation went into Lockdown in response to the Covid 19 Pandemic, and St Michael's Church was closed until 12 July 2020, when the 9.30 service resumed, under strict restrictions of number and social distanced attendance to ensure each worshipper was safe, with masks worn, and essential sanitising in place. These restrictions pertained under the end of 2020 (and beyond).

Midweek attendance is approximately as follows:

Wednesday	10:00am	20	Common Worship (Said)
Thursday	6:30pm	3	Common Worship (Said)

Baptisms during 2020:	6
Funerals in Church:	19
Weddings in Church:	2

Achievements and performance *(continued)*

Review of the year - Chair's Report

The extraordinary and unprecedented events caused by the COVID 19 pandemic of 2020/21 resulted in an authorised delay in holding the APCM in 2020 and the preparation of the Financial Statements. The APCM was originally scheduled for 27 April 2020, and was held on 28 September 2020. PCC meetings were suspended until July, in accordance with Government directive, and resumed person to person from July to December, following social distancing rules.

This Annual Report pays tribute to the many people who provided time, support, resources and a commitment above and beyond the normal. A huge thanks goes out to each and everyone.

Ministry and Worship: On 2 February 2020, The Very Revd Dr Frances Ward was licensed as Priest in Charge of St Michael's and St John's Churches in Workington, to serve half time, with the stipend shared with the Revd Malcolm Stilwell. The Revd Dr Peter Powell continued his curacy, which will end at Petertide, 2021. During 2020 worship continued either with a congregation (until Sunday 15 March 2020) after which it was suspended, with on line services broadcast from the Rectory each Sunday and then from St Michael's Church after churches were re-opened in July, with a congregation from 12 July 2020 until the end of the year. Online worship was made possible by Mr Mark Stilwell, and the organ was played by Mr Mark Hazzard, with singing provided by Ms Matilda Poward.
Drs Ward and Powell continued their **pastoral ministry** over both parishes, phoning parishioners on a regular basis, conducting funerals as required in church and at the crematorium or graveside.

Building and Maintenance: A great deal of usual activity was suspended, and also plans to carry forward progress, for example, on Parish Rooms renovations was postponed. In December the PCC resolved to change the purposes of the Restoration Fund to extend its use to include all buildings owned by the Church, and the Charity Commission was notified. The PCC continues to be grateful to Eric Martin, in particular, for his commitment to ensure our facilities continues to be well maintained for use by the congregation and organisations throughout our community.

Throughout 2020 the **Social committee**, chaired by Mrs Clare Stilwell, continued to meet in person or on Zoom to plan a calendar of events for 2021, and the Young Ladies Group provided cakes for isolated citizens across town, for which Lorna Wilson received commendation from the High Sheriff.

The **Sunday School** met while the Church was open for worship, and Wendy Kendall, the Sunday School leader, continued contact with families and young people, for which the PCC was grateful. The **Tots Group and Youth Group** were suspended for 2020, ready to reopen in 2021, when restrictions are sufficiently lifted. Thanks to Mrs Joan Collins and Mrs Lorna Wilson and their teams for their continued commitment, time and effort.

Financial review

The Parish Offer for 2020 was pledged at £36,000, raised from £33,610 in 2019. At the end of 2020 it became clear that the parish income through giving did not meet this amount, and as in previous years, the PCC resolved to meet the shortfall (in 2020 of £21,000) from reserves and the current account.

Reserves policy and going concern
It is the policy of the PCC to maintain unrestricted funds, which are 'free reserves' of the organisation, at the maximum possible level to provide sufficient funds to generate income to cover some of the expenses of the PCC and to respond to emergency requests for grants, which may arise from time to time. The policy will require review, particularly in the light of the challenges of 2020, which anticipate a significant reduction in income and funding.

Financial review *(continued)*

Principal funding sources
Aside from the income generated by the church hall lettings, the principal funding is voluntary income through planned giving, service collections and general donations.

Risk Management
During 2020, the members have continued to be mindful of the major strategic, business and operational risks which the PCC faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks, however, the Covid pandemic has made risk generally much more difficult to assess.

Planning for a secure financial future

Against a national context of financial crisis, exacerbated by the pandemic, the current financial position with impacts on income streams, provides real cause for concern and the Standing Committee and PCC drew up terms of reference for a review of finances, and asked Mr Geoff Hine to help as a critical friend. The terms of reference were:

1. Greater clarity and transparency to aid financial decision making
2. More accurate Forecasting, to include consideration of
    a. trends, fixed costs, expected income, etc
    b. Income generation
    c. Budget planning, including ongoing maintenance budget
    d. Scenario planning, given Covid
3. Greater understanding of the financial relationship between the PCC and the Limited Company
4. Clear judgement on how to improve stewardship and planned giving

This review was agreed at the APCM 2020, to incorporate St Michael's Church (Workington) Limited, to enable the best possible financial planning, based upon Cash Flow Forecasts and Projected Statements of Financial Activity. The review would also enable the PCC trustees to clarify the relationship between the PCC and the Limited Company to ascertain whether the current business model is still fit for purpose, and whether the Limited Company needs to be closed down as part of the review of current practices and business models. The review will also help the PCC determine realistic budget planning, with a reserve policy in place, in accordance with Charity Commission guidelines, based on maximised income and careful expenditure. The review is likely to commend a stewardship campaign in 2021 or 2022, to increase planned giving donations. The PCC is taking its responsibilities seriously to manage the Church resources into the future.

The trustees annual report was approved at the APCM on 19 May 2021 and signed on behalf of the board of trustees by:

Frances Ward 19 May 2021

The Very Revd Dr Frances Ward
Priest in Charge, chair of the PCC, and of the Standing Committee

Workington St Michael Parochial Church Council

Independent Examiner's Report to the Trustees of Workington St Michael Parochial Church Council

Year ended 31 December 2020

I report to the trustees on my examination of the financial statements of Workington St Michael Parochial Church Council ('the charity') for the year ended 31 December 2020.

Responsibilities and basis of report

As the trustees of the charity you 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 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.

D. Mewse

Darren Mewse FCA
Chartered Accountant

Independent examiner
robinson+co
Chartered Accountants
Oxford Chambers
New Oxford Street
Workington
CA14 2LR

19 May 2021

Workington St Michael Parochial Church Council

Statement of Financial Activities

Year ended 31 December 2020

	Note	2020 Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £	2019 Total funds £
Income and endowments						
Donations and legacies	4	32,566	7,837	–	40,403	57,684
Charitable activities	5	9,174	–	–	9,174	11,540
Other trading activities	6	5,270	–	–	5,270	15,276
Investment income	7	3,214	387	–	3,601	4,996
Total income		50,224	8,224	–	58,448	89,496
Expenditure						
Expenditure on raising funds: Costs of other trading activities	8	63	–	–	63	126
Expenditure on charitable activities	9,10	81,474	15,754	–	97,228	85,441
Other expenditure	11	–	–	–	–	12,785
Total expenditure		81,537	15,754	–	97,291	98,352
Net gains on investments	12	–	–	3,206	3,206	10,633
Net (expenditure)/income		(31,313)	(7,530)	3,206	(35,637)	1,777
Transfers between funds		6,817	(6,817)	–	–	–
Net movement in funds		(24,496)	(14,347)	3,206	(35,637)	1,777
Reconciliation of funds						
Total funds brought forward		331,450	85,171	142,048	558,669	556,892
Total funds carried forward		306,954	70,824	145,254	523,032	558,669

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 9 to 22 form part of these financial statements.

Workington St Michael Parochial Church Council

Statement of Financial Position

31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible fixed assets	**16**	41,866	44,801
Fixed asset investments	**17**	65,349	62,143
		107,215	106,944
Current assets			
Debtors	**18**	9,421	22,899
Short term deposits	**19**	410,869	427,275
Cash at bank and in hand		19,225	14,670
		439,515	464,844
Creditors: amounts falling due within one year	**20**	(23,698)	(13,119)
Net current assets		415,817	451,725
Total assets less current liabilities		523,032	558,669
Net assets		523,032	558,669
Funds of the charity			
Endowment funds:			
Permanent endowment funds		137,868	134,662
Expendable endowment funds		7,386	7,386
Restricted funds		70,824	85,171
Unrestricted funds		306,954	331,450
Total charity funds	**21**	523,032	558,669

These financial statements were approved by the board of trustees and authorised for issue on 19 May 2021, and are signed on behalf of the board by:

The Very Revd Dr Frances Ward
Chair

Frances Ward 19 May 2021

The notes on pages 9 to 22 form part of these financial statements.

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Workington Parochial Church Council, Parish Office, St Michael's Church, Falcon Place, Workington, CA14 2EZ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

The financial statements have been produced to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following 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) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Disclosure exemptions

The charity has taken advantage of the exemption in FRS 102 Update Bulletin 1 from the requirement to produce a cashflow statement because it is a small charity.

Judgements and key sources of estimation uncertainty

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.

3. **Accounting policies** *(continued)*

Judgements and key sources of estimation uncertainty *(continued)*

Significant judgements
The judgements (apart from those involving estimations) that the members have made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

Investment valuations
Investments held by the PCC are listed and therefore are independently valued at market value.

Impairment of tangible fixed assets
The PCC is required to review fixed assets for impairment. The members make judgments about the condition of assets and review their estimated lives. Key sources of estimation uncertainty Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

The useful economic life of each category of fixed asset is assessed when acquired by the PCC. A degree of estimation is occasionally used in assessing the useful economic life of assets.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Restricted funds are subjected to restrictions on their expenditure declared by the donor through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

- legacy income is recognised when receipt is probable and entitlement is established.

- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

3. **Accounting policies** *(continued)*

Incoming resources *(continued)*

- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

- income from investments is included in the year in which it is receivable.

- realised gains or losses are recognised when investments are sold.

- unrealised gains or losses are accounted for on revaluation of investments at 31 December.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

The diocesan quota or parish share is accounted for when payable. Any quota unpaid at 31 December is not provided for in these accounts as it is an operational (though not a legal) liability.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Consecrated and beneficed property is excluded from the accounts by s.10(2)(a) of the Charities Act 2011.

No value is placed on movable 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 benefice buildings and movable church furnishings, whether maintenance or improvement, is written off as expenditure in the SOFA and separately disclosed.

3. **Accounting policies** *(continued)*

Depreciation

Individual items of equipment with a purchase price of £1,000 or less are written off when the asset is acquired.

Freehold property	-	2% straight line
Fixtures and fittings	-	25% straight line

Investments

Investments held as fixed assets are revalued at mid-market value at the balance sheet date and the gain or loss taken to the statement of financial activities.

Current asset investments are at the lower of cost and net realisable value.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

Basic financial instruments are recognised at amortised cost, except for fixed asset investments which are measured at fair value.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2020 £**
Donations			
Collections at all services	2,890	–	2,890
Planned giving	21,155	–	21,155
Gift aid donations	1,220	–	1,220
Taxes recoverable	(3,131)	–	(3,131)
Sundry donations	7,070	7,837	14,907
Legacies			
Legacies	3,362	–	3,362
Grants			
Grants receivable	–	–	–
	32,566	7,837	40,403

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Donations			
Collections at all services	6,649	–	6,649
Planned giving	21,774	–	21,774
Gift aid donations	4,215	–	4,215
Taxes recoverable	4,000	–	4,000
Sundry donations	6,997	1,611	8,608
Legacies			
Legacies	954	–	954
Grants			
Grants receivable	–	11,484	11,484
	44,589	13,095	57,684

5. Charitable activities

	Unrestricted Funds £	**Total Funds 2020 £**	Unrestricted Funds £	Total Funds 2019 £
Fees	8,953	8,953	11,083	11,083
Magazine donations and advertising	221	221	457	457
	9,174	9,174	11,540	11,540

6. Other trading activities

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2020 £**
Shop income	241	–	241
Church hall lettings	2,672	–	2,672
Fetes, bazaars and other fund raising	2,357	–	2,357
Sundry income	–	–	–
	5,270	–	5,270

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Shop income	1,510	–	1,510
Church hall lettings	6,679	–	6,679
Fetes, bazaars and other fund raising	6,489	142	6,631
Sundry income	456	–	456
	15,134	142	15,276

7. Investment income

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2020 £**
Dividend income	1,831	–	1,831
Bank interest receivable	1,383	387	1,770
	3,214	387	3,601

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Dividend income	1,777	–	1,777
Bank interest receivable	2,533	686	3,219
	4,310	686	4,996

8. Costs of other trading activities

	Unrestricted Funds £	**Total Funds 2020 £**	Unrestricted Funds £	Total Funds 2019 £
Fundraising costs	63	63	126	126

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2020 £**
Organist's expenses	653	–	653
Ministry – parish offer	36,000	–	36,000
Ministry – clergy expenses	410	–	410
Church running expenses	9,026	–	9,026
Church repairs and maintenance	4,501	13,913	18,414
Church hall running costs	5,198	–	5,198
Diocese fees	3,535	–	3,535
Contribution to St Michaels Church Workington Ltd	10,000	–	10,000
Sundry expenses	4,695	1,021	5,716
Depreciation of tangible fixed assets	2,115	820	2,935
Missionary and charitable giving	–	–	–
Accountancy charges	2,015	–	2,015
Telephone and internet charges	1,384	–	1,384
Printing and stationery	1,942	–	1,942
	81,474	15,754	97,228

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Organist's expenses	1,508	–	1,508
Ministry – parish offer	33,610	–	33,610
Ministry – clergy expenses	2,477	–	2,477
Church running expenses	8,413	–	8,413
Church repairs and maintenance	2,067	2,454	4,521
Church hall running costs	6,982	–	6,982
Diocese fees	5,129	–	5,129
Contribution to St Michaels Church Workington Ltd	3,196	–	3,196
Sundry expenses	7,099	–	7,099
Depreciation of tangible fixed assets	2,115	820	2,935
Missionary and charitable giving	283	3,040	3,323
Accountancy charges	1,965	–	1,965
Telephone and internet charges	1,615	–	1,615
Printing and stationery	2,668	–	2,668
	79,127	6,314	85,441

10. Expenditure on charitable activities by activity type

	Activities undertaken directly £	**Total funds 2020 £**	Total fund 2019 £
Church activities	97,228	97,228	85,441

11. Other expenditure

	Restricted Funds	**Total Funds 2020**	Restricted Funds	Total Funds 2019
	£	**£**	£	£
Archaeology	–	–	12,785	12,785

12. Net gains on investments

	Endowment Funds	**Total Funds 2020**	Endowment Funds	Total Funds 2019
	£	**£**	£	£
Gains/(losses) on listed investments	3,206	3,206	10,633	10,633

13. Net (expenditure)/income

Net (expenditure)/income is stated after charging/(crediting):

	2020	2019
	£	£
Depreciation of tangible fixed assets	2,935	2,935

14. Independent examination fees

	2020	2019
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	2,015	1,965

15. Trustee remuneration and expenses

There were no employment costs or remuneration in the year (2019 - £nil).

There are no other staff costs relating to the trustees (key management personnel).

16. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Total £
Cost			
At 1 January 2020 and 31 December 2020	75,000	21,376	96,376
Depreciation			
At 1 January 2020	34,500	17,075	51,575
Charge for the year	1,500	1,435	2,935
At 31 December 2020	36,000	18,510	54,510
Carrying amount			
At 31 December 2020	39,000	2,866	41,866
At 31 December 2019	40,500	4,301	44,801

17. Fixed asset investments

	Listed investments £
Valuation	
At 1 January 2020	62,143
Additions	–
Fair value movements	3,206
At 31 December 2020	65,349
Carrying amount	
At 31 December 2020	65,349
At 31 December 2019	62,143

All investments shown above are held at valuation.

Financial assets held at fair value

The historical cost of fixed asset investments at 31 December 2020 was £36,500 (2019: £36,500).

All fixed asset investments are held within the United Kingdom.

The above investments consisted of 3,189.75 income shares in the CBF Church of England Investment Fund. The share valuation at 31 December 2020 was 2048.73p per share (2019 - 1948.21p).

18. Debtors

	2020	2019
	£	£
Prepayments and accrued income	568	433
Other debtors	8,853	22,466
	9,421	22,899

19. Short term deposits

	2020	2019
	£	£
Short-term deposits brought forward	427,275	458,202
Short-term deposits additions	3,594	8,910
Short-term deposits disposals	(20,000)	(39,837)
	410,869	427,275

Short-term deposits comprise short-term deposits in the CBF Church of England Deposit Fund or at the bank.

20. Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	21,210	8,976
Accruals and deferred income	2,488	4,143
	23,698	13,119

21. Analysis of charitable funds

Unrestricted funds

	At 1 Jan 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	**At 31 Dec 2020** £
General funds	302,412	50,105	(81,537)	6,817	–	277,797
A Hogarth fund	1,000	–	–	–	–	1,000
G E Jones fund	28,038	119	–	–	–	28,157
	331,450	50,224	(81,537)	6,817	–	306,954

	At 1 Jan 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Dec 2019 £
General funds	306,301	75,364	(79,253)	–	–	302,412
A Hogarth fund	1,000	–	–	–	–	1,000
G E Jones fund	27,829	209	–	–	–	28,038
	335,130	75,573	(79,253)	–	–	331,450

General funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for application on the general purposes of the PCC. Funds designated for a particular purpose by the PCC are also unrestricted.

21. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 Jan 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Dec 2020 £
Miscellaneous Restricted Funds	35,498	7,974	(1,840)	(6,817)	–	34,815
Restoration fund	38,174	201	(10,705)	–	–	27,670
Fabric fund	11,499	49	(3,209)	–	–	8,339
	85,171	8,224	(15,754)	(6,817)	–	70,824

	At 1 Jan 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Dec 2019 £
Miscellaneous Restricted Funds	39,174	13,480	(17,156)	–	–	35,498
Restoration fund	39,760	357	(1,943)	–	–	38,174
Fabric fund	11,413	86	–	–	–	11,499
	90,347	13,923	(19,099)	–	–	85,171

Restricted funds are those funds which must be spent on restricted purposes in accordance with the donors' wishes.

The miscellaneous fund and the fabric fund represent accumulated donations and investment income for the stated purpose.

Also included in miscellaneous restricted funds is insurance interest fund monies. The PCC has decided to show these as restricted funds although the PCC's insurers paid the monies without any restriction other than that the funds had to be used for the church rebuilding.

The restoration fund represents monies raised for the church rebuilding.

21. Analysis of charitable funds *(continued)*

Endowment funds

	At 1 Jan 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	**At 31 Dec 2020** £
Elsie Shaw Bequest	77,524	–	–	–	3,206	80,730
MA & N Hogarth	57,138	–	–	–	–	57,138
Miss V S Bowes	447	–	–	–	–	447
Revd. T W Jackson	6,939	–	–	–	–	6,939
	142,048	–	–	–	3,206	145,254

	At 1 Jan 2019 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Dec 2019 £
Elsie Shaw Bequest	66,891	–	–	–	10,633	77,524
MA & N Hogarth	57,138	–	–	–	–	57,138
Miss V S Bowes	447	–	–	–	–	447
Revd. T W Jackson	6,939	–	–	–	–	6,939
	131,415	–	–	–	10,633	142,048

The V S Bowes fund is restricted to use for the parish hall.

The T W Jackson fund is restricted to use for the church fabric.

The Elsie Shaw bequest and the MA & N Hogarth permanent fund are permanent endowments but the income can be used for general church purposes and is therefore unrestricted.

22. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	**Total Funds 2020 £**
Tangible fixed assets	40,226	1,640	–	41,866
Investments	–	–	65,349	65,349
Current assets	290,426	69,184	79,905	439,515
Creditors less than 1 year	(23,698)	–	–	(23,698)
Net assets	306,954	70,824	145,254	523,032

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2019 £
Tangible fixed assets	42,341	2,460	–	44,801
Investments	–	–	62,143	62,143
Current assets	302,228	82,711	79,905	464,844
Creditors less than 1 year	(13,119)	–	–	(13,119)
Net assets	331,450	85,171	142,048	558,669

23. Connected persons

St Michaels Church Workington Limited is a connected person in relation to the Council, the directors of the Company being members of the Standing Committee of the PCC. The Company was incorporated on 9 July 1996 and its objects are to assist and promote the religious and other charitable work of the Church and in particular to oversee the reconstruction of the church and employ suitable persons to act as project managers and assist the local community.

During the year the PCC made a contribution to the company in the sum of £10,000 (2019 - £3,196).

24. Related parties

The charity received donations in the year from trustees of £9,183 (2019 - £7,510).