



**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
ST MICHAEL AND ALL ANGELS, SANDHURST**

Charity number: 1134547

**TRUSTEES' ANNUAL REPORT
and
FINANCIAL STATEMENTS**

for the year ended 31 December 2021

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Web: www.stmichaels-sandhurst.org.uk

A Legal and administrative information

St Michael and All Angels Church, Sandhurst is registered as a charity with the Charity Commission (number 1134547). Details can be viewed at <http://www.charity-commission.gov.uk>.

Location:

High Street, Sandhurst, Berkshire, GU47 8HP

Correspondence address:

The Parish Office, St. Michael's Pastoral Centre, Lower Church Road, Sandhurst, Berkshire, GU47 8HN

Banker:

CAF (Charities Aid Foundation), 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4TA

Independent Examiner:

Mrs. Karen Symons, FCA, Willow Corner, 7 Ackrell's Mead, Little Sandhurst, Berkshire, GU47 8JJ.

Trustees (Parochial Church Council members):

Trustees who have served from 1 January 2021 until the date this report was approved are:

Name		Position	Notes
John Castle	@	Rector and Chairman	
Emma Hodge	@	Churchwarden	First Elected APCM 2017
Catherine Wilkins	@	Churchwarden	First Elected APCM 2019
Sue Campbell	@	PCC Secretary Deanery Synod Rep	Elected to DS APCM 2020
John Martin	@	Deanery Synod Rep Vice chairman	Elected to DS APCM 2017
John Campbell			Elected APCM 2020
Georgina Castle			Elected APCM 2021
Rupert Cremer-Evans			Elected APCM 2021
Alun Grafton			Elected by PCC Nov 2020
Clare Hardy			Elected APCM 2021
Stephanie Martin			Elected APCM 2019
Dave Percival		PCC Secretary	Resigned March 2021
Diana Taylor		Safe-Guarding Officer	Elected APCM 2021
Jon Toohey		Treasurer	Elected APCM 2019
Nicky Thomas			Elected APCM 2020

@ by virtue of office
co-opted

B Structure, governance and management

The Parochial Church Council (PCC) is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure. The PCC is a Registered Charity (charity number 1134547).

PCC members are recruited in a number of ways. The clergy, churchwardens and the treasurer are members by virtue of their office. Members of the PCC and Deanery Synod Representatives are elected at the Annual Parochial Church Meeting (APCM) and they serve for a three-year term, if someone is unable to finish their term then people are elected at the APCM to fulfil the remainder of the term. The full PCC held nine regular meetings during the year. The average attendance at all meetings was ninety two percent. Five meetings being fully attended.

During the year, because of the continued restrictions imposed to restrict the Covid-19 pandemic, The PCC have mainly met by Zoom. The Bishop of Oxford had signed an Instrument previously putting in place arrangements which enable meetings of PCCs to be held electronically, so that decisions taken at these meetings during these exceptional times have the same force as if taken at a physical meeting. The PCC met by remote means on 8 occasions and one in person. Where appropriate, key decisions were voted on by email and endorsed at the next meeting.

The Rector's Council consists of the Rector, the two churchwardens, the Vice Chairman of the PCC, the PCC Secretary and the Treasurer. They have power to transact the business of the PCC between PCC meetings, reporting to the full PCC as appropriate. The Rector's Council met 10 times by remote means with an average attendance of 95%. Eight of the ten meetings being fully attended. The PCC secretary resigned in March 2022 and was replaced by another member of the PCC in April 2021.

The Annual Parochial Church Meeting took place on Sunday 25th April 2021. 21 people attended in person with a further 9 households (12 people) participating remotely. There were 152 people on the church electoral roll.

New PCC members are given induction training by the churchwardens or an appropriate member of the PCC or Rector's Council at PCC meeting shortly after the APCM and as necessary, to enable them to carry out their role effectively.

C Objectives and activities

The objectives of the PCC are defined by the Parochial Church Council (Powers) Measure 1956 as 'to co-operate with the minister in promoting in the parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical'. In addition they are responsible for the maintenance of the Parish Church of St. Michael and All Angels, the Pastoral Centre complex in Lower Church Road, the churchyard and the site of the former St. Mary's Church and Hall in Wellington Road, all in Sandhurst.

Our formal purpose statement, which was originally developed in 2014, is:

Knowing God for ourselves;
Growing as individuals and as a church;
Showing God's love in the world.

The purpose statement provides an easy understanding of the purpose of our church and also provides an opportunity for people to develop their relationship with God.

D Achievements and performance

1. Public Benefit

When planning our activities for the year we have considered the Charity Commission's guidance on public benefit, in particular the supplementary guidance on charities advancement of religion.

The Parochial Church Council of St Michael and All Angels, Sandhurst considers that it offers the following benefits to the local community:

1. The provision of services of public worship and a sacred space for personal prayer and contemplation.
2. Contributing to the community life of Sandhurst by being a focus for the celebration of significant shared moments in the lives of families and individuals, e.g. baptisms, weddings and funerals.
3. Pastoral work and support, including visiting the sick and the bereaved.
4. Teaching of Christianity through sermons, courses and small groups, and providing opportunities for personal self-development.
5. Taking of assemblies in local schools, and providing particular support for St Michaels Church of England Primary School in the area of governance and in other ways.
6. Providing practical, financial and pastoral support to individuals and families (including those in difficulties) through the provision of a Family Worker and via the St Michael's Hardship Fund.
7. Providing activities for different demographic groups in the community including senior citizens and toddlers.
8. Supporting other charities in the UK and overseas, including Sandhurst Counselling Service (three of whose trustees are nominated by the PCC), Sandhurst Youth (three of whose trustees are nominated by the PCC) and promoting awareness of global justice issues (A full listing of supported charities is provided in the financial statement).
9. Involvement with the local community and Town Council. This includes being an active member of Sandhurst Churches Together.
10. Maintenance of an open churchyard for the residents of Sandhurst.

2. Main features of the year:

During 2021, despite government Covid restrictions being imposed and lifted (mainly on singing, distancing and mask wearing) we have been able to keep the church open for our regular pattern of services of public worship throughout the year. Live streaming has become a part of our 9.30 and evening services, with regular attendees watching live, and others watching later in the week.

Average Sunday morning attendance

	2016	2017	2018	2019	2020	2021
First 4 weeks of October, incl baptisms	146	173	148	122	85	137
First 4 weeks of October, excl baptisms	127	125	122	122	85	93
Usual Sunday attendance (calculated from 12 typical weeks in the year)	131	133	122	119	90	85
Electoral Roll at APCM	188	185	193	156	155	152
				New ER		

Attendance in person at Sunday worship continued to be affected by the Covid pandemic, although a number of people (not counted) have attended remotely through online sites.

In 2021 we conducted 12 baptisms, 7 weddings and 14 funerals in church or at the graveside, in addition to 6 at the crematorium. (In 2020 the figures were 9 baptisms, 3 weddings and 12 funerals in church or graveside plus 11 at the crematorium). The number of baptisms was affected by the continuing Covid pandemic, but interest picked up in the second half of the year.

We have continued to provide opportunities for spiritual development for people of all ages through home groups and courses. In the autumn, we ran the 6 week 'Living in Love and Faith' course led

by John Castle and Emma Hodge, which looked at relationships and sexuality in a Christian and church context and provided an opportunity to discuss sensitive issues.

Our Rector, Rev. John Castle continues to be assisted by local retired clergy, in particular Rev Jane Kraft who regularly celebrates in the parish, and our associate priest (Rev. John White) as well as our Youth Worker, Mike Gower and our Family Workers, Angela Harper who left us in May, and her successor Sarah Bishop who started in August. The team is supported by several lay members of the church who are volunteers.

Our Family Worker, Sarah Bishop, continues developing the work with families and schools started by her predecessor Angela Harper. Her work is three-fold, firstly to help families in need, secondly by building up the community especially with families and thirdly to help children engage with scripture in a variety of ways. During 2021, her work has been to continue supporting families in need as the effects of the pandemic are far reaching and have had a long lasting impact. She has continued running regular "Bible Bites" sessions for children in years 5 and 6 at St Michael's School, within the restrictions in place at the time.

In addition to our Sunday Services and our detached work, our work with children continues with Kidz Church held each Sunday, and Toddler time held once a fortnight. Sandhurst Youth, continues to provide a youth worker who works with young people in the parish, both in a church and secular context.

We continue to work with and develop our relationship with the three primary schools in our parish, which includes holding assemblies and hosting services and events at the church. As with many other activities, this work has continued to be disrupted by the pandemic, often at short notice. We have especially close links to St Michael's Church of England Primary School, where a number of church members serve as governors, and the Rector regularly leads assemblies.

St. Michael and All Angels church have a dedicated team of volunteers to run social events with the primary aim of building up the community. During 2021, we held a gardening sale in the summer, and a produce stall and cream teas at the Heritage weekend which were both successful. The quiz night in the autumn had a different feel to it, as people brought their own food rather than having a fish and chip supper. As well as being enjoyable, it made organisation much simpler. In the summer, our Baby and Toddler Time group organised a Parish Picnic in the Rectory garden which was well attended by a wide range of people of all ages. These events were widely supported, not just by members of St. Michaels but also the wider community.

St Michael's continues to support local, national and international charitable causes; both financially and by raising awareness within its congregation which this year has included having presentations and speakers from some charities. We continue to support Fair Trade and are a Fair Trade Church.

Over the course of the year, we have worked ecumenically by being an active member of Sandhurst Churches Together. We joined with members of other churches to sing carols in Sandhurst in a very cold December night, with thanks going to the Baptist church for the use of their hall for warming refreshments afterwards. We have worked with Sandhurst Town Council and other churches for the service of Remembrance in November, which this year was once again held outdoors by the war memorial.

In July St Michael's was used as a film set for the forthcoming drama "Inside Man". Although there was some disruption, we were well paid for the use of the church and both upper rooms, and it is hoped that we may be able to host further filming in the future.

St Michael's has for some years been progressing plans as to how best to make use of the assets collectively referred to as "St Mary's" which consists of a plot of land (the site of the former St Mary's church) and the proceeds of some properties sold in the 1990's. Work has progressed towards maximising the value of the land by obtaining Planning Permission for development prior to selling the site. Our thanks go to John Martin who has worked hard to get us to this point

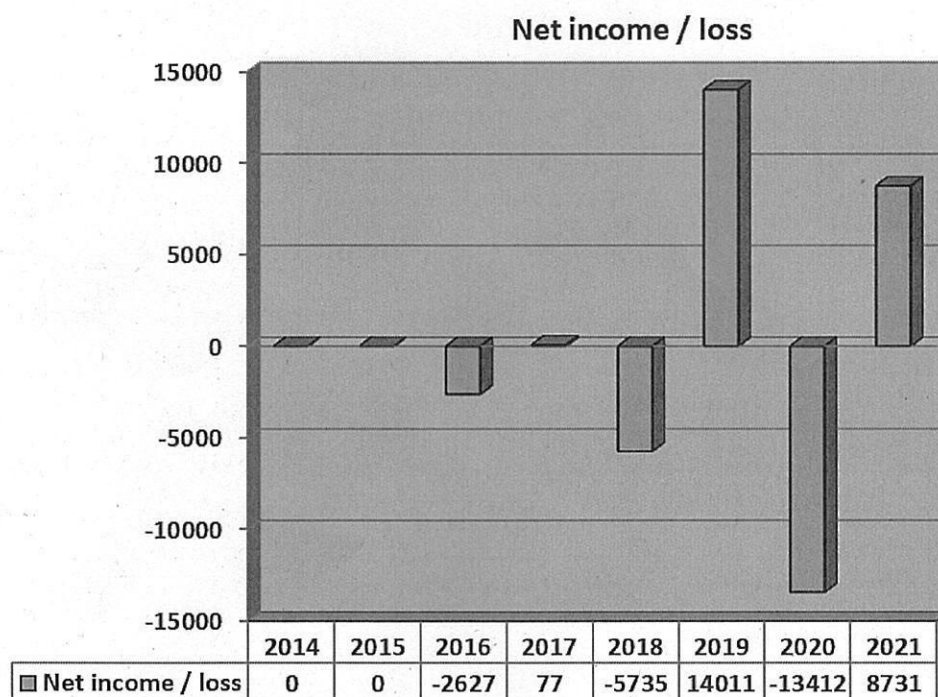
Our Pastoral Centre building, has continued to be used as a base for Little Sandhurst Nursery Group and Sandhurst Counselling Service, and it has been encouraging to see that the number of bookings is steadily increasing.

3. Safeguarding

St. Michael and All Angels PCC recognises and has complied with the duty to have "due regard" to the House of Bishops' Safeguarding Policy and Practice Guidance and takes safeguarding seriously. Safeguarding is a standing item on all PCC agendas where both the safeguarding officer can provide updates and members have the opportunity to raise questions and concerns. Mrs Diana Taylor continued as our Parish Safeguarding Officer during 2021. In the second half of 2021, the parish started evaluating the Church of England's new Safeguarding E-Manual including Safer Recruitment and several steps were taken to include this in practices. During the summer our Parish Safeguarding officer made contact with all the different groups involved in children and young people's activities and provided support to the leaders and helpers of these groups on safeguarding. There have been no safeguarding incidents requiring reporting to the Diocesan Safeguarding Officer during the year.

E Financial Review

1.1 Review of the year



After a very difficult 2020 there are a number of positives to be thankful for in 2021;

- The ongoing regular giving and other giving support (in particular a generous donation of £11k to the Youth Worker fund).
- The post lockdown return of income from hiring the Pastoral Centre, combined with on going cost control, has meant a £9k "surplus" from the general fund (see above) which has been added to the repairs fund.
- A £6k addition to the repairs fund that came from a filming company for using the church.

During 2020 it was decided that money held on deposit for the possible development of the St Mary's site would not be used this way. Selling the land with planning permission was now agreed to be the best way forward. This meant the money held on deposit now had a long-term component

that would be better placed in a medium risk investment portfolio. In addition, some of the money held in the Winspire fund also had a long-term nature. Accordingly - early in 2021 – an amount of £140k was invested that has grown to £160k. Whilst this is clearly welcome, the standard caveat applies: *"past performance is not an indicator of future performance. The value of investments and the income derived from them may fall as well as rise. Investors may not get back the amount originally invested and may lose money"*.

As we are moving closer to disposing of the St Marys site the PCC had to get a professional valuation which produced a result of £350k which we are required to reflect in the accounts. Hence the St Mary's Mission fund shows a substantial increase. Charity law has a number of requirements on the PCC to ensure maximum value is achieved on the disposal.

Reserves Policy

The Charity's income comes from donations from its parishioners and visitors and hiring the Pastoral Centre. Net income is placed in general, designated and restricted funds (also called reserves);

1. The General reserve represents the net income used to fund the expenses of the core activities of the church.
2. Designated reserves are those funds identified by the Trustees for a specific purpose. The trustees can decide to repurpose funds so identified, although it is anticipated this would only be in exceptional circumstances.
3. Restricted reserves are created from funds given by donors with specific wishes. Trustees have a duty to ensure these funds are ring fenced and reserved for the purposes given.

The trustees do not feel it necessary to formally set reserve levels, preferring instead to closely monitor funding activities and take appropriate action as required. Ultimately reserves tie up money which could and should be spent on charitable activity, but of course if they are too low the future of the charity may be put at risk. That said the Trustees have set a target for the general reserve: being the amount equivalent to 3 months expenditure. At the year end there is a little less than this but given the high level of designated reserves the trustees do not currently feel the need to address this issue but will monitor the situation. Note 7 in the Financial Statements gives details of all the designated and restricted reserves.

Volunteers

We would like to thank all the volunteers who work so hard to make our church the lively and vibrant community it is. They are far too numerous to mention by name.

The Trustees' Annual Report is the responsibility of all the Trustees and it was approved in a meeting on the 9th March 2022.

Signed on behalf of the PCC

Rev J. A. Castle
(Chairman)

Emma Hodge
(Churchwarden)

Catherine Wilkins
(Churchwarden)

9th March 2022

**PAROCHIAL CHURCH COUNCIL OF
ST. MICHAEL AND ALL ANGELS, SANDHURST**

Diocese of Oxford

**Parish of St. Michael and All Angels,
Sandhurst**

Charity number: 1134547

FINANCIAL STATEMENTS

of the

PAROCHIAL CHURCH COUNCIL

for the year ended 31 December 2021

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**PAROCHIAL CHURCH COUNCIL OF
ST. MICHAEL AND ALL ANGELS, SANDHURST**

**Financial Statements for the Year Ended
31 December 2021
Independent Examiner's Report
to the PCC of St. Michael and All Angels, Sandhurst**

I report on the Financial Statements of the PCC for the year ended 31 December 2021 which are set out on pages A3 to A13.

Respective responsibilities of the PCC and the examiner

As the members of the PCC and Trustees you are responsible for the preparation of the Financial Statements; you consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- Examine the Financial Statements under section 145 of the 2011 Act
- Follow procedures laid down in the General Directions given by the Charity Commissioners under section 145(5)(b) of the 2011 Act.
- State whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission.

An examination includes a review of the accounting records kept by the PCC and a comparison of the Financial Statements presented with those records. It also includes consideration of any unusual items or disclosures in the Financial Statements, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare Financial Statements which accord with the accounting records and comply with the accounting requirements of the 2011 Acthave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the Financial Statements to be reached.

Mrs. K. Symons, FCA,
Symons, Chartered Accountants
Willow Corner
7, Ackrells Mead,
Little Sandhurst
Berkshire GU47 8JJ

24.3.2022

**PAROCHIAL CHURCH COUNCIL OF
ST. MICHAEL AND ALL ANGELS, SANDHURST**

FINANCIAL STATEMENTS 2021

**STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 December 2021**

		General Funds	Designated Funds	Restricted Funds	TOTAL FUNDS	
					2021	2020
	Notes	£	£	£	£	£
INCOME						
Voluntary income	2(a)	93,710	6,428	31,235	131,373	117,129
Activities for generating funds	2(b)	40,237	5,847	0	46,084	27,973
Investment income	2(c)	0	60	0	60	857
Income from church activities	2(d)	8,830	0	0	8,830	9,396
Other income	2(e)	1,489	3,000	0	4,489	1,965
Total income		144,266	15,335	31,235	190,836	157,320
EXPENDITURE						
Church activities	3(a)	135,156	10,539	46,141	191,836	210,968
Costs of fundraising	3(b)	379	0	0	379	1,070
Total expenditure		135,535	10,539	46,141	192,215	212,038
Transfer to fixed assets	7					(7,432)
Net Expenditure		135,535	10,539	46,141	192,215	204,606
Net Income/(Expenditure)		8,731	4,796	(14,906)	(1,379)	(47,286)
Net Gains on Investments			188,372	5,124	193,496	
Transfers between funds	7	(8,731)	616	8,115	0	0
Net movement in Funds		0	193,784	(1,667)	192,117	(47,286)
Total funds brought forward:		28,147	350,194	234,480	612,821	660,107
Total funds carried forward:		28,147	543,978	232,813	804,938	612,821

**PAROCHIAL CHURCH COUNCIL OF
ST. MICHAEL AND ALL ANGELS, SANDHURST**

FINANCIAL STATEMENTS 2021 (Continued)

BALANCE SHEET
as at 31 December 2021

		General Funds	Designated Funds	Restricted Funds	TOTAL FUNDS	
					2021	2020
	Notes	£	£	£	£	£
Fixed Assets						
Tangible	1e, 4	425	22,500	148,671	171,596	179,230
Investments	4b		470,372	40,124	510,496	177,000
		<u>425</u>	<u>492,872</u>	<u>188,795</u>	<u>682,092</u>	<u>356,230</u>
Current Assets:						
Debtors and prepayments	5	19,043		276	19,319	8,003
Cash at bank and in hand		21,657	51,106	43,806	116,569	266,364
		<u>40,700</u>	<u>51,106</u>	<u>44,082</u>	<u>135,888</u>	<u>274,367</u>
Liabilities: payable within one year						
Creditors	6	(12,978)		(64)	(13,042)	(17,776)
		<u>27,722</u>	<u>51,106</u>	<u>44,018</u>	<u>122,846</u>	<u>256,591</u>
Net Current Assets		<u>27,722</u>	<u>51,106</u>	<u>44,018</u>	<u>122,846</u>	<u>256,591</u>
Total Assets less Current Liabilities		<u>28,147</u>	<u>543,978</u>	<u>232,813</u>	<u>804,938</u>	<u>612,821</u>
Total Net Assets		<u>28,147</u>	<u>543,978</u>	<u>232,813</u>	<u>804,938</u>	<u>612,821</u>
FUNDS						
General funds						
Accumulated Fund	7.1	28,147			28,147	28,147
Designated fund	7.2		543,978		543,978	350,194
		<u>28,147</u>	<u>543,978</u>		<u>572,125</u>	<u>378,341</u>
Restricted funds	7.3			232,813	232,813	234,480
		<u>28,147</u>	<u>543,978</u>	<u>232,813</u>	<u>804,938</u>	<u>612,821</u>

These Financial Statements were approved by the Parochial Church Council
on March 2022 and signed on its behalf by:

Rev J Castle
Chairman

Miss E Hodge
Churchwarden

Mrs C Wilkins
Churchwarden

The notes on pages A5 to A13 form part of these accounts.

**PAROCHIAL CHURCH COUNCIL OF
ST. MICHAEL AND ALL ANGELS, SANDHURST**

Notes on the Financial Statements for the Year ended 31 December 2021

1. ACCOUNTING POLICIES

(a) Basis or preparation

The PCC is a public benefit entity within the meaning of FRS102. The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006 governing the individual accounts of PCCs, and with the Regulations' "true and fair view" provisions, together with FRS102 (2016) as the applicable accounting standards and the 2016 version of the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP(FRS102) effective 1 January 2019).

The financial statements have been prepared under the historical cost convention except for valuation of investment assets, which are shown at fair value. The PCC has considered the consequences of COVID-19 and other events and conditions, and it has determined that they do not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body or, except as noted below, those which are informal gatherings of Church members.

(b) Funds

General Accumulated Fund

The Accumulated Fund represents the funds that are not subject to any legal 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.

Designated Funds

A designated fund describes an intent for the use of the funds. That intent is not binding on the PCC, though the PCC must be mindful of the intent when considering using the funds for other purposes. It's the simplest and most flexible way to try and ring fence money for special needs.

The "Renovations and Repairs" Designated Fund, is set up as a contingency fund intended to cover both general and unexpected repair and renovations on the church and buildings.

A "Hardship" Designated Fund was set up in 2011 to provide funds for genuine causes of hardship and is to be used at the PCC's discretion.

The "St. Mary's Mission Fund" represents the proceeds of the sales of the former curate's house at 27 Hopeman Close and the investment property at 4 Holly Cottages together with interest generated from this capital. It also includes the market value of the land at the St Mary's site, and steps are being taken to maximise the value of this land. The PCC agreed to utilise the assets in the fund to create a Mission fund to support the church in fulfilling its mission both in Sandhurst and more widely.

"Designated assets" are assets gifted or bought by the PCC or church groups where the PCC would not wish to sell and use the funds for other purposes.

Restricted Funds

A restricted fund represents donations and other monies raised for specific purposes, less expenditure in respect of these purposes.

The "Youth Worker Fund" was a fund setup to receive donations to pay for a youth worker who is currently provided by Sandhurst Youth CIO.

The "Family Worker Fund" was set up to receive funds from parishioners and external workers for the post of a Family Worker

**PAROCHIAL CHURCH COUNCIL OF
ST. MICHAEL AND ALL ANGELS, SANDHURST**

**Notes on the Financial Statements for the Year ended 31 December 2021
(continued)**

The "Pastoral Centre" has been put into a restricted fund. When the Pastoral Centre was originally built, donations were paid into a restricted fund and the PCC consider that the building should have been put into a similar fund.

"Restricted Assets". These are assets gifted to the PCC where the donor would not wish for the asset to be sold or they are assets purchased from restricted donations.

The "Choir Fund" and "Bell Ringers Fund" are restricted funds representing funds raised by these active groups, less their expenditure.

"Repairs and Renovations". A restricted fund has been set up to receive donations specifically for the maintenance and renovation of the church and buildings.

"WinSpire Fund" has been set up to accept donations towards the repairs of the church spire, the stained-glass windows in the church and the bells.

(c) Recognition of Income

Income is included in the Statement of Financial Activities (SOFA) when:

- 1) The PCC becomes legally entitled to the use of the resources;
- 2) There is an inflow of economic benefit; and
- 3) The monetary value can be measured with sufficient reliability.

Grants and donations

Grants and donations are included in the SOFA when any pre-conditions preventing their use by the PCC have been met. For collections and planned giving this is when the funds are received.

Gifts in kind

Gifts in kind for the PCC's own use are included in the SOFA as incoming resources at their fair value when receivable, and expensed as and when consumed in use. Gifts of fixed assets, if material, are included in the balance sheet at their fair value and expensed over the asset's useful economic life.

Gift Aid Tax claims

Gift Aid and other tax claims are included in the SOFA at the same time as the cash donations to which they relate.

Activities for generating funds

Rental and other income from the letting or other use of church premises is recognised when the income becomes due.

Funds raised by social and similar events are accounted for gross of expenses.

Investment income

Interest is received gross and is accounted for when receivable.

Volunteer help

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

**PAROCHIAL CHURCH COUNCIL OF
ST. MICHAEL AND ALL ANGELS, SANDHURST**

**Notes on the Financial Statements for the Year ended 31 December 2021
(continued)**

(d) Expenditure and Liabilities

Liability recognition

Liabilities are recognised as soon as there is a legal or constructive obligation and settlement is probable and quantifiable.

Missionary and charitable giving

It is the policy of the PCC that at least 10% of the income from planned giving and related recoveries of income tax should be used for missionary and charitable giving. At the year-end amounts are accrued to comply with this policy.

Church activities

The Diocesan Parish Share that is expended is an amount calculated in accordance with the Diocesan share scheme approved by the Diocesan Synod in November 2012.

Operating lease commitments

Rentals paid under operating leases are charged to the SOFA as incurred.

Pensions

The PCC operates a defined contribution plan through NEST for the benefit of its employees and to comply with the auto-enrolment obligations. Contributions are expensed as they become payable.

(e) Tangible Assets

Consecrated property and movable church furnishings

Consecrated and beneficed property of any kind is excluded from the accounts by s.10(2)(c) of the Charities Act 2011. Movable church furnishings held by the Rector and Churchwardens on special trust for the PCC, and which require a faculty for disposal, are accounted as inalienable property unless consecrated. They are listed in the church's inventory which can be inspected at any reasonable time. For inalienable property acquired prior to 2002 there is insufficient cost information available and therefore such assets are not valued in the accounts. Items acquired since 1 January 2002 will be capitalised and depreciated in the accounts over their currently anticipated useful economic life on a straight-line basis. All expenditure incurred in the year on consecrated or beneficed buildings, individual items under £1,000 or on the repair of movable church furnishings acquired before 1 January 2002 is written off.

Freehold Properties

Freehold properties are depreciated on a straight line basis over their expected life of 50 years.

Other fixtures, fittings and equipment

Provision for the depreciation of fixtures, fittings and equipment held for use by the PCC is made at the following annual rates calculated to spread the cost (less anticipated residual disposal value) of each asset over its expected useful life:

Computers -	straight line basis over three years
Office and other equipment -	reducing balance basis at 20% p.a.
	Straight line basis over 20 years

Where an asset has a high residual value the PCC considers the need for these assets to be depreciated is removed. Each year these assets will be reviewed for impairment.

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

Investments

Investments quoted on a recognised stock exchange or whose value derives from them are valued at market value at the year end. Other investment assets are included at PCC's best estimate of market value, as assisted by experts at the year end.

**PAROCHIAL CHURCH COUNCIL OF
ST. MICHAEL AND ALL ANGELS, SANDHURST**

**Notes on the Financial Statements for the Year ended 31 December 2021
(continued)**

	General Funds	Designated Funds	Restricted Funds	TOTAL FUNDS	
	£	£	£	2021 £	2020 £
2. INCOME					
<i>(a) Voluntary income</i>					
Planned giving:					
Covenants	60,299			60,299	56,972
Uncovenanted	3,279			3,279	3,333
Income tax recoverable	15,922		3,212	19,134	16,685
Collections at all services	7,334		64	7,398	4,807
Sundry donations	2,211			2,211	795
Grants (see note 2f)	3,590		7,000	10,590	15,590
Donations	1,075	6,428	20,959	28,462	18,947
	<u>93,710</u>	<u>6,428</u>	<u>31,235</u>	<u>131,373</u>	<u>117,129</u>
<i>(b) Activities for generating funds</i>					
Fund raising events	3,454			3,454	4,641
Pastoral Centre lettings	36,783			36,783	18,528
SCS room hire		5,847		5,847	4,804
	<u>40,237</u>	<u>5,847</u>	<u>0</u>	<u>46,084</u>	<u>27,973</u>
<i>(c) Investment income</i>					
Accumulated fund interest				0	0
Other funds interest		60		60	857
Investment income		0	0	0	
	<u>0</u>	<u>60</u>	<u>0</u>	<u>60</u>	<u>857</u>
<i>(d) Income from church activities</i>					
Fees	8,808			8,808	9,391
Magazine and bookstall	22			22	5
	<u>8,830</u>	<u>0</u>	<u>0</u>	<u>8,830</u>	<u>9,396</u>
<i>(e) Other income</i>					
Other receipts	1,489			1,489	1,965
Legacy	0	3,000		3,000	0
	<u>1,489</u>	<u>3,000</u>	<u>0</u>	<u>4,489</u>	<u>1,965</u>
Total income	<u>144,266</u>	<u>15,335</u>	<u>31,235</u>	<u>190,836</u>	<u>157,320</u>
<i>(f) Grants received in the year:</i>					
From ODBF towards full time family worker				£ 7,000	£ 12,000
from Sandhurst Council for the upkeep of the Church yard				<u>3,590</u>	<u>3,590</u>
				<u>10,590</u>	<u>15,590</u>

**PAROCHIAL CHURCH COUNCIL OF
ST. MICHAEL AND ALL ANGELS, SANDHURST**

**Notes on the Financial Statements for the Year ended 31 December 2021
(continued)**

	General Funds	Designated Funds	Restricted Funds	TOTAL FUNDS	
				2021	2020
	£	£	£	£	£
3. EXPENDITURE					
<i>(a) Church activities</i>					
Missionary and charitable giving					
Overseas mission	6,000			6,000	5,148
Other Charities	2,571	6,142	64	8,777	8,158
	<u>8,571</u>	<u>6,142</u>	<u>64</u>	<u>14,777</u>	<u>13,306</u>
Ministry - Diocesan parish share	72,865			72,865	72,516
- Incumbent's expenses	451			451	476
- Other ministry expenses	131			131	45
Church running & maintenance	7,240		3,059	10,299	18,303
Upkeep of services	2,380			2,380	2,379
Upkeep of churchyard	3,590			3,590	3,590
Running costs of church groups	903		35,490	36,393	46,119
Pastoral Centre costs	13,354			13,354	13,583
Equipment & property depn.	106		7,528	7,634	8,095
Musicians' fees	5,326			5,326	4,597
Bank charges and interest	484			484	423
Staff costs	14,660			14,660	13,844
Equipment leasing	496			496	772
Office running costs	3,559			3,559	2,933
Other sundry parish expenses	737			737	424
Stewardship expenses	180			180	180
St. Mary's - operational costs		4,397		4,397	9,032
Covid costs	123			123	351
	<u>135,156</u>	<u>10,539</u>	<u>46,141</u>	<u>191,836</u>	<u>210,968</u>
<i>(b) Fund-raising costs</i>					
Social events	379			379	1,070
	<u>379</u>	<u>0</u>	<u>0</u>	<u>379</u>	<u>1,070</u>
Total expenditure	<u>135,535</u>	<u>10,539</u>	<u>46,141</u>	<u>192,215</u>	<u>212,038</u>

**PAROCHIAL CHURCH COUNCIL OF
ST. MICHAEL AND ALL ANGELS, SANDHURST**

**Notes on the Financial Statements for the Year ended 31 December 2021
(continued)**

4. TANGIBLE ASSETS

	Fixtures fittings and equipment £	Freehold buildings £	Total £
Gross Book Value			
- at 1 January 2021	61,145	271,976	333,121
- additions			0
- at 31 December 2021	<u>61,145</u>	<u>271,976</u>	<u>333,121</u>
Depreciation			
- at 1 January 2021	24,525	129,366	153,891
- charge for the year	2,194	5,440	7,634
- at 31 December 2021	<u>26,719</u>	<u>134,806</u>	<u>161,525</u>
Net Book Value			
- at 31 December 2021	<u>34,426</u>	<u>137,170</u>	<u>171,596</u>
- at 31 December 2020	<u><u>36,620</u></u>	<u><u>142,610</u></u>	<u><u>179,230</u></u>

Properties held for the use of the PCC are recorded at cost, and no consideration has been taken of their current market values.

4b. INVESTMENTS

	Land	CCLA Investment	2021 £	2020 £
Market value at 1 January 2021	177,000		177,000	177,000
Addition		140,000	140,000	
Net Gain on revaluation	<u>173,000</u>	<u>20,496</u>	<u>193,496</u>	<u>0</u>
Market Value at 31 December 2021	<u><u>350,000</u></u>	<u><u>160,496</u></u>	<u><u>510,496</u></u>	<u><u>177,000</u></u>

The investment of Land comprises the land at the site of the former St Mary's church in Wellington Road, Sandhurst, stated at current market value. Planning permission has now been obtained and the valuation reflects this. The valuation was based on a S119 Valuation by a firm of qualified surveyors.

During the year money was transferred to the CCLA Church of England Investment Fund. The holding at 31 December 2021 was 2,748.14 shares, which cost £140,000. The market value at 31 December 2021 represents investments for:

St Mary's mission fund - Designated	120,372
WinSpire - Restricted	<u>40,124</u>
	<u><u>160,496</u></u>

**PAROCHIAL CHURCH COUNCIL OF
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**Notes on the Financial Statements for the Year ended 31 December 2021
(continued)**

		2021 £	2020 £
5. DEBTORS			
Inland Revenue - tax claims		1,883	1,356
Prepayments		0	171
Other debtors		17,436	6,476
		<u>19,319</u>	<u>8,003</u>
6. LIABILITIES PAYABLE WITHIN ONE YEAR			
		2021 £	2020 £
Other sundry creditors		10,751	15,385
Social security and other taxes		1,696	1,872
100 Club		595	519
		<u>13,042</u>	<u>17,776</u>
7. MOVEMENTS IN FUNDS			
General Funds		2021 £	2020 £
7.1 Accumulated Fund			
Balance at 1 January 2021		28,147	28,147
Transfers		(8,731)	13,412
Surplus/(Deficit) on ordinary activities		<u>8,731</u>	<u>(13,412)</u>
Balance at 31 December 2021		<u>28,147</u>	<u>28,147</u>
7.2 Designated Fund	Balance b/f	2021	2020
		£	£
St Mary's Mission Fund	317,224	£	£
Repairs and renovations	9,059	180,257	496,144
Hardship Fund	1,411	8,731	23,790
Designated assets	22,500	1,544	1,411
SCS	<u>0</u>	<u>22,500</u>	<u>22,500</u>
		0	0
Balance at 31 December 2021	<u>350,194</u>	<u>543,978</u>	<u>350,194</u>
Total General Funds		<u>572,125</u>	<u>378,341</u>

**PAROCHIAL CHURCH COUNCIL OF
ST. MICHAEL AND ALL ANGELS, SANDHURST**

**Notes on the Financial Statements for the Year ended 31 December 2021
(continued)**

7.3 Restricted Funds					2021 £	2020 £
	Balance b/f	Income	Expenditure	Transfer & revaluation	Balance c/f	
	£	£	£	£	£	
Youth Worker fund	6,741	17,969	17,000		7,710	6,741
Family Worker		10,302	18,417	8,115	0	0
Choir Fund	1,067	495	73		1,489	1,067
Bellringers Fund		315			315	0
Repairs and renovations	2,357	1,385	1,286		2,456	2,357
WinSpire	68,117	705	1,773	5,124	72,173	68,117
Special charity collections		64	64		0	0
Restricted assets	13,589		2,088		11,501	13,589
Pastoral centre	142,609		5,440		137,169	142,609
	<u>234,480</u>	<u>31,235</u>	<u>46,141</u>	<u>13,239</u>	<u>232,813</u>	<u>234,480</u>
Balance at 31 December 2021	<u>234,480</u>	<u>31,235</u>	<u>46,141</u>	<u>13,239</u>	<u>232,813</u>	<u>234,480</u>

The PCC approved the transfer of the years surplus on the General fund to the designated repairs fund. They have also agreed to financially support a full time family worker by using the St Mary's mission fund, this amounted to £8,115.

See note 1b for details of the funds

8. OPERATING LEASE COMMITMENTS

	2021 £	2020 £
Plant and machinery		
Expiring:		
Between one and five years	<u>644</u>	<u>1,195</u>

9. EMPLOYEES REMUNERATION

	2021 £	2020 £
Wages and salaries	33,364	42,137
Employer's National Insurance	3	0
Employer's pension contribution under Auto enrolment	1,179	1,394
	<u>34,546</u>	<u>43,531</u>
Average number of employees	3	3

During the year St Michael's have employed the services of three part-time employees for the administration of the Parish and Pastoral Centre and a family worker.

Fees were also paid to the organist and choir director.

The Diocese of Oxford Development Fund have agreed to contribute towards the Family Worker up to an amount of £40,000 over 5 years. During 2021 £7,000 was received from them.

**PAROCHIAL CHURCH COUNCIL OF
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**Notes on the Financial Statements for the Year ended 31 December 2021
(continued)**

10. CHARITABLE GRANTS

During the year charitable grants were made to the following bodies:

	P.C.C. Funds £	Collections £	Total £	2020 £
Overseas Mission:				
Church Mission Society	1,200		1,200	1,287
Tear fund	1,200		1,200	858
Barnabas	1,200		1,200	1,287
Reaching Rwanda	1,200		1,200	0
Compassion	1,200		1,200	858
Hope for Justice			0	858
Other Charities:				
SCS - Sandhurst Counselling Service	1,200		1,200	1,638
SCS - regular donations to cover room hire	6,042		6,042	4,804
Howard Stilliard			0	936
Sandhurst Day Centre	1,200		1,200	0
St Michael's hardship fund	171	100	271	148
Lent and sundry charities		64	64	632
	<u>14,613</u>	<u>164</u>	<u>14,777</u>	<u>13,306</u>

£604 was collected over the Christmas period and paid directly to the Children's Society.

11. PCC MEMBERS REMUNERATION AND EXPENSES

No remuneration was paid to any person on the PCC or any person connected with members of the PCC. Travel expenses of £188 were reimbursed to one of the PCC members in the year in connection with voluntary work undertaken for the church.

12. RELATED PARTIES

Mr Dave Percival, a PCC Member in the year, is a Trustees of the Sandhurst Counselling Service charity. During the year Sandhurst Counselling Services were invoiced £16,315 for use of rooms and staff and received grants of £6,042 and £1,200 as shown in note 10. At the year end The Sandhurst Counselling Services owed the PCC £860. Mr Percival is also a Trustee of Sandhurst Youth CIO and a contribution of £17,000 was made to them in the year for the resource of a youth worker.

Jon Toohey was a Trustee of Compassion and a donation of £1,200 was given to them during the year.

Donations from related parties, PCC members and their close family, amounted to £21,627 (2020: £22,876) before gift aid.

13. FEES PAYABLE TO THE INDEPENDENT EXAMINER

Over the year £331 was paid to Symons, Chartered Accountants for payroll services. The Independent Examiner, Karen Symons is a partner in the firm.

14. CAPITAL AND FINANCIAL COMMITMENTS

The PCC have requested the St. Mary's working group to develop plans and proposals that will result in the disposal of the St Mary's site to maximise the St. Mary's Mission Fund with sufficient available financial support for the Family and Youth Workers.

The PCC have resolved to continue to resource a youth worker through Sandhurst Youth until such time as it passes a resolution that it is no longer something they wish to do. It is anticipated that a contribution of £17,000 will be required before April 2022.