

**The Parochial Church Council of the Ecclesiastical Parish of
St Michael and All Angels' Church, Macclesfield**

Financial Statements

Year Ended 31 December 2020

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**The Parochial Church Council of the Ecclesiastical Parish of
St Michael and All Angels' Church, Macclesfield
Charity Reference and Administrative Details
Year Ended 31 December 2020**

Charity registration number: 1146048

Trustees:	Patricia Atherton	Church Warden (ex officio)	(resigned - 18 October 2020)
	Martin Bancroft		
	Karen Brady	Curate (ex officio)	(resigned - 31 May 2020)
	David Budgett		(resigned - 18 October 2020)
	Gordon Darlington	Deanery Synod	
	Vicky Darlington	Deanery Synod	
	Hilary Halliwell	Deanery Synod	
	Rachel Mayers	Church Warden (ex officio)	
	Carol Riesen		
	Paul Simms	Church Warden (ex officio)	
	Enid Skirvin		
	Anthony Skirvin		
	Lynne Spedding	Reader (ex officio), Lay Chair	
	Paul Spedding	Secretary	
	Martin Stephens	Rector (ex officio)	
	Michael Strutt	Reader (ex officio), Treasurer	
	Heike Werner		(elected - 18 October 2020)
	Christine Wightman		
	Kathryn Wilcock		
	Jennifer Wild		(elected - 18 October 2020)

Member of the Church Council but not a Trustee because of age restriction:

Izzy Reid	(elected - 18 October 2020)
Conor Shaw	(elected - 18 October 2020)

Parish Office: St Michael and All Angels' Church
Market Place
Macclesfield
Cheshire
SK10 1DY

Independent Examiner: Heywood Shepherd
1 Park Street
Macclesfield
Cheshire
SK11 6SR

Bankers: Royal Bank of Scotland
56 Chestergate
Macclesfield
Cheshire
SK11 6BA

**The Parochial Church Council of the Ecclesiastical Parish of
St Michael and All Angels' Church, Macclesfield
Trustees' Annual Report
Year Ended 31 December 2020**

Introduction

The Parochial Church Council (PCC) of the Parish of St Michael and All Angels' Macclesfield presents its Annual Report and Accounts for the year ended 31 December 2020. The members of the PCC are the trustees of the charity.

The 1st January 2010 saw the start of the newly re-organised Macclesfield Team Ministry. This being the new structure for the Macclesfield Team Parish, which was dissolved on the 31st December 2009. The four individual churches, which make up the Team Ministry, St Michael and All Angels', St Peter's, All Saints' and St Barnabas', are constituted as a Team Ministry under the Church Representation Rules of the Church of England.

This structure gives us the best aspects of being a Team, with real power at the local congregational level. Each church has its own Parochial Church Council (PCC), holds its own AGM and produces local accounts with full authority over its own affairs. A Team Council has been formed, as is required by the legislation. This council does not have its own legal power, but only that which is delegated to it by the four local churches. The Parish Share for the Team Ministry is paid to the diocese via the Team Council. It has been agreed that St Michael and All Angels' PCC will assume the responsibility of accounting for all shared Team activities.

We received confirmation, on 22nd February 2012, that the Parish has been registered as a Charity with the Charity Commission. Prior to this time we have been classified as a Charity which was exempted from registration as it was part of the Church of England.

This set of accounts records the activities of St Michael and All Angels' together with those of the central shared Team activities.

Objective and Activities

The objective of the PCC is to promote the Gospel of our Lord Jesus Christ according to the doctrines and practices of the Church of England. Our mission statement is:

"To journey inward and upward to God, whom we know in Jesus. To journey outward to other people and to all creation."

The main activities of the PCC are to enable the provision of regular public worship; the provision of pastoral work; the teaching and promotion of the Christian faith; the support of other charities whose objectives reflect Christian ethics. In these activities we endeavour to support the mission of the Church, pastoral, evangelistic, social and ecumenical, and we offer a welcome to all.

The work is centred at St Michael and All Angels' in Macclesfield, a Grade II* listed building. Whilst it is ever more difficult to maintain the fabric, the PCC does all that it can so that current, and future, generations can share the mission of those who have gone before.

The trustees have considered the guidance of the Charity Commission on public benefit and believe that the aims, objectives and services provided by the charity comply with that guidance.

Achievements and Performance

Worship, witness and prayer

This section details what we were planning to do during 2020. The pandemic changed what was possible during periods of lockdown, tiers or easing, hopefully this narrative gives a flavour of what has been possible during the year.

The PCC offer a range of services each month. There are two morning services every Sunday, a 9:30 Story-telling service and a service at 11:00 which alternates between Holy Communion and a service of the Word. On the second Sunday of the month we hold a Choral Evensong at 18:30. Baptisms may be held either during the 11:00 service or separately at 12:30. There have been two baptisms this year, before lockdown. There is a midweek Communion at 10:30 on a Thursday morning. We offer times of led meditation and prayer at 10:30 on a Wednesday morning, but also ensure that the Savage Chapel (a chapel within St Michael and All Angels) is available for quiet prayer and reflection. The Church is open every day between 10:00 and 12:30. All are welcome to visit, to pray or to sit in our Open Door café, which is run by members of the congregation. As a town centre Church we hold a number of special services throughout the year. These are linked to specific groups within our community. We host services for our local schools, local government and a local hospice, and we hold services such as our remembering service for those suffering bereavement.

**The Parochial Church Council of the Ecclesiastical Parish of
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Trustees' Annual Report
Year Ended 31 December 2020**

Achievements and Performance (cont.)

Worship, witness and prayer (cont.)

During the past year, since 23rd March, the PCC has endeavoured to follow the guidance given to bring help and support to those in need. Services were amalgamated into one streamed service at 10:00 on a Sunday morning, which included socially distanced attendance when it was allowed. The church was open for individual prayer during the week, when this was possible. However the café was closed and special services could only be recorded and streamed for community groups.

St Michael & All Angels is often chosen to host weddings and funerals. However, with the restrictions, weddings have been postponed and most funerals were held at the crematorium. During 2020, there have been five funerals and one wedding held at St Michael and All Angels and twenty funerals held at the crematorium.

Use of the Church Building

Whilst we see our Church as a centre for worship, we do believe that it should have an availability for all. As mentioned above it is open every day of the week. Macclesfield holds a Treacle Market on the last Sunday of each month, and with the help of volunteers from our congregation we are able to open the Church, providing cakes, tea and coffee, and a place to sit and rest. We are a regular venue for concerts and continue to be involved with Macclesfield's Barnaby Festival. Our Toddler Group (available to anyone who wishes to bring their toddler) meets every Thursday. In the winter months, linked with Churches of other denominations in Macclesfield, we provide a weekend night shelter for men who would, without this provision, be sleeping rough.

Again the pandemic cut a swathe through the activities that could be hosted at St Michael's. The guidance has meant that only specialist groups with specific dispensation have been able to meet socially distanced. Our thanks go to the landlords of what was the Revolution nightclub in Macclesfield, who have allowed the use of their building for the night shelter.

Reference and Administration

The names of the trustees who have served during the year are detailed on page 2. All members of the PCC are registered on the Electoral Roll of the Parish.

The PCC is responsible for making decisions on all matters of general concern and importance to the parish including deciding how the funds of the PCC are spent.

PCC Responsibility to produce accounts

The council is responsible for its annual report, and the preparation of the financial statements for each financial year which give a true and fair view of the incoming resources and application of those resources to the charity during the year, and of the state of affairs at the end of the financial year. In preparing these financial statements the PCC are required to:

- ensure that suitable accounting policies are established and applied consistently;
- make judgements and estimates which are reasonable and prudent;
- state whether the applicable accounting standards and statement of recommended accounting practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The PCC has overall responsibility for ensuring that the charity has appropriate systems and controls, financial and otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2011.

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PCC Responsibility to produce accounts (cont.)

They are also responsible for safeguarding the assets of the charity and for their proper application as required by charity law, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- the charity is operating efficiently and effectively;
- all assets are safeguarded against unauthorised use or disposition and are properly applied;
- proper records are maintained and financial information used within the charity, or for publication, is reliable;
- the charity complies with relevant laws and regulations.

Volunteers

The PCC would like to thank all the volunteers who work so hard to make our church the community that it is. To thank everyone by name would require too much paper and ink (and we do want to be Eco friendly) but it would be remiss not to mention our Wardens, Paul Simms and Tricia Atherton, who coped with an extended period of office because of the pandemic. Thank you Tricia for all you have done as Warden. Tricia stepped down following the delayed APCM and Rachel Mayers has joined Paul Simms in this role. Thank you to those who have visited the ill and infirm, to all who have acted as stewards and to those who work quietly in the background making sure that our parish continues to function seamlessly.

Investment Policy

All investments are held within the Chester Diocesan Portfolio.

Financial Review

The accounts detail the income and expenses of St Michael and All Angels' including a record of the shared financial activities of the Team. In effect the figures are a consolidation of the Team and the St Michael's details. The Team account being augmented by the contributions made by All Saints', St Barnabas' and St Peter's to central costs. These central costs include the funding of the Diocesan Quota. The accounts show the day to day running of St Michael's within the Unrestricted figures, whilst the Restricted figures include both special projects and all Team expenditure, such funds not being available for St Michael's general expenditure.

The results for the past twelve months, as must be the case for charities up and down the country, have been impacted by the Covid-19 pandemic. All that is normally taken for granted as the means of sharing mission and ministry have had to be rethought. Our Church building, a focus location for so many different activities, could no longer continue to be used as we have all come to expect. Much time, thought and prayer went into replanning what could be achieved in line with the guidance from the Government and the Church of England. We owe a debt of gratitude to Martin, our Rector, and his team who, using our limited technology, have been able to Zoom and stream our Sunday worship. Whilst meeting in person has not been possible, much has been done by so many to keep connected. With these thoughts in mind it should be no surprise to find that the financial picture for this year reflects a different normal to the years that have gone before.

St Michael and All Angels' has a stewardship scheme in place and those making donations are encouraged to apply gift aid where this is appropriate. We are constantly thankful for all those of the Church Family who continue to contribute so generously to support the mission and ministry of St Michael & All Angels' Church. This year has seen planned giving increase by 4% (2019 - 1% decrease). In a year which has proved to be so difficult for so many this generosity is a real encouragement. On a personal note, I would like to say a big thank you to those who have used the weekly envelope scheme in the past for finding ways to continue to give their financial support. As was recorded in last year's accounts, the PCC decided to dispose of the property on Brocklehurst Way. This has now been replaced with a smaller, more manageable, leasehold property within the parish. The purchase completed on 16th October 2020. These transactions have released a capital sum of £30,085 which is included in the Building Fund.

**The Parochial Church Council of the Ecclesiastical Parish of
St Michael and All Angels' Church, Macclesfield
Trustees' Annual Report
Year Ended 31 December 2020**

Financial Review (cont.)

With restrictions imposed on access to the building and the need for social distancing, it has meant that we have not been able to host those many groups who would otherwise have activities in St Michael's. This has impacted us financially as this income has reduced by £23,306 compared with last year. As well as their contribution these groups bring a vibrancy to the life of the Church and draw in many who might not otherwise step inside a church building. As and when we are able to do so, we look forward to welcoming all who wish to make use of our facilities.

Our major source of income has continued throughout the year and was further enhanced by the linked gift aid declarations. St Michael's has also received some unexpected income during the year. An unrestricted legacy of £27,622 from Marion Bullock, a longtime member of our Church Family, together with a grant donation of £2,000 made by the Chester Diocesan Board of Finance to every parish within the diocese. Our unrestricted funds have been further enhanced by £12,187 when money held in the Team Fund was returned to each of the local churches. This adjustment, agreed by the Team Council, was made when the Team budget indicated that a smaller working capital could be managed, going forward, because St Michael's would cover a larger proportion of the office costs, so reducing the shared Team expenditure. The Government's Coronavirus Job Retention Scheme has contributed £5,966 of which £2,360 was for St Michael's, rather than Team, employees. Our expenditure for the year was less than anticipated in our original budget, both because of the Covid-19 closures and also because Karen, our curate, moved to her first Parish as Vicar. These cost savings amounted to £25,371 compared with last year. The unexpected income streams, mentioned above, account for £44,169 of the total unrestricted net movement for the year, turning a small loss into a healthy return.

The PCC are grateful for donations amounting to £5,433 to the Building Fund, and thank those who have made a special effort to organise events to help in this respect. As mentioned the net surplus of £30,085 generated on the sale and purchase of church housing has also been transferred to this capital fund. In addition, the pandemic has helped us to see the benefit of improved technology and our A-V project has generated a financial response of £15,384 (including a grant of £4,400 from the Allchurches Trust) to the end of the year. The total received into our fund from all sources amounts to £50,902 (2019 - £4,230).

The appropriate level of reserves is considered regularly. As can be seen from the accounts the Unrestricted Reserve at the year end is £106,273. It is this reserve that acts as the working capital of the charity. Total expenditure for the year amounted to £228,360, equating to an average, monthly, expenditure of £19,030. We believe that reserves should be sufficient to meet normal and emergency expenditure. These figures indicate that the current level of reserves represents five and a half months' expenditure. Even adjusting for the special one off receipts which the PCC has earmarked as project funding, the available reserve would stand at £64,464 which still represents an expenditure buffer of just over three months.

The conclusion of this year sees a change within the office as both Jann, at St Peter's, and Sue, here at St Michael's will no longer administer and co-ordinate our church life. We thank them for all they have done over the years and wish them well. Thank you, too, to Enid and Alexa (our holy dusters), and to all our volunteers who do so much behind the scenes and without whom we could not function.

The Church Treasurers have met together regularly in order to scrutinise the finances of both the individual churches and the Team Ministry as a whole. Cost savings have been made where appropriate, but in all things the ministry and the mission of the Parish drive the finances, rather than the other way round.

Signed for and on behalf of the St Michael and All Angels' PCC:

Michael Strutt, Trustee
6 May 2021

**Independent Examiner's Report to
The Parochial Church Council of the Ecclesiastical Parish of
St Michael and All Angels' Church, Macclesfield
Year Ended 31 December 2020**

I report on the accounts for the year ended 31 December 2020 which are set out on pages 8 to 19.

Respective responsibilities of the PCC and the examiner

The PCC is responsible for the preparation of the accounts. They consider that an audit is not required for this year (under section 144(2) of the Charities Act 2011 (the Act)) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts (under section 145 of the 2011 Act);
- follow the procedures laid down in the General Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act); and
- 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 Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you 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 the course of 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 accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Neil Kennington FCA
Heywood Shepherd
Chartered Accountants

6 May 2021

1 Park Street
Macclesfield
Cheshire
SK11 6SR

**The Parochial Church Council of the Ecclesiastical Parish of
St Michael and All Angels' Church, Macclesfield
Statement of Financial Activities (Including Income and Expenditure Account)
Year Ended 31 December 2020**

	Note	Unrestricted £	Restricted £	2020 £	2019 £
Income from:					
Donations and legacies	2	151,217	26,000	177,217	129,687
Charitable activities	3	9,547	248	9,795	17,670
Other trading activities	4	6,740	225	6,965	24,835
Investments	5	849	55	904	4,683
Other income	6	-	83,267	83,267	90,108
Total income		168,353	109,795	278,148	266,983
Expenditure on:					
Raising funds	7	516	-	516	2,696
Charitable activities	8	55,187	172,657	227,844	267,150
Total expenditure		55,703	172,657	228,360	269,846
Net gains/(losses) on investments	14	-	1,906	1,906	6,726
Net income/(expenditure)		112,650	(60,956)	51,694	3,863
Transfers between funds	6, 17	(70,109)	70,109	-	-
Gain on disposal of property	13	-	-	-	144,370
Net movement in funds		42,541	9,153	51,694	148,233
Reconciliation of funds:					
Total funds brought forward at 1 January 2020		63,732	348,220	411,952	263,719
Total funds carried forward at 31 December 2020		106,273	357,373	463,646	411,952

The notes on pages 10 to 18 form part of these accounts

**The Parochial Church Council of the Ecclesiastical Parish of
St Michael and All Angels' Church, Macclesfield
Balance Sheet
Year Ended 31 December 2020**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	183,812	-
Investments	14	68,552	66,646
		252,364	66,646
Current assets			
Debtors	15	32,264	25,674
Cash at bank and in hand		196,559	334,645
		228,823	360,319
Creditors: amounts falling due within one year	16	17,541	15,013
Net current assets		211,282	345,306
Net assets		463,646	411,952
Charity Funds			
Restricted	17	357,373	348,220
Unrestricted	17	106,273	63,732
Total charity funds		463,646	411,952

The financial statements were approved and authorised for issue by the PCC on 6 May 2021.

Signed on behalf of the board of trustees:

Michael Strutt, Trustee

The notes on pages 11 to 19 form part of these accounts

**The Parochial Church Council of the Ecclesiastical Parish of
St Michael and All Angels' Church, Macclesfield
Statement of Cash Flows
Year Ended 31 December 2020**

	2020 £	2019 £
Cash Flow from operating activities	45,295	(19,367)
Cash flow from investing activities		
Net proceeds from sale of 7 Brocklehurst Way	-	214,370
Purchase of 21 Arbour Mews	(184,285)	-
Interest received	904	4,683
Net increase/(decrease) in cash and cash equivalents	(138,086)	199,686
Cash and cash equivalents at 1 January 2020	334,645	134,959
Cash and cash equivalents at 31 December 2020	196,559	334,645
Cash and cash equivalents consist of:		
Cash at bank in in hand at 31 December 2020	196,559	334,645
 Reconciliation of net income to net cash flow from operating activities		
Net income for year (details per SoFA)	51,694	3,863
Interest receivable	(904)	(4,683)
Depreciation	473	-
(Gains) on investments	(1,906)	(6,726)
(Increase)/decrease in debtors	(6,590)	3,354
Increase/(decrease) in creditors	2,528	(15,175)
Net cash flow from operating activities	45,295	(19,367)

**The Parochial Church Council of the Ecclesiastical Parish of
St Michael and All Angels' Church, Macclesfield
Notes to the Financial Statements
Year Ended 31 December 2020**

1. Summary of significant accounting policies

(a) General information and basis of preparation

The Parochial Church Council of the Ecclesiastical Parish of St Michael and All Angels' Church, Macclesfield is a Church of England Parish within the Diocese of Chester. It is an unincorporated charity registered with the Charity Commission. The address of the registered office is St Michael and All Angels' Church, Market Place, Macclesfield, Cheshire SK10 1DY. The nature of the charity's operations and principal activities are the provision of regular public worship, the provision of pastoral work, the provision of the teaching of the Christian faith, the promotion of the Christian faith and the support of charities involved in Christian outreach and development.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with The Church Accounting Regulations 2006, Statement of Recommended Practice: 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 and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

These financial statements are drawn up on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the charity, rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

**The Parochial Church Council of the Ecclesiastical Parish of
St Michael and All Angels' Church, Macclesfield
Notes to the Financial Statements (cont.)
Year Ended 31 December 2020**

1. Summary of significant accounting policies (cont.)

(c) Income recognition (cont.)

No amount is included in the financial statements for volunteer time.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from grants is recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes. Interest and dividend income is recognised as the charity's right to receive payment is established.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that settlement will be required and the amount of the obligation can be measured reliably. It is classified under the following headings:

- Costs of raising funds
- Expenditure on charitable activities
- Other expenditure represents those items not falling into the categories detailed above.

The charity is not registered for VAT. Activity expenditure includes the associated VAT element.

(e) Tangible fixed assets

In accordance with the direction of s10(2)(a) and (c) of the Charities Act 2011, consecrated land and buildings, the Rectory and church furnishings, which require a faculty for their disposal, are excluded from these accounts. All expenditure on such items, whether maintenance or for improvement, is written off when it is incurred.

To support its role as a training parish, the PCC has owned a freehold property in which a curate is able to live during their time within the Team. In 2019 the PCC decided to dispose of the existing property and to purchase a smaller, more manageable one. The original property was valued at cost.

The acquisition of a leasehold mews property was completed on 16 October 2020, utilising the proceeds from the earlier sale. At the date of acquisition, the unexpired lease term is 160 years. The PCC recognises that leasehold properties should not be held indefinitely and recommends that this ownership be reviewed regularly. The property is to be depreciated on a straight line basis over fifty years to a residual value of £70,000.

Other items of equipment costing more than £1,000 are depreciated on a straight line basis over four years. Items costing less than £1,000 are written off in year of purchase.

**The Parochial Church Council of the Ecclesiastical Parish of
St Michael and All Angels' Church, Macclesfield
Notes to the Financial Statements (cont.)
Year Ended 31 December 2020**

1. Summary of significant accounting policies (cont.)

(f) Investments

The Investments are with the Chester Diocesan Board of Finance. The board notifies the charity of the year end valuation of the investments and transfers income to the charity as it arises. Changes in the fair value are recognised in the SoFA.

(g) Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(h) Leases

Rentals payable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

(i) Tax

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(j) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

**The Parochial Church Council of the Ecclesiastical Parish of
St Michael and All Angels' Church, Macclesfield
Notes to the Financial Statements (cont.)
Year Ended 31 December 2020**

	Unrestricted	Restricted	2020	2019
	£	£	£	£
2. Income from donations and legacies				
Planned giving	89,288	-	89,288	85,477
Cash on plate	854	-	854	6,310
Tax reclaims on donations and gifts	22,484	3,220	25,704	21,975
Legacies and donations	34,231	14,774	49,005	14,425
Grant income	4,360	8,006	12,366	1,500
	151,217	26,000	177,217	129,687
During the year the Charity has received grant support. The PCC has claimed and received £5,966 from the Government Coronavirus Job Retention Scheme, for those who have been on furlough. The Allchurches Trust have contributed £4,400 towards our streaming project, and St Michael & All Angels has also received £2,000 from the Chester Diocesan Board of Finance. In 2019 Macclesfield Town Council provided a grant for our toilet facilities.				
3. Income from charitable activities				
Wedding and funeral fees	9,547	248	9,795	17,670
	9,547	248	9,795	17,670
4. Income from other trading activities				
Open Door trading	6,515	-	6,515	15,224
Rental and other income	225	225	450	9,611
	6,740	225	6,965	24,835
5. Income from investments				
Dividends and interest excluding tax	849	55	904	4,683
	849	55	904	4,683
6. Other income				
Parish share - All Saints'	-	38,842	38,842	42,504
Parish share - St Barnabas'	-	20,905	20,905	22,104
Parish share - St Peter's	-	23,520	23,520	25,500
	-	83,267	83,267	90,108

St Michael and All Angels provides 47% (2019 - 47%) of the funding for Team activities and towards the Diocesan Quota, as shown by the transfer of funds in the SoFA. The three other churches together provide the balance. At the end of each year the Team funds are adjusted to reflect the over, or under, spend in proportion to the contributions made. The figures shown above represent the net contribution made during 2020. The Team funds have been adjusted to reflect the cash repayments made to each church, the details of which are included in note 18.

**The Parochial Church Council of the Ecclesiastical Parish of
St Michael and All Angels' Church, Macclesfield
Notes to the Financial Statements (cont.)
Year Ended 31 December 2020**

	Unrestricted £	Restricted £	2020 £	2019 £
7. Raising funds				
Open Door and other trading	516	-	516	2,696
	<u>516</u>	<u>-</u>	<u>516</u>	<u>2,696</u>
8. Charitable activities				
<i>a Ministry</i>				
Diocesan quota	-	135,249	135,249	131,950
Clergy and youth work expenses	-	3,024	3,024	6,497
Wedding and funeral costs	7,770	-	7,770	13,476
Worship costs	1,713	-	1,713	1,564
Organists and organisations	1,240	304	1,544	4,453
Outreach	417	-	417	-
Donations - (see 9. below)	1,885	1,675	3,560	1,984
Flowers	28	-	28	357
	<u>13,053</u>	<u>140,252</u>	<u>153,305</u>	<u>160,281</u>
<i>b Premises</i>				
Utilities	8,182	-	8,182	15,702
Cleaning	5,984	2,219	8,203	6,272
Repairs	2,965	-	2,965	9,949
Maintenance	10,835	-	10,835	13,445
Depreciation	-	473	473	-
Insurance	9,361	-	9,361	8,779
Clergy housing costs	2,700	7,058	9,758	15,418
	<u>40,027</u>	<u>9,750</u>	<u>49,777</u>	<u>69,565</u>
<i>c Administration and support</i>				
Administration	2,107	17,872	19,979	19,321
Telephone	-	1,320	1,320	1,169
Printing & Stationery	-	2,622	2,622	4,891
Office Equipment	-	841	841	841
Other	-	-	-	11,082
	<u>2,107</u>	<u>22,655</u>	<u>24,762</u>	<u>37,304</u>
Total charitable activities	<u>55,187</u>	<u>172,657</u>	<u>227,844</u>	<u>267,150</u>
Included within Administration is the remuneration for the independent examiner amounting to £1,392 (2019 - £1,332)				
9. Donations - (included in 8a. above)				
Church at home and overseas	1,700	-	1,700	(1,670)
Secular charities	185	1,675	1,860	3,654
	<u>1,885</u>	<u>1,675</u>	<u>3,560</u>	<u>1,984</u>

**The Parochial Church Council of the Ecclesiastical Parish of
St Michael and All Angels' Church, Macclesfield
Notes to the Financial Statements (cont.)
Year Ended 31 December 2020**

10. Analysis of Expenditure	Staff £	Other £	2020 £	2019 £
Raising funds	-	516	516	2,696
Charitable activities				
<i>Ministry</i>	420	152,885	153,305	160,281
<i>Premises</i>	15,296	34,481	49,777	69,565
<i>Administration and support</i>	15,666	9,096	24,762	37,304
Total expenditure	31,382	196,978	228,360	269,846

11. Trustee information

No trustees receive expenses for their role as a trustee. However, all verifiable expenditure, paid by individuals on behalf of St Michael's and the Team Ministry, is reimbursed to those individuals. The total reimbursed to individuals who are also trustees amounted to £3,752 (2019 - £7,988). In addition the parish pays council tax direct to Cheshire East Council on all Clergy housing. Council tax amounted to £6,239 (2019 - £6,298). Council tax is covered by the tenant when a clergy house is being rented out and is not payable on an empty property during a vacancy.

12. Staff information

There are five part-time members of staff (2019 - four). The total remuneration, including employer pension contributions, amounted to £31,382 (2019 - £27,169).

The PCC adopted the NEST auto-enrolment defined contribution pension scheme. The staging date was 1 August 2016. Employer and Employee contributions are recorded in the SoFA and have been remitted in accordance with the regulations.

13. Leasehold Land and Buildings	2020 £	2019 £
Additions during the year	184,285	-
Cost as at 31 December 2020	184,285	-
Depreciation for the year	473	-
Depreciation as at 31 December 2020	473	-
NBV as at 31 December 2020	183,812	-

The PCC completed on the purchase of a leasehold Mews property on 16 October 2020. This property is intended to be for the use of a curate or other staff member as required. The PCC intends to hold the property for a number of years, but is mindful that its value may be impacted as the unexpired lease period reduces. The PCC consider that the value of the property should be written down to £70,000 over a period of 50 years on a straight line basis.

**The Parochial Church Council of the Ecclesiastical Parish of
St Michael and All Angels' Church, Macclesfield
Notes to the Financial Statements (cont.)
Year Ended 31 December 2020**

14. Investments	January 2020 £	Additions £	Disposals £	Unrealised Gain/(Loss) £	December 2020 £
CBF Investment at Chester	36,732	-	-	1,906	38,638
CBF Deposits	29,914	-	-	-	29,914
	66,646	-	-	1,906	68,552

15. Debtors	Unrestricted £	Restricted £	2020 £	2019 £
Ministry	24,779	5,022	29,801	22,614
Premises	941	1,358	2,299	2,926
Administration and support	164	-	164	134
Debtors and prepayments	25,884	6,380	32,264	25,674

16. Creditors: amounts falling due within one year

Ministry	1,709	10,973	12,682	4,971
Premises	3,056	-	3,056	7,476
Administration and support	56	1,747	1,803	2,566
Creditors and accruals	4,821	12,720	17,541	15,013

17. Fund details	January 2020 £	Income £	Expenditure £	Unrealised Gains £	Transfers £	December 2020 £
Restricted Funds						
Team - General Fund (see note 18)	27,679	86,900	(169,975)	-	70,109	14,713
Team - Youth Fund	4,433	-	(230)	-	-	4,203
St Michael's - Fixed Assets	214,370	-	(473)	-	(30,085)	183,812
St Michael's - Investments	66,646	-	-	1,906	-	68,552
St Michael's - Building Fund	28,461	20,817	-	-	30,085	79,363
St Michael's - Charities	697	978	(1,675)	-	-	-
St Michael's - Bellringers	2,162	824	(197)	-	-	2,789
St Michael's - Choir	850	273	(107)	-	-	1,016
St Michael's - Discretionary Fund	2,922	3	-	-	-	2,925
Total Restricted Funds	348,220	109,795	(172,657)	1,906	70,109	357,373
Unrestricted Funds						
St Michael's - General Fund	60,747	157,826	(55,187)	-	(59,091)	104,295
St Michael's - Building Management	2,985	10,527	(516)	-	(11,018)	1,978
Total Unrestricted Funds	63,732	168,353	(55,703)	-	(70,109)	106,273
Total Funds	411,952	278,148	(228,360)	1,906	-	463,646

Please see over for details of each of these funds.

**The Parochial Church Council of the Ecclesiastical Parish of
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Notes to the Financial Statements (cont.)
Year Ended 31 December 2020**

17. Fund details (cont.)

Restricted Funds

Team

General Fund - The restricted Team funds are held on behalf of the individual churches within the Team. These funds are held as working capital to meet on-going expenditure incurred by the Team Ministry.

Youth Fund – This fund supports the joint youth work activities of the Team Parish. Money was given specifically to support this work.

St Michael's

Fixed Assets – In the reorganisation of 2010 the Team Assets were passed back to the Local Parishes. As a training parish, St Michael's PCC are required to provide accommodation for a curate in training. During the year the PCC completed the acquisition of a leasehold property for this purpose. The cash difference between the sale of the property on Brocklehurst Way and the acquisition of this property has been transferred into the Building Fund.

Investments - The investments are held and managed by the Chester Diocesan Board of Finance.

Building Fund – This is a capital project fund towards the upkeep and improvement of Church buildings and property. Its first task was towards funding the replacement of the church roof. Phase 1 of the project was successfully completed, covering the Legh Chapel, South Aisle, Chancel and the first bay of the Nave. Phase 2 will include the remaining bays of the Nave and the North Aisle. Whilst raising funds internally, the PCC continue to investigate funding sources to support this major work. The balance of the proceeds not invested into the new property have been transferred into this fund.

Charities - St Michael's holds the funds for three small Church Charities. The balance has been corrected this year, moving it from reserves to creditors.

Bellringers – St Michael's Bellringers have their own fund to cover day to day disbursements.

Choir – St Michael's Choir has its own fund to cover day to day disbursements.

Discretionary Fund – This fund is in the discretion of the Rector to support those in need.

Unrestricted Funds

St Michael's

General Fund – This is the general cash fund available for day to day disbursements.

Building Management – For ease of management we hold a separate bank account for bookings and the running of the Open Door Café. Money is transferred to the St Michael's general fund on a regular basis. This account is also included within unrestricted funds.

**The Parochial Church Council of the Ecclesiastical Parish of
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Notes to the Financial Statements (cont.)
Year Ended 31 December 2020**

18. Restricted Team funds

The restricted Team funds are held on behalf of the individual churches within the Team. These funds are held as working capital to meet on-going expenditure incurred by the Team Ministry.
The movements and balance on this account is attributable as follows:

	January 2020	Current Allocation	Cash Transfer	December 2020
	£	£	£	£
St Michael's	15,155	4,126	(12,187)	7,094
St Peter's	3,591	1,316	(2,760)	2,147
All Saints'	6,362	2,194	(4,937)	3,619
St Barnabas'	2,571	1,141	(1,859)	1,853
	27,679	8,777	(21,743)	14,713

19. Transfers between funds

The St Michael's building management fund has transferred £11,018 (2019 - £21,705) into the St Michael's funds of which £4,438 (2019 - £7,000) relates to donations. St Michael's transferred £82,296 (2019 - £79,896) into the Team fund, from which the diocesan quota and the central Team expenditures are met. Note 18 records the reimbursement of £12,187 received by St Michael's. The net transfer of £70,109 is detailed in the SoFA.

20. St Michael's Building Fund

The PCC are mindful of the further work required to see all the roof work completed. With guidance they are aiming to visualise a project of works which reflects all aspects of life within St Michael's; to maximise its uses both as a place of worship and as a community asset. Planning includes audio visual presentation, streaming and improved lighting within its remit.

	January 2020	Income	Expenditure	Transfers	December 2020
	£	£	£	£	£
St Michael's Building Fund	28,461	20,817	-	30,085	79,363

21. Future commitments

As is noted in 20 above, the PCC is aware that the second phase of the Roof Project is still to be undertaken. The PCC is not aware of other future commitments.

22. Contingent liabilities

The PCC is not aware of any contingent liabilities not provided for in these accounts.

As was mentioned within this equivalent note last year, the Covid-19 pandemic has had a major impact on the events that have been recorded in 2020. Having reflected upon these events, the PCC is satisfied that there is no further impact that should be reflected in the 2020 financial statements. Covid-19 continues to impact what the Church is able to do in 2021 and this will be reflected in the accounts prepared for that financial period.