

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

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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

Workington St Michael Parochial Church Council

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

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

Workington St Michael Parochial Church Council

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

As a result, the PCC adopted the following:

A reserves policy 2021	adopted by the PCC in September
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

Workington St Michael Parochial Church Council

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

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

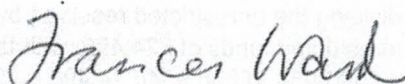
Principal funding sources

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:



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.



Darren Mewse FCA
Independent Examiner

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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

		2021			2020
	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Income and endowments					
Donations and legacies	4	49,798	—	—	49,798
Charitable activities	5	6,642	—	—	6,642
Other trading activities	6	10,078	—	—	10,078
Investment income	7	2,044	52	—	2,096
Total income		<u>68,562</u>	<u>52</u>	<u>—</u>	<u>68,614</u>
Expenditure					
Expenditure on raising funds:					
Costs of other trading activities	8	136	—	—	136
Expenditure on charitable activities	9,10	77,591	6,645	—	84,236
Total expenditure		<u>77,727</u>	<u>6,645</u>	<u>—</u>	<u>84,372</u>
Net gains on investments	11	—	—	9,349	9,349
Net expenditure and net movement in funds		<u>(9,165)</u>	<u>(6,593)</u>	<u>9,349</u>	<u>(6,409)</u>
Reconciliation of funds					
Total funds brought forward		306,954	70,824	145,254	523,032
Total funds carried forward		<u>297,789</u>	<u>64,231</u>	<u>154,603</u>	<u>516,623</u>

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
		<u>115,076</u>	<u>107,215</u>
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
		<u>429,082</u>	<u>439,515</u>
Creditors: amounts falling due within one year	19	(27,535)	(23,698)
Net current assets		<u>395,651</u>	<u>415,817</u>
Total assets less current liabilities		<u>516,623</u>	<u>523,032</u>
Net assets		<u>516,623</u>	<u>523,032</u>
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	<u>516,623</u>	<u>523,032</u>

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.

Workington St Michael Parochial Church Council

Notes to the Financial Statements

Year ended 31 December 2021

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.

Workington St Michael Parochial Church Council

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

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.

Workington St Michael Parochial Church Council

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

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.

Workington St Michael Parochial Church Council

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

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.

Workington St Michael Parochial Church Council

Notes to the Financial Statements (continued)

Year ended 31 December 2021

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
	<u>49,798</u>	<u>—</u>	<u>49,798</u>
	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	—	—	—
	<u>32,566</u>	<u>7,837</u>	<u>40,403</u>

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
	<u>6,642</u>	<u>6,642</u>	<u>9,174</u>	<u>9,174</u>

Workington St Michael Parochial Church Council

Notes to the Financial Statements (continued)

Year ended 31 December 2021

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	-	-
	<u>10,078</u>	<u>10,078</u>	<u>5,270</u>	<u>5,270</u>

7. Investment income

	Unrestricted Funds	Restricted Funds	Total Funds 2021
	£	£	£
Dividend income	1,896	-	1,896
Bank interest receivable	148	52	200
	<u>2,044</u>	<u>52</u>	<u>2,096</u>

	Unrestricted Funds	Restricted Funds	Total Funds 2020
	£	£	£
Dividend income	1,831	-	1,831
Bank interest receivable	1,383	387	1,770
	<u>3,214</u>	<u>387</u>	<u>3,601</u>

8. Costs of other trading activities

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

Workington St Michael Parochial Church Council

Notes to the Financial Statements (continued)

Year ended 31 December 2021

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
	<u>77,591</u>	<u>6,645</u>	<u>84,236</u>

	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
	<u>81,474</u>	<u>15,754</u>	<u>97,228</u>

Workington St Michael Parochial Church Council

Notes to the Financial Statements (continued)

Year ended 31 December 2021

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).

Workington St Michael Parochial Church Council

Notes to the Financial Statements (continued)

Year ended 31 December 2021

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).

Workington St Michael Parochial Church Council

Notes to the Financial Statements (continued)

Year ended 31 December 2021

17. Debtors

	2021 £	2020 £
Trade debtors	506	—
Prepayments and accrued income	394	568
Other debtors	15,183	8,853
	<u>16,083</u>	<u>9,421</u>

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)
	<u>367,964</u>	<u>410,869</u>

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	—
	<u>27,535</u>	<u>23,698</u>

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).

Workington St Michael Parochial Church Council

Notes to the Financial Statements (continued)

Year ended 31 December 2021

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
	<u>306,954</u>	<u>68,562</u>	<u>(77,727)</u>	<u>-</u>	<u>-</u>	<u>297,789</u>

	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
	<u>331,450</u>	<u>50,224</u>	<u>(81,537)</u>	<u>6,817</u>	<u>-</u>	<u>306,954</u>

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.

Workington St Michael Parochial Church Council

Notes to the Financial Statements (continued)

Year ended 31 December 2021

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
	<u>70,824</u>	<u>52</u>	<u>(6,645)</u>	<u>—</u>	<u>—</u>	<u>64,231</u>

	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
	<u>85,171</u>	<u>8,224</u>	<u>(15,754)</u>	<u>(6,817)</u>	<u>—</u>	<u>70,824</u>

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.

Workington St Michael Parochial Church Council

Notes to the Financial Statements (continued)

Year ended 31 December 2021

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
	<u>145,254</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,349</u>	<u>154,603</u>

	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
	<u>142,048</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,206</u>	<u>145,254</u>

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.

Workington St Michael Parochial Church Council

Notes to the Detailed Statement of Financial Activities

Year ended 31 December 2021

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	<u>297,789</u>	<u>64,234</u>	<u>154,603</u>	<u>516,623</u>

	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	<u>306,954</u>	<u>70,824</u>	<u>145,254</u>	<u>523,032</u>

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).