

**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 as they anticipate the next vacancy.

- > 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.

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

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
		<u>103,700</u>	<u>115,076</u>
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
		<u>407,664</u>	<u>429,082</u>
Creditors: amounts falling due within one year	19	(4,214)	(27,535)
Net current assets		<u>403,450</u>	<u>401,547</u>
Total assets less current liabilities		<u>507,150</u>	<u>516,623</u>
Net assets		<u>507,150</u>	<u>516,623</u>
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	<u>507,150</u>	<u>516,623</u>

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
	<u>51,174</u>	<u>51,174</u>	<u>49,798</u>	<u>49,798</u>

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
	<u>13,587</u>	<u>13,587</u>	<u>6,642</u>	<u>6,642</u>

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
	<u>35,601</u>	<u>35,601</u>	<u>10,078</u>	<u>10,078</u>

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
	<u>5,726</u>	<u>1,092</u>	<u>6,818</u>

	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>

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
	<u>107,040</u>	<u>820</u>	<u>107,860</u>

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

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
	<u>5,726</u>	<u>1,092</u>	<u>6,818</u>

	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>

8. Costs of other trading activities

	Unrestricted Funds	Total Funds 2022	Unrestricted Funds	Total Funds 2021
	£	£	£	£
Fundraising costs	<u>—</u>	<u>—</u>	<u>136</u>	<u>136</u>

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	<u>75,000</u>	<u>24,413</u>	<u>99,413</u>
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	<u>39,000</u>	<u>22,618</u>	<u>61,618</u>
Carrying amount			
At 31 December 2022	<u>36,000</u>	<u>1,795</u>	<u>37,795</u>
At 31 December 2021	<u>37,500</u>	<u>2,878</u>	<u>40,378</u>

16. Fixed asset investments

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

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
	<u>19,527</u>	<u>16,083</u>

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)
	<u>359,959</u>	<u>367,964</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

	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
	<u>4,214</u>	<u>27,535</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 £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
	<u>297,789</u>	<u>106,088</u>	<u>(107,040)</u>	<u>—</u>	<u>—</u>	<u>296,837</u>

	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>

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
	<u>64,231</u>	<u>1,092</u>	<u>(820)</u>	<u>—</u>	<u>—</u>	<u>64,503</u>
	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
	<u>70,824</u>	<u>52</u>	<u>(6,645)</u>	<u>—</u>	<u>—</u>	<u>64,231</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 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
	<u>154,603</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(8,793)</u>	<u>145,810</u>

	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>

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