

THE PAROCHIAL CHURCH COUNCIL OF ST MICHAEL & ALL ANGELS WITH ST STEPHEN, WANDSWORTH

England & Wales - Charity number 1146780

Details

| | |
|-------------|---|
| Other names | PCC OF ST MICHAEL'S AND ST STEPHEN'S, WANDSWORTH |
| Status | Registered |
| Legal form | Previously excepted |
| Registered | 2012-04-04 |
| Register | View on the Charity Commission register |

Contact

Address St. Michaels & All Angels Church
71 Wimbledon Park Road
London
SW18 5TT

Phone 02088773003

Email office@stmikes-ststeves.org.uk

Website www.stmichaelssouthfields.org

Activities

Objects: PROMOTING IN THE ECCLESIASTICAL PARISH THE WHOLE MISSION OF THE CHURCH.

Activities: Church of England church services, courses and events

Classification

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

Geography

- Wandsworth

Finances

| Period end | Income | Expenditure | Assets | Employees |
|------------|----------|-------------|----------|-----------|
| 2024-12-31 | £840,281 | £829,719 | £214,750 | 16 |
| 2023-12-31 | £708,057 | £672,488 | £173,328 | 13 |
| 2022-12-31 | £691,845 | £701,680 | £137,759 | 13 |
| 2021-12-31 | £622,540 | £572,304 | £147,594 | 16 |
| 2020-12-31 | £570,982 | £566,012 | £97,358 | 16 |

Trustees

| Name | Role | Appointed |
|----------------------------------|-------|------------|
| Rev STEPHEN JOHN MELLUISH | Chair | 2012-03-13 |
| Caroline Emma Crowther | | 2022-05-25 |
| Edwin Craig Pillans | | 2025-04-02 |
| Elizabeth Jane Jukes | | 2022-05-25 |
| Emily Jane Allan | | 2025-04-02 |
| Emma Chisholm | | 2024-03-20 |
| Joanne Helen Withington | | 2022-05-25 |
| Jonathan Crabtree | | 2024-03-20 |
| Jonathan Daniel Mourse | | 2022-05-25 |
| Jonathon Frostick | | 2024-03-20 |
| Katharine Sarah Ann Elliott | | 2012-03-13 |
| Sarah Bridget Perrott | | 2022-05-25 |
| Shelley Holt Twitchin | | 2025-04-02 |
| Sune Keyser | | 2024-03-20 |

Accounts

PCC of St Michael and All Angels with St Stephen, Wandsworth

Annual report and financial statements

For the year ended 31 December 2024

Registered number: 1146780

PCC of St Michael and All Angels with St Stephen, Wandsworth

Contents of the Annual report and Financial Statements for the year ended 31 December 2024

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PCC of St Michael and All Angels with St Stephen, Wandsworth

General information – year ended 31 December 2024

Church office

71 Wimbledon Park Road
Southfields
London
SW18 5TT

Incumbent

The Rev Stephen Melluish

Church wardens

Jessica Harwood
Andrew Lucas

Hon. Treasurer

Elizabeth Jukes

Bankers

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

NatWest Bank plc
Birmingham Business Centre
7 Brindley Place
Birmingham
B1 2TZ

Santander Bank UK plc
2 Triton Square
Regent's Place
London
NW1 3AN

Independent examiner

Helen Wildman ACA

PCC of St Michael and All Angels with St Stephen, Wandsworth

Annual report – year ended 31 December 2024

Aim and purposes

The church's mission statement is "Being transformed in Christ, bringing hope to everyone". In co-operation with Reverend Stephen Melliush, the PCC aims to promote the whole mission of the church: pastoral, evangelistic, social and ecumenical.

Objectives and activities

The PCC is committed to enabling as many people as possible to worship at our church and to become part of our parish community. When planning activities for the year, we have considered the Charity Commission's guidance on public benefit and in particular, the supplementary guidance on charities for the advancement of religion. We aim to help members of the community live out their faith as part of our parish community through:

- Worship and prayer
- Provision of pastoral care
- Missionary and outreach work
- Engagement with local issues of justice and mercy.

To facilitate this work, it is important we maintain the fabric of St Michael's and St Stephen's Churches and their related buildings.

Performance and Achievements 2024

2024 was a busy year for all aspects of church life. We continued to be actively involved in our local community and with our own internal church activities. We also continued to support a number of justice projects in various parts of the wider world.

A summary of our key activities during 2024 across the various ministries is as follows:

Church Services and Courses

- The morning and evening services at St Michael's Church saw significant growth, as did the lunchtime service at Ackroydon Church.
- St Stephen's Church met on Sundays until the summer for a 9am communion service, after which we saw a short service on Thursday afternoons connecting with our Sparkle Intergenerational Programme, as well as a monthly Sunday afternoon session for young families.
- Easter and Christmas services were very well attended, with a big gathering at our Carols on the Field event, sharing the Christmas story alongside a mass sing-a-long.
- We ran several courses throughout the year, including an Alpha Course looking at the foundations of faith, 'The Bereavement Journey' that explores loss and grief, and Baptism Preparation which is a requirement for families who want to have their child baptised in our church.

Church Socials and Fundraisers

- Mission Possible, our fundraising night for Mission funding was a sell-out and raised significant funds of around £34,000 in profit for the charities we support, equalling the highest ever total from 2022.
- Church socials included a new weekend camping event called The Great Escape, attended by hundreds of our church family from across the congregations. We held a team night to both celebrate our volunteers as well as to equip them and gather feedback.

Kids, Youth and Family Ministry

- Our Sunday kids and youth ministries continued to grow month by month. The mid-week tots activities which included a playgroup, peace and play, little lambs and puppet church all brought new people into our church community.
- Under the family ministry umbrella we ran a successful three-week marriage course called 'Date Night' and an evening session for people who are parenting on their own.

PCC of St Michael and All Angels with St Stephen, Wandsworth

- We increased our presence in more of our local schools with five local primary schools inviting us to be involved in their Christmas programmes.
- Our Septemberfields Youth Festival brought together year 7 to 10 pupils for a fun, faith-filled overnight camping experience on the church field with activities including a silent disco, colour fight, and an inspiring guest talk. Some of the older youth had a brilliant time at Wildfires, a summer festival in West Sussex, where they experienced a few days camping with worship and fellowship.
- Friday Night Youth had a variety of different activities such as the British Bake-Off, Bowling and games night. Youth cell groups continued to meet bi-weekly across various age groups, providing a space for connection and growth. On Sunday evenings, the youth were given the opportunity to deepen their faith through insightful discussions and a variety of activities.

Community Transformations Ministry

- Sparkle, our intergenerational community project, expanded to three venues in Wandsworth with a fourth in the pipeline. Sparkle is a lay and volunteer led project that brings younger and older people together in a church-hosted setting. By the end of the year, Sparkle had connected over 100 'grandfriends' with over 300 primary children from four state schools and 115 pre-schoolers from three nurseries. A typical day includes seated exercise, two intergenerational sessions (one with nursery and one with primary), a freshly prepared meal eaten together and an optional age-appropriate church service for grandfriends and volunteers called 'Sparkle Saints'. Sparkle is therefore a holistic offering promoting physical, emotional and spiritual wellbeing.
- Our two Community Lunches served 70+ guests on Sundays at Ackroydon Church and Wednesdays at St Michael's, with our dedicated team of volunteers producing over 3,500 hot meals in 2024.
- Wandsworth Foodbank at St Michael's provided emergency food, support and advice to more than 450 local people experiencing financial hardship in 2024. Across Wandsworth this figure exceeded 10,000.
- Ukrainian Supper ran on the first Friday of every month at Brathway Hall and provided a space for guests to meet, talk and support each other over a delicious volunteer-prepared hot meal.
- From November 2024 to April 2025 our night shelter partnership with Glass Door provided a warm welcome to 35 homeless individuals every Saturday night, serving a nutritious hot three-course meal prepared by our volunteer team.
- St Michael's Kitchen Garden continued to flourish and produce more vegetables and soft fruit for use at Food Bank and Community Lunches.
- Throughout last year our Souping volunteer team met twice a month to cook soup to be served at Sparkle sessions. By year end they had made over 3,000 bowls of soup.
- At Christmas 2024 we provided 170 disadvantaged, local families from the Ackroydon and Henry Prince estates with all that they needed to make a full Christmas dinner.
- Our partnership with Heidi Klein continued in 2024 as St Michael's Church once again played host to Southfields largest designer resort and swimwear sales, raising a substantial amount, all of which is used to help fund our Community Transformation projects.

Pioneer Church Ministry

- Richard Boothroyd was made Priest in Charge of St John the Divine and began working there with the pioneer curate, Jonny Fitter, the Sparkle Team and the preschool worker. Sparkle began at St John the Divine in November 2024 with monthly family services beginning in January 2025.

Hire of Buildings and St Mike's Café

- Church cafe business increased steadily throughout the year. However, an increase in staffing costs and a refresh of the café counter area resulted in a small loss for the year.
- Hire income across all three buildings was above budget with some new hirers coming onboard, including Just Love, a Christian Student Group, who hired the whole of St Michael's Church for a 3 day conference in the Easter holidays and booked to return in 2025.

PCC of St Michael and All Angels with St Stephen, Wandsworth

Financial review

Total receipts for the year for unrestricted funds were £712,262 (2023: £666,312) of which £271,104 (2023: £274,284) was planned giving via gift aided standing orders with a further £67,882 (2023: £69,391) coming from the gift aid. A further £61,710 (2023: £62,397) of unrestricted income was raised from giving via CAF/GAYE and collections at services. Included in the restricted income of £128,019 (2023: £102,920) are those amounts raised for specific purposes of which £41,188 (2023: £29,415) was raised by 'Mission Possible' and a further £86,831 (2023: £73,505) of donations and grants was raised to support specific local mission activities such as Sparkle, Open Door, community lunch, the kitchen garden and many others.

Church hall letting contributed a further £69,309 (2023: £64,340) to unrestricted funds and the café generated an increased income of £67,302 (2023: £59,155). The running expenses of the café were £70,119 (2023: £56,890). Other income totalled £18,146 (2023: £22,932), due to income from 'St Michael's Southfields' charity (which owns Brathway Hall) for use of church staff, as well as rental income for a local house which is occupied by a member of staff and their family.

During the year £637,164 (2023: £586,340) was spent from unrestricted and restricted funds in providing the Christian ministry of the church. This includes an amount of £100,000 (2023: £98,800) representing the fairer share payment made to the Diocese.

Administration costs in the year totalled £122,555 (2023: £123,730).

Net movement on unrestricted funds for the year, after transfers to restricted funds, was therefore a surplus for the year of £10,562 (2023: surplus of £34,647). Restricted funds had a net movement of £nil. (2023: increased by £915).

NB: Certain of the 2023 comparatives have been restated for the inclusion of the trading relating to Little Fingers Nursery. Further detail of the restatement is given in note 13 to the financial statements. Income generated by the nursery in 2024 was £71,927 (2023: £61,175) with associated expenses of £61,868 (2023: £61,182).

Reserves policy

It is PCC policy to aim to maintain a balance on free reserves (net current assets) of at least 3 months unrestricted payments which is estimated to be around £105,000.

There was a balance of £212,335 (2023: £201,773) on the unrestricted funds at year end whilst the restricted funds had a surplus of £2,415 (2023: £2,415) representing an amount in respect of the parenting course. (2023: surplus in relation to the parenting course) as set out in note 8.

Staff as at 31 December 2024

Rev Stephen Melluish – Vicar
Rev Richard Boothroyd – Associate Minister
Rev Louisa Davies – Curate
Rev Jonathon Fitter – Curate
Kate Elliott – Head of Operations
Charlotte Walton – Office Manager
Christine Lipton – Finance Manager
Susan Sanganneheri – Accounts Administrator
Sean Skinner – Worship Pastor
Megan Taylor – Children's Pastor/Leader
Celia Richardson – Children's Worker (on maternity leave)
Jen Constable – Pre-school Worker
Lucy O'Boyle – Children's and Youth Worker
Kadin Barber – Children's and Youth Worker
Gaby McWhinnie – Community Transformations and Grants Manager
Halima Geddes - Community Transformations Facilitator
Eithne Brading-Keane – Cafe Manager
Tanya Litvak - Cafe Manager

PCC of St Michael and All Angels with St Stephen, Wandsworth

We would also like to thank all the many volunteers who work so hard to make our church the lively and vibrant community that it is.

Staff reward

The charity's policy on staff reward is to set pay in line with market rates for Church of England positions but with flexibility where needed in order to recruit appropriate staff.

Structure, governance and management

The PCC is a corporate body established by the Church of England and operating under the Parochial Church Council Measures. It is a registered charity.

The method of appointment of PCC members is set out in the Church Representation Rules. At St Michael and All Angels with St Stephen's Church, membership of the PCC consists of the incumbent vicar Stephen Melliush, associate minister Richard Boothroyd, the church wardens Jessica Harwood and Andrew Lucas (both elected), staff members Kate Elliott and Emma Chisolm, and those elected by members of the congregation who are on the electoral role of the church. The elected members are currently:

Toby Beazley, Anthony Bell, Caroline Crowther, Jon Frostick, Max Griffin, Liz Jukes (treasurer), Jonathan Moore, Sarah Perrott and Joanne Withington.

The PCC members are responsible for making decisions on all matters of general concern and importance to the parish, including deciding how the funds of the PCC are to be spent. The full PCC met 4 times in 2024 with an average attendance of 80%. Given its wide responsibilities, the PCC has a number of committees dealing with particular aspects of parish life which are responsible to the PCC and report back to it regularly.

Principal risks and uncertainties

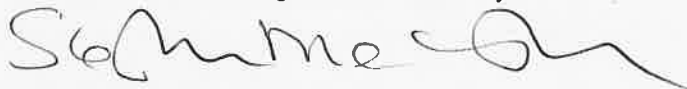
The PCC as trustees carried out risk assessments throughout the year to identify any major risks. The financial team meets regularly and reports to the PCC.

Financial Risk An annual budget was prepared and results compared to the budget and reported to the PCC at every meeting. Investments held by the PCC are reviewed by the Finance Team and act as the Church Reserve in accordance with Diocesan guidelines. The PCC approves internal controls for annual accounts. The PCC continues to monitor its financial budget to ensure that the finances of the church remain robust and that funds remain available to enable the fulfilment of its mission and objectives. Mitigating actions were taken in 2024 and will continue to be taken where necessary to protect the financial viability of the charity.

Compliance with Law and Regulation The PCC is informed of risks and these are dealt with as appropriate. Procedures for reporting accidents are in place. The fire extinguishers and alarms are checked regularly in compliance with our Health and Safety policy and procedures. A risk management survey was carried out by insurers and acted upon.

Safeguarding The Church has adopted the Diocesan 'Protection for All' Policy on Safeguarding Children & Vulnerable Adults. The Church complies with the DBS requirements when recruiting volunteers and staff.

Approved by the PCC and signed on its behalf of by



The Rev. Stephen Melliush

Vicar

30 April 2025

PCC of St Michael and All Angels with St Stephen, Wandsworth

Statement of the responsibilities of the PCC

The Church Accounting Regulations 2006 require the Parochial Church Council (PCC) to prepare financial statements for each year, which give a true and fair view of the state of affairs of the Council and of its financial activities for that period.

In preparing those financial statements the PCC is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Council will continue.

The PCC acknowledges its responsibility for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Church and enable it to ensure that the financial statements comply with applicable Accounting Standards and Statements of Recommended Practice and with the regulations made under the Church Accounting Regulations 2006 and under section 145 of the Charities Act 2011. The PCC also acknowledges its responsibility for safeguarding the assets of the Church and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

On behalf of the PCC



The Rev. Stephen Melliush
Vicar

30 April 2025

PCC of St Michael and All Angels with St Stephen, Wandsworth

Independent examiner's report to the PCC of St Michael and All Angels with St Stephen, Wandsworth (1146780)

I report to the members of the PCC on my examination of the accounts of the above charity ("the charity") for the year ended 31 December 2024.

As members of the PCC, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the charity's accounts 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 and with the regulations made under the Church Accounting Regulations 2006.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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.



Helen Wildman ACA
London, United Kingdom

30 April 2025

PCC of St Michael and All Angels with St Stephen, Wandsworth

Statement of financial activities for the year ended 31 December 2024

| | Note | Un- restricted £ | Restricted £ | Total 2024 £ | Un- restricted (restated) £ | Restricted £ | Total (restated) 2023 £ |
|--|------|------------------------|------------------|--------------------|--------------------------------------|------------------|----------------------------------|
| Incoming resources | | | | | | | |
| Donations and legacies | 2(a) | 478,987 | 128,019 | 607,006 | 454,673 | 102,920 | 557,593 |
| Other trading activities | 2(b) | 226,684 | - | 226,684 | 207,602 | - | 207,602 |
| Income from investments | 2(c) | 6,591 | - | 6,591 | 4,037 | - | 4,037 |
| Total income | | 712,262 | 128,019 | 840,281 | 666,312 | 102,920 | 769,232 |
| Resources used | | | | | | | |
| Grants and donations | 3(a) | - | (34,000) | (34,000) | (1,000) | (22,600) | (23,600) |
| Activities directly relating to the work of the church | 3(b) | (557,445) | (115,719) | (673,164) | (496,148) | (90,192) | (586,340) |
| Church management and administration | 3(c) | (122,555) | - | (122,555) | (123,730) | - | (123,730) |
| Total resources used | | (680,000) | (149,719) | (829,719) | (620,878) | (112,792) | (733,670) |
| Net incoming resources | | 32,262 | (21,700) | 10,562 | 45,434 | (9,872) | 35,562 |
| Movement between funds | 8 | (21,700) | 21,700 | - | (10,787) | 10,787 | - |
| Balance brought forward at 1 January | | 201,773 | 2,415 | 204,188 | 167,126 | 1,500 | 168,626 |
| Balance carried forward at 31 December | | 212,335 | 2,415 | 214,750 | 201,773 | 2,415 | 204,188 |


The notes form part of these financial statements

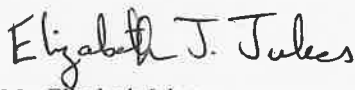
PCC of St Michael and All Angels with St Stephen, Wandsworth

Balance Sheet as at 31 December 2024

| | Note | 2024 £ | 2023 (restated) £ |
|---|------|----------------|-------------------------|
| Current assets | | | |
| Debtors and prepayments | 4 | 34,558 | 30,782 |
| Cash at bank | | 76,135 | 82,017 |
| High interest account | 6 | 164,206 | 109,697 |
| | | <u>274,899</u> | <u>224,496</u> |
| Liabilities | | | |
| Creditors – amounts falling due within one year | 7 | (60,149) | (18,308) |
| | | <u>214,750</u> | <u>204,188</u> |
| Net assets | | | |
| Funds | | | |
| Unrestricted | | 212,335 | 201,773 |
| Restricted | 8 | 2,415 | 2,415 |
| | | <u>214,750</u> | <u>204,188</u> |

The financial statements were approved by the PCC and signed on its behalf by:


The Rev. Stephen Melliush
Vicar


Mrs Elizabeth Jukes
Treasurer

30 April 2025

30 April 2025

The notes form part of these financial statements

PCC of St Michael and All Angels with St Stephen, Wandsworth

Cashflow statement for the year ended 31 December 2024

| | Note | 2024 £ | 2023 (restated) £ |
|---|------|-----------|-------------------------|
| Cash flows from operating activities | | | |
| Net cash provided by / (used in) operating activities | a | 42,036 | 24,264 |
| Cash flows from investing activities | | | |
| Bank interest received | | 6,591 | 4,037 |
| Change in cash in the year | | | |
| Cash at 1 January | | 191,714 | 163,414 |
| Cash at 31 December | | 240,341 | 191,714 |

Note a:

Reconciliation of net movement in funds to net cash flow from operating activities

| | | | |
|----------------------------------|--|---------|---------|
| Net movement in funds | | 10,562 | 35,562 |
| Adjustments: | | | |
| (Increase)/decrease in debtors | | (3,776) | (6,568) |
| (Decrease)/increase in creditors | | 41,841 | (693) |
| Bank interest received | | (6,591) | (4,037) |
| | | 42,036 | 24,264 |

The notes form part of these financial statements

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements

1. Accounting policies

a. General

The accounts have been prepared under the Church Accounting Regulations 2006 in accordance with applicable accounting standards and the current Statement of Recommended Practice, Accounting and Reporting by Charities and applicable accounting standard FRS 102. All applicable accounting policies have been applied on a consistent basis.

The accounts have been prepared under the historical cost convention and on the accruals basis. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law.

A prior year restatement has been made to appropriately recognise the activities of Little Fingers Nursery which was identified as being within the control of the PCC during the course of the year (see note 13 for further detail).

b. Funds

General or unrestricted funds represent the funds of the PCC and are not subject to any restrictions regarding their use and are available for application on the general purposes of the PCC.

Restricted funds are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

c. Incoming resources

Voluntary income and activities income

Collections are recognised when received by or on behalf of the PCC.

Planned giving receivable under covenant is recognised only when received.

Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement and the amount due.

Cafe income and sales of books and magazines are accounted for based on sales receipts.

Gift Aid Tax claims on cash donations

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

Other income

Rental income from the letting of the church premises is recognised when the rental is due.

Income from investments

Dividends and interest are accounted for when received. Tax recoverable on such income is recognised in the same accounting year.

Gains and losses on investments

Realised gains or losses are recognised when investments are sold.

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

d. Resources used

Grants

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC.

e. Activities directly relating to the work of the charity

The diocesan quota or parish share is accounted for when payable. Any agreed quota unpaid at 31 December is provided for in these accounts as an operational (though not legal) liability and is shown as a creditor in the Balance Sheet.

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements (continued)

1. Accounting policies (continued)

f. Fixed assets

Consecrated land and buildings and moveable church furnishings

Consecrated and beneficed property is excluded from the accounts by s.10(2)(a) and (c) of the Charities Act 2011. No value is placed in moveable 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 on moveable church furnishings, whether maintenance or improvements, is written off in the Statement of Financial Activities and separately disclosed.

g. Other fixtures, fittings and office equipment

Equipment used within the church premises is depreciated on a straight line basis over 4 years except for individual items of equipment with a purchase price of £10,000 or less which are written off when the asset is acquired.

h. Investments

Investments are valued at market value at 31 December.

i. Current assets

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors less provision for amounts which may prove uncollectable.

High interest accounts comprise cash held on deposit either with the Central Board of Finance of the Church of England or at the bank.

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements (continued)

2. Incoming resources

| | Unrestricted | Restricted | Total funds | |
|---|----------------|----------------|----------------|----------------|
| | Funds | Funds | 2024 | 2023 |
| | £ | £ | £ | £ |
| (a) Donations and legacies | | | | |
| Planned giving | 271,104 | - | 271,104 | 274,284 |
| Income tax recoverable on standing orders | 67,882 | - | 67,882 | 69,391 |
| Donations | 40,749 | 86,831 | 127,580 | 85,994 |
| CAF & GAYE donations | 55,732 | - | 55,732 | 59,457 |
| Non-gift aid standing orders | 37,542 | - | 37,542 | 36,112 |
| Donations – mission possible | - | 41,188 | 41,188 | 29,415 |
| Collections at services | 5,978 | - | 5,978 | 2,940 |
| | <u>478,987</u> | <u>128,019</u> | <u>607,006</u> | <u>557,593</u> |
| (b) Other trading activities | | | | |
| Lettings income | 69,309 | - | 69,309 | 64,340 |
| Other income | 18,146 | - | 18,146 | 22,932 |
| Cafe income | 67,302 | - | 67,302 | 59,155 |
| Nursery income | 71,927 | - | 71,927 | 61,175 |
| | <u>226,684</u> | <u>-</u> | <u>226,684</u> | <u>207,602</u> |
| (c) Income from investments | | | | |
| Bank interest received | 6,591 | - | 6,591 | 4,037 |
| | <u>712,262</u> | <u>128,019</u> | <u>840,281</u> | <u>769,232</u> |

We are grateful to the following donors who provided grant income in the year:

Ninds Trust
 London Borough of Wandsworth
 Marshall Wace Asset Management
 Enable Leisure & Culture
 Aquila Family Charitable Trust
 National Lottery

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements (continued)

3. Resources used

| | Unrestricted Funds £ | Restricted Funds £ | Total funds | |
|---|----------------------------|--------------------------|----------------|----------------|
| | | | 2024 £ | 2023 £ |
| (a) Grants and donations | | | | |
| Donations - overseas missionary | - | 27,000 | 27,000 | 19,100 |
| Donations - local mission activities | - | 7,000 | 7,000 | 4,500 |
| | <u>-</u> | <u>34,000</u> | <u>34,000</u> | <u>23,600</u> |
| (b) Activities directly relating to the work of the church | | | | |
| Diocese quota | 100,000 | - | 100,000 | 98,800 |
| Clergy reimbursements | 565 | - | 565 | 818 |
| Staff salaries | 209,880 | 82,150 | 292,030 | 250,666 |
| Insurance | 10,304 | - | 10,304 | 8,299 |
| Heating, lighting and water | 22,434 | - | 22,434 | 14,924 |
| Church maintenance | 41,962 | - | 41,962 | 36,148 |
| Church refurbishment | 23,274 | - | 23,274 | 12,620 |
| Church services | 6,853 | - | 6,853 | 4,542 |
| Church courses | 1,289 | - | 1,289 | 182 |
| Leadership training | 5,325 | - | 5,325 | 5,786 |
| Youth work & children | 3,572 | - | 3,572 | 5,353 |
| Local mission activities | - | 26,581 | 26,581 | 25,359 |
| Mission Possible catering costs | - | 6,988 | 6,988 | 4,771 |
| Cafe expense | 70,119 | - | 70,119 | 56,890 |
| Nursery expenses | 61,868 | - | 61,868 | 61,182 |
| | <u>557,445</u> | <u>115,719</u> | <u>673,164</u> | <u>586,340</u> |
| (c) Church management and administration | | | | |
| Miscellaneous | 10,652 | - | 10,652 | 14,951 |
| Administration | 10,211 | - | 10,211 | 11,455 |
| Salaries | 95,298 | - | 95,298 | 97,181 |
| Bank charges | 278 | - | 278 | (494) |
| Building development | 6,116 | - | 6,116 | - |
| | <u>122,555</u> | <u>-</u> | <u>122,555</u> | <u>123,730</u> |
| Total resources used | <u>680,000</u> | <u>149,719</u> | <u>829,719</u> | <u>733,670</u> |

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements (continued)

4. Debtors and prepayments

| | 2024 | 2023 |
|----------------|---------------|---------------|
| | £ | £ |
| Tax refund due | 21,742 | 19,423 |
| Other debtors | 7,659 | 5,358 |
| Prepayments | 5,157 | 6,001 |
| | <u>34,558</u> | <u>30,782</u> |

5. Cash at bank

The PCC has entered into a pooling arrangement for cash balances operated by the diocese and is credited with a portion of the interest.

6. Cash at bank – high interest account

This is held at the Central Board of Finance of the Church of England and interest is credited quarterly.

7. Creditors due within one year

| | 2024 | 2023 |
|-----------------------|---------------|---------------|
| | £ | £ |
| Bank credit card | 3,978 | 2,326 |
| Accruals | 15,978 | 14,483 |
| Deferred grant income | 36,894 | - |
| Other creditors | 3,299 | 1,499 |
| | <u>60,149</u> | <u>18,308</u> |

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements (continued)

8. Restricted funds

| | Mission Possible fund £ | Local mission funds £ | Sparkle | Parenting course £ | Total £ |
|--|-------------------------------|--------------------------------|----------|--------------------------|--------------|
| At 1 January 2024 | - | - | - | 2,415 | 2,415 |
| Income | 41,189 | 66,270 | 20,560 | - | 128,019 |
| Expenses | (40,988) | (80,776) | (27,955) | - | (149,719) |
| Transfer from unrestricted to restricted funds | - | 14,305 | 7,395 | - | 21,700 |
| Transfer between restricted funds | (201) | 201 | - | - | - |
| At 31 December 2024 | <u>-</u> | <u>-</u> | <u>-</u> | <u>2,415</u> | <u>2,415</u> |

Mission Possible: The annual 'Mission Possible Quiz Night' raises funds for specific overseas and local mission projects which receive donations from the church.

Local mission funds: Donations and other income have been received in the year to support various specific, local initiatives. These include Wandsworth Food Bank, Community Lunch, Open House for the Elderly, Glass Door at St Michael's and Ukrainian Supper and Christmas Hampers for the needy. (Some grants received also extended into 2025 but only those grants allocated to 2024 are accounted for in these accounts.)

Sparkle: Donations and several grants have been received in the year to support Sparkle, an intergenerational community project that brings younger and older people together in a church-hosted setting. (Some grants received also extended into 2025 but only those grants allocated to 2024 are accounted for in these accounts.)

Parenting course: A grant of £2,500 was received from the Ninds Trust in 2023 to run a parenting course for single mothers. This course will take place in 2025.

9. Other trusts

Rochester & Southwark Church Trust Account 630 and 203

The diocese holds trust funds on behalf of St Michael's. As at 31 December 2024 the balance held was £11,007 (2023: £10,537).

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements (continued)

10. Staff costs

| | 2024 | 2023 |
|--|----------------|-----------------|
| | £ | (restated) £ |
| Wages and salaries | 431,930 | 389,300 |
| Social security costs | 24,523 | 22,589 |
| Employee pension contributions (note 12) | 24,721 | 22,437 |
| | <u>481,174</u> | <u>434,326</u> |

The average number of employees was 16 (2023: 16). There were no emoluments of more than £60,000 paid to any individual employee.

The charity's policy on staff reward is to set pay in line with market rates for Church of England positions but with flexibility where needed in order to recruit appropriate staff.

Included in the above are the salary and related costs for the staff of Little Fingers Nursery. The 2023 comparatives have been restated to include the same. Employee pension contributions includes amounts paid to private pension arrangements of £2,112 (£1,902) for nursery staff.

11. Related party transactions

Out of pocket expenditure for items bought on behalf of the Church has been reimbursed to members of the PCC; such expenditure is categorised under the relevant expenditure heading, and as such is not separately disclosed in the accounts. There were no disclosable transactions in respect of PCC members, persons closely connected with them or other related parties.

Donations made by members of the PCC to the charity during the year ended 31 December 2024, had an aggregate value of £25,500 (2023: £40,000).

The charity is a trustee of the charity 'St Michael's Southfields'.

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements (continued)

12. Pension contributions

As an employer, the PCC participates in the Pension Builder Scheme section of CWPF for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers.

CWPF has two sections:

1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections;
 - a. a deferred annuity section known as Pension Builder Classic, and,
 - b. a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

Pension Builder Classic provides a pension, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable of £22,609 (2023: £20,535).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a surplus of £34.8m on the ongoing assumptions used. At the most recent annual review effective 1 January 2025, the Board chose to grant a discretionary bonus of 6.7% to both pensions not yet in payment and pensions in payment in respect of service prior to April 1997; and a bonus on pensions in payment in respect of post April 2006 service so that the pension increase was 2.7% (where usually it would be calculated based on inflation up to 2.5%). This followed improvements in the funding position over 2024. There is no requirement for deficit payments at the current time.

The next valuation is due as at 31 December 2025.

For the Pension Builder 2014 section, the valuation revealed a surplus of £8.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, the PCC could become responsible for paying a share of the failed employer's pension liabilities.

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements (continued)

13. Prior year adjustment

During the course of the year, it was identified that the 'Little Fingers Nursery' is under the control of the PCC. The nursery, which operates out St Stephen's Church, Putney, is a community term-time provider of nursery care for pre-school children. The nursery is run on a not for profit basis to seek to provide a more affordable, Christian based care.

The impact of the prior year adjustment was to recognise the brought forward surplus generated by the nursery. This resulted in the following restatement of the net assets of the PCC at 1 January 2023:

| Net assets previously reported at 1 January 2023 £ | Brought forward surplus at 1 January 2023 £ | Restated net assets at 1 January 2023 £ |
|--|--|--|
| 137,759 | 30,867 | 168,826 |

The impact of the restatement on the PCC's 2023 SOFA and balance sheet at 31 December 2023 is shown below:

| | Income £ | Expenses £ | Net incoming resources £ | Cash £ | Net assets £ |
|----------------------------|-------------|---------------|-----------------------------------|-----------|-----------------|
| As previously reported | 708,057 | (672,488) | 35,569 | 51,157 | 173,328 |
| 2023 nursery trading | 61,175 | (61,182) | (7) | 30,860 | 30,860 |
| Impact of 2023 restatement | 769,232 | (733,670) | 35,562 | 82,017 | 204,188 |

Accounts

PCC of St Michael and All Angels with St Stephen, Wandsworth

Annual report and financial statements

For the year ended 31 December 2023

Registered number: 1146780

PCC of St Michael and All Angels with St Stephen, Wandsworth

**Contents of the Annual report and Financial Statements for the year ended 31
December 2023**

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PCC of St Michael and All Angels with St Stephen, Wandsworth

General information – year ended 31 December 2023

Church office

71 Wimbledon Park Road
Southfields
London
SW18 5TT

Incumbent

The Rev Stephen Melliush

Church wardens

Jessica Harwood
Andrew Lucas

Hon. Treasurer

Elizabeth Jukes

Bankers

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

NatWest Bank plc
Birmingham Business Centre
7 Brindley Place
Birmingham
B1 2TZ

Santander Bank UK plc
2 Triton Square
Regent's Place
London
NW1 3AN

Independent examiner

Helen Wildman ACA

PCC of St Michael and All Angels with St Stephen, Wandsworth

Annual report – year ended 31 December 2023

Aim and purposes

The church's mission statement is "Being transformed in Christ, bringing hope to everyone". In co-operation with Reverend Stephen Melluish, the PCC aims to promote the whole mission of the church: pastoral, evangelistic, social and ecumenical.

Objectives and activities

The PCC is committed to enabling as many people as possible to worship at our church and to become part of our parish community. When planning activities for the year, we have considered the Charity Commission's guidance on public benefit and in particular, the supplementary guidance on charities for the advancement of religion. We aim to help members of the community live out their faith as part of our parish community through:

- Worship and prayer
- Provision of pastoral care
- Missionary and outreach work
- Engagement with local issues of justice and mercy.

To facilitate this work, it is important we maintain the fabric of St Michael's and St Stephen's Churches and their related buildings.

Achievements and performance

2023 was the second full year of normal church activities since the start of the global Covid-19 pandemic. We continued to be actively involved in our local community and with our own internal church activities. We also continued to support a number of justice projects in various parts of the wider world.

A sample of our activities include, but are not limited to, the following:

- Mission Possible, our fundraising night for Mission funding, was back to its pre-Covid format in St Michael's Church building and raised significant funds of around £25,000 in profit for the charities we support.
- We ran termly Baptism Preparation Courses on Zoom, which are effectively a mini Alpha Course. Averaging about 8 families on each course, we look at the cornerstones of our faith in relation to the baptism declarations.
- Foodbank continued to be a significant ministry. It was more important than ever in 2023 due to the continuing cost of living crisis.
- Community Lunch operated at St Michael's Church, with guest numbers increasing throughout the year and averaging 35 to 40 guests each week by December.
- The monthly Friday Night Ukrainian Supper at Brathway Hall continued to provide a very welcome social hub for the refugees to meet.
- The Glass Door Night Shelter continued to operate from St Michael's Church on Saturdays for the winter of 2023-2024 with numbers averaging 30- 35 per week.
- The allotment project on the field grew in 2023 with a regular group of volunteers producing a varied selection of fruit and veg to be used for the community lunches and to be given to the needy in the community. It was a popular feature at the St Michael's School summer fete.
- The St Stephen's Church congregation continued to meet every Sunday for a 9am communion service.
- Sparkle, the intergeneration drop-in centre which was established at St Stephen's Church in 2022 on Thursdays, established a second weekly session on Tuesdays. The elderly from the area come for lunch and activities with the children from Little Fingers Nursery and local schools. This continues to go from strength to strength and a third day is planned.
- Easter and Christmas services were very well attended. Carols on Tour took place for the fourth year running which provided Christmas cheer on the local streets. The Social Action and Ackroydon teams, together with a group of volunteers, provided around 160 Christmas hampers to families in need, feeding around 700 people.
- Schools work continued, with the church running assemblies and RE lessons in local schools.

PCC of St Michael and All Angels with St Stephen, Wandsworth

- Cell groups took place in various locations throughout the year and regular bible journalling sessions were introduced. The younger children enjoyed a teddy bear's picnic on the field in the summer.
- Church socials included the ever-popular Christmas fair, a men's night away, the King's Coronation celebration on the field and various team thank you sessions.
- Ackroydon Community Church's Sunday lunch went from strength to strength as did the Open House session for the elderly on Mondays.
- The children's Sunday work, Toolbox, Toolbox Tots, Toolbox Extra and Youth work all enjoyed good attendance. The Thursday morning tots group was extremely popular. A Monday morning tots session called peace and play was introduced during the year.
- A parenting seminar on raising teenagers, which took place in March, was very well attended.
- Septemberfields, the annual youth camp-out, happened again with over 60 teenagers camping out on our church field.
- A men's night away took place for the first time since before Covid.
- Brathway Hall was regularly used for St Michael's activities. The mortgage for the hall, which was guaranteed by the PCC, was completely paid off at the beginning of the year.
- Church cafe business increased steadily throughout the year, resulting in a small profit for the year of just over £2,200.
- The "warm spaces" initiative continued throughout the first quarter of 2023 at Ackroydon Hall and Brathway Hall to allow people somewhere warm to go to in the winter. The Ackroydon centre was particularly well used.

Financial review

Total receipts for the year for unrestricted funds were £605,137 (2022: £578,563) of which £274,284 (2022: £255,195) was planned giving via gift aided standing orders with a further £69,391 (2022: £62,987) coming from the gift aid. A further £62,397 (2022: £52,481) of unrestricted income was raised from giving via CAF/GAYE and collections at services. Included in the restricted income of £102,920 (2022: £113,282) are those amounts raised for specific purposes of which £29,415 (2022: £39,991) was raised by 'Mission Possible' and a further £73,505 (2022: £73,291) of donations and grants was raised to support specific local mission activities such as Open Door, community lunch, the kitchen garden and many others.

Church hall letting contributed a further £64,340 (2022: £53,884) to unrestricted funds and the café generated an increased income of £59,155 (2022: £50,889). The running expenses of the café were £56,890 (2022: £59,687). Other income totalled £22,932 (2022: £19,399), due to income from 'St Michael's Southfields' charity (which owns Brathway Hall) for use of church staff, as well as rental income for a local house which is occupied by a member of staff and their family.

During the year £525,158 (2022: £550,983) was spent from unrestricted and restricted funds in providing the Christian ministry of the church. This includes an amount of £98,800 (2022: £91,000) representing the fairer share payment made to the Diocese.

Administration costs in the year totalled £123,730 (2022: £120,697).

Net movement on unrestricted funds for the year, after transfers to restricted funds, was therefore a surplus for the year of £34,654 (2022: surplus of £2,195). Restricted funds increased by £915 (2022: decreased by £12,030).

Reserves policy

It is PCC policy to aim to maintain a balance on free reserves (net current assets) of at least 3 months unrestricted payments which is estimated to be around £90,000.

There was a balance of £170,913 (2022: £136,259) on the unrestricted funds at year end whilst the restricted funds had a surplus of £2,415 (2022: £1,500) representing an amount in respect of the parenting course (2022: surplus Mission possible and local mission funds) as set out in note 8.

PCC of St Michael and All Angels with St Stephen, Wandsworth

Staff as at 31 December 2023

Rev Stephen Melliush – Vicar
Rev Richard Boothroyd – Associate Minister
Rev Louisa Davies – Curate
Rev Jonathon Fitter – Curate
Kate Elliott – Head of Operations
Charlotte Walton – Office Manager
Christine Lipton – Finance Manager
Susan Sangamneheri – Accounts Administrator
Sean Skinner – Worship Pastor
Megan Taylor – Children’s Pastor/Leader
Celia Richardson – Children’s Worker
Jen Constable – Pre-school Worker
Lucy O’Boyle – Children’s and Youth Worker
Kadin Barber – Intern
Gaby McWhinnie – Social Action Manager
Victoria Rawls – Social Action Manager (Maternity Leave)
Francesca Overy-Bowers – Social Action Manager and Café Manager
Eithne Brading-Keane – Café Manager

We would also like to thank all the many volunteers who work so hard to make our church the lively and vibrant community that it is.

Staff reward

The charity’s policy on staff reward is to set pay in line with market rates for Church of England positions but with flexibility where needed in order to recruit appropriate staff.

Structure, governance and management

The PCC is a corporate body established by the Church of England and operating under the Parochial Church Council Measures. It is a registered charity.

The method of appointment of PCC members is set out in the Church Representation Rules. At St Michael and All Angels with St Stephen’s Church, membership of the PCC consists of the incumbent vicar Stephen Melliush, associate minister Richard Boothroyd, the church wardens Jessica Harwood and Andrew Lucas (both elected), staff members Kate Elliott and Emma Chisolm, and those elected by members of the congregation who are on the electoral role of the church. The elected members are currently:

Toby Beazley, Anthony Bell, Caroline Crowther, Jon Frostick, Max Griffin, Liz Jukes (treasurer), Jonathan Moore, Sarah Perrott, Joanne Withington.

The PCC members are responsible for making decisions on all matters of general concern and importance to the parish, including deciding how the funds of the PCC are to be spent. The full PCC met 4 times in 2023 with an average attendance of 80%. Given its wide responsibilities, the PCC has a number of committees dealing with particular aspects of parish life which are responsible to the PCC and report back to it regularly.

Principal risks and uncertainties

The PCC as trustees carried out risk assessments throughout the year to identify any major risks. The financial team meets regularly and reports to the PCC.

Financial Risk An annual budget was prepared and results compared to the budget and reported to the PCC at every meeting. Investments held by the PCC are reviewed by the Finance Team and act as the Church Reserve in accordance with Diocesan guidelines. The PCC approves internal controls for annual accounts.

PCC of St Michael and All Angels with St Stephen, Wandsworth

The PCC continues to monitor its financial budget to ensure that the finances of the church remain robust and that funds remain available to enable the fulfilment of its mission and objectives. Mitigating actions were taken in 2023 and will continue to be taken where necessary to protect the financial viability of the charity.

Compliance with Law and Regulation The PCC is informed of risks and these are dealt with as appropriate. Procedures for reporting accidents are in place. The fire extinguishers and alarms are checked regularly in compliance with our Health and Safety policy and procedures. A risk management survey was carried out by insurers and acted upon.

Safeguarding The Church has adopted the Diocesan 'Protection for All' Policy on Safeguarding Children & Vulnerable Adults. The Church complies with the DBS requirements when recruiting volunteers and staff.

Approved by the PCC and signed on its behalf by



The Rev. Stephen Melluish
Vicar

20 March 2024

PCC of St Michael and All Angels with St Stephen, Wandsworth

Statement of the responsibilities of the PCC

The Church Accounting Regulations 2006 require the Parochial Church Council (PCC) to prepare financial statements for each year, which give a true and fair view of the state of affairs of the Council and of its financial activities for that period.

In preparing those financial statements the PCC is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Council will continue.

The PCC acknowledges its responsibility for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Church and enable it to ensure that the financial statements comply with applicable Accounting Standards and Statements of Recommended Practice and with the regulations made under the Church Accounting Regulations 2006 and under section 145 of the Charities Act 2011. The PCC also acknowledges its responsibility for safeguarding the assets of the Church and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

On behalf of the PCC



The Rev. Stephen Melliush
Vicar

20 March 2024

PCC of St Michael and All Angels with St Stephen, Wandsworth

Independent examiner's report to the PCC of St Michael and All Angels with St Stephen, Wandsworth (1146780)

I report to the members of the PCC on my examination of the accounts of the above charity ("the charity") for the year ended 31 December 2023.

As members of the PCC, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the charity's accounts 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 and with the regulations made under the Church Accounting Regulations 2006.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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.



Helen Wildman ACA
London, United Kingdom

20 March 2024

PCC of St Michael and All Angels with St Stephen, Wandsworth

Statement of financial activities for the year ended 31 December 2023

| | Note | Un- restricted £ | Restricted £ | Total 2023 £ | Un- restricted £ | Restricted £ | Total 2022 £ |
|--|------|------------------------|------------------|--------------------|------------------------|------------------|--------------------|
| Incoming resources | | | | | | | |
| Donations and legacies | 2(a) | 454,673 | 102,920 | 557,593 | 453,283 | 113,282 | 566,566 |
| Other trading activities | 2(b) | 146,427 | - | 146,427 | 124,172 | - | 124,172 |
| Income from investments | 2(c) | 4,037 | - | 4,037 | 1,107 | - | 1,107 |
| Total income | | 605,137 | 102,920 | 708,057 | 578,563 | 113,282 | 691,845 |
| Resources used | | | | | | | |
| Grants and donations | 3(a) | (1,000) | (22,600) | (23,600) | - | (30,000) | (30,000) |
| Activities directly relating to the work of the church | 3(b) | (434,966) | (90,192) | (525,158) | (455,671) | (95,312) | (550,983) |
| Church management and administration | 3(c) | (123,730) | - | (123,730) | (120,697) | - | (120,697) |
| Total resources used | | (559,696) | (112,792) | (672,488) | (576,368) | (125,312) | (701,680) |
| Net incoming resources | | 45,441 | (9,872) | 35,569 | 2,195 | (12,030) | (9,835) |
| Movement between funds | 8 | (10,787) | 10,787 | - | - | - | - |
| Balance brought forward at 1 January | | 136,259 | 1,500 | 137,759 | 134,064 | 13,530 | 147,594 |
| Balance carried forward at 31 December | | 170,913 | 2,415 | 173,328 | 136,259 | 1,500 | 137,759 |

The notes form part of these financial statements

PCC of St Michael and All Angels with St Stephen, Wandsworth

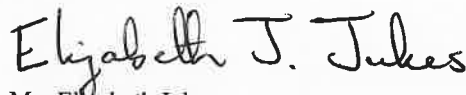
Balance Sheet as at 31 December 2023

| | Note | 2023 £ | 2022 £ |
|---|------|----------------|----------------|
| Current assets | | | |
| Debtors and prepayments | 4 | 30,782 | 24,214 |
| Cash at bank | | 51,157 | 84,700 |
| High interest account | 6 | 109,697 | 47,846 |
| | | <u>191,636</u> | <u>156,760</u> |
| Liabilities | | | |
| Creditors – amounts falling due within one year | 7 | (18,308) | (19,001) |
| Net assets | | | |
| | | <u>173,328</u> | <u>137,759</u> |
| Funds | | | |
| Unrestricted | | 170,913 | 136,259 |
| Restricted | 8 | 2,415 | 1,500 |
| | | <u>173,328</u> | <u>137,759</u> |

The financial statements were approved by the PCC and signed on its behalf by:


The Rev. Stephen Melliush
Vicar

20 March 2024


Mrs Elizabeth Jukes
Treasurer

20 March 2024

The notes form part of these financial statements

PCC of St Michael and All Angels with St Stephen, Wandsworth

Cashflow statement for the year ended 31 December 2023

| | Note | 2023 £ | 2022 £ |
|---|------|----------------|----------------|
| Cash flows from operating activities | | | |
| Net cash provided by / (used in) operating activities | a | <u>24,271</u> | <u>(9,627)</u> |
| Cash flows from investing activities | | | |
| Bank interest received | | <u>4,037</u> | <u>1,107</u> |
| Change in cash in the year | | 28,308 | (8,520) |
| Cash at 1 January | | 132,546 | 141,066 |
| Cash at 31 December | | <u>160,854</u> | <u>132,546</u> |

Note a:

Reconciliation of net movement in funds to net cash flow from operating activities

| | | | |
|----------------------------------|--|----------------|----------------|
| Net movement in funds | | 35,569 | (9,834) |
| Adjustments: | | | |
| (Increase)/decrease in debtors | | (6,568) | 5,267 |
| (Decrease)/increase in creditors | | (693) | (3,952) |
| Bank interest received | | <u>(4,037)</u> | <u>(1,107)</u> |
| | | <u>24,271</u> | <u>(9,627)</u> |

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements

1. Accounting policies

a. General

The accounts have been prepared under the Church Accounting Regulations 2006 in accordance with applicable accounting standards and the current Statement of Recommended Practice, Accounting and Reporting by Charities and applicable accounting standard FRS 102.

The accounts have been prepared under the historical cost convention and on the accruals basis. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law.

b. Funds

General or unrestricted funds represent the funds of the PCC and are not subject to any restrictions regarding their use and are available for application on the general purposes of the PCC.

Restricted funds are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

c. Incoming resources

Voluntary income and activities income

Collections are recognised when received by or on behalf of the PCC.

Planned giving receivable under covenant is recognised only when received.

Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement and the amount due. Cafe income and sales of books and magazines are accounted for based on sales receipts.

Gift Aid Tax claims on cash donations

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

Other income

Rental income from the letting of the church premises is recognised when the rental is due.

Income from investments

Dividends and interest are accounted for when received. Tax recoverable on such income is recognised in the same accounting year.

Gains and losses on investments

Realised gains or losses are recognised when investments are sold.

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

d. Resources used

Grants

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC.

e. Activities directly relating to the work of the charity

The diocesan quota or parish share is accounted for when payable. Any agreed quota unpaid at 31 December is provided for in these accounts as an operational (though not legal) liability and is shown as a creditor in the Balance Sheet.

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements (continued)

1. Accounting policies (continued)

f. Fixed assets

Consecrated land and buildings and moveable church furnishings

Consecrated and beneficed property is excluded from the accounts by s.10(2)(a) and (c) of the Charities Act 2011. No value is placed in moveable 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 on moveable church furnishings, whether maintenance or improvements, is written off in the Statement of Financial Activities and separately disclosed.

g. Other fixtures, fittings and office equipment

Equipment used within the church premises is depreciated on a straight line basis over 4 years except for individual items of equipment with a purchase price of £10,000 or less which are written off when the asset is acquired.

h. Investments

Investments are valued at market value at 31 December.

i. Current assets

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors less provision for amounts which may prove uncollectable.

High interest accounts comprise cash held on deposit either with the Central Board of Finance of the Church of England or at the bank.

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements (continued)

2. Incoming resources

| | Unrestricted Funds £ | Restricted Funds £ | Total funds | |
|---|----------------------------|--------------------------|----------------|----------------|
| | | | 2023 £ | 2022 £ |
| (a) Donations and legacies | | | | |
| Planned giving | 274,284 | - | 274,284 | 255,195 |
| Income tax recoverable on standing orders | 69,391 | - | 69,391 | 62,987 |
| Donations | 12,489 | 73,505 | 85,994 | 121,340 |
| CAF & GAYE donations | 59,457 | - | 59,457 | 49,960 |
| Non-gift aid standing orders | 36,112 | - | 36,112 | 34,572 |
| Donations – mission possible | - | 29,415 | 29,415 | 39,991 |
| Collections at services | 2,940 | - | 2,940 | 2,521 |
| | <u>454,673</u> | <u>102,920</u> | <u>557,593</u> | <u>566,566</u> |
| (b) Other trading activities | | | | |
| Lettings income | 64,340 | - | 64,340 | 53,884 |
| Other income | 22,932 | - | 22,932 | 19,399 |
| Cafe income | 59,155 | - | 59,155 | 50,889 |
| | <u>146,427</u> | <u>-</u> | <u>146,427</u> | <u>124,172</u> |
| (c) Income from investments | | | | |
| Bank interest received | 4,037 | - | 4,037 | 1,107 |
| | <u>4,037</u> | <u>-</u> | <u>4,037</u> | <u>1,107</u> |
| Total incoming resources | <u>605,137</u> | <u>102,920</u> | <u>708,057</u> | <u>691,845</u> |

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements (continued)

3. Resources used

| | Unrestricted Funds £ | Restricted Funds £ | Total funds | |
|---|----------------------------|--------------------------|----------------|----------------|
| | | | 2023 £ | 2022 £ |
| (a) Grants and donations | | | | |
| Donations - overseas missionary | - | 19,100 | 19,100 | 25,500 |
| Donations - local mission activities | 1,000 | 3,500 | 4,500 | 4,500 |
| | <u>1,000</u> | <u>22,600</u> | <u>23,600</u> | <u>30,000</u> |
| (b) Activities directly relating to the work of the church | | | | |
| Diocese quota | 98,800 | - | 98,800 | 91,000 |
| Clergy reimbursements | 818 | - | 818 | 858 |
| Staff salaries | 190,689 | 59,977 | 250,666 | 255,368 |
| Insurance | 8,299 | - | 8,299 | 9,927 |
| Heating, lighting and water | 14,924 | - | 14,924 | 12,926 |
| Church maintenance | 36,148 | - | 36,148 | 44,661 |
| Church refurbishment | 12,620 | - | 12,620 | 35,581 |
| Church services | 4,542 | - | 4,542 | 6,291 |
| Church courses | 97 | 85 | 182 | 301 |
| Leadership training | 5,786 | - | 5,786 | 2,917 |
| Youth work & children | 5,353 | - | 5,353 | 6,223 |
| Bookstall | - | - | - | 839 |
| Local mission activities | - | 25,359 | 25,359 | 18,473 |
| Mission Possible catering costs | - | 4,771 | 4,771 | 5,931 |
| Cafe expense | 56,890 | - | 56,890 | 59,687 |
| | <u>434,966</u> | <u>90,192</u> | <u>525,158</u> | <u>550,983</u> |
| (c) Church management and administration | | | | |
| Miscellaneous | 14,951 | - | 14,951 | 8,134 |
| Administration | 11,455 | - | 11,455 | 11,888 |
| Salaries | 97,818 | - | 97,181 | 99,609 |
| Bank charges | (494) | - | (494) | 1,066 |
| | <u>123,730</u> | <u>-</u> | <u>123,730</u> | <u>120,697</u> |
| Total resources used | <u>559,696</u> | <u>112,792</u> | <u>672,488</u> | <u>701,680</u> |

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements (continued)

4. Debtors and prepayments

| | 2023 | 2022 |
|----------------|---------------|---------------|
| | £ | £ |
| Tax refund due | 19,423 | 15,326 |
| Other debtors | 5,358 | 3,697 |
| Prepayments | 6,001 | 5,191 |
| | <u>30,782</u> | <u>24,214</u> |

5. Cash at bank

The PCC has entered into a pooling arrangement for cash balances operated by the diocese and is credited with a portion of the interest.

6. Cash at bank – high interest account

This is held at the Central Board of Finance of the Church of England and interest is credited quarterly.

7. Creditors due within one year

| | 2023 | 2022 |
|------------------|---------------|---------------|
| | £ | £ |
| Bank credit card | 2,326 | 1,005 |
| Accruals | 14,483 | 16,908 |
| Other creditors | 1,499 | 1,088 |
| | <u>18,308</u> | <u>19,001</u> |

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements (continued)

8. Restricted funds

| | Mission Possible fund £ | Local mission funds £ | Parenting course £ | Total £ |
|--|--|--|-----------------------------------|--------------------|
| At 1 January 2023 | 1,136 | 364 | - | 1,500 |
| Income | 29,415 | 71,005 | 2,500 | 102,920 |
| Expenses | (27,371) | (85,336) | (85) | (112,792) |
| Transfer from unrestricted to restricted funds | - | 10,787 | - | 10,787 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Transfer between restricted funds | (3,180) | 3,180 | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| At 31 December 2023 | - | - | 2,415 | 2,415 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

Mission Possible: The annual 'Mission Possible Quiz Night' raises funds for specific overseas and local mission projects which receive donations from the church.

Local mission funds: Donations and other income have been received in the year to support various specific, local initiatives. These include Messy Church, Wandsworth Food Bank, Community Lunch, Open House for the Elderly and Glass Door at St Michael's.

Parenting course: A grant of £2,500 was received from the Ninds Trust to run a parenting course for single mothers. This course will take place in 2024.

9. Other trusts

Rochester & Southwark Church Trust Account 630 and 203

The diocese holds trust funds on behalf of St Michael's. As at 31 December 2023 the balance held was £10,537 (2022: £10,091).

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements (continued)

10. Staff costs

| | 2023 | 2022 |
|--|----------------|----------------|
| | £ | £ |
| Wages and salaries | 346,239 | 341,580 |
| Social security costs | 17,189 | 18,708 |
| Employee pension contributions (note 12) | 20,535 | 20,059 |
| | <u>383,964</u> | <u>380,347</u> |

The average number of employees was 13 (2022: 13). There were no emoluments of more than £60,000 paid to any individual employee.

The charity's policy on staff reward is to set pay in line with market rates for Church of England positions but with flexibility where needed in order to recruit appropriate staff.

11. Related party transactions

Out of pocket expenditure for items bought on behalf of the Church has been reimbursed to members of the PCC; such expenditure is categorised under the relevant expenditure heading, and as such is not separately disclosed in the accounts. There were no disclosable transactions in respect of PCC members, persons closely connected with them or other related parties.

Donations made by members of the PCC to the charity during the year ended 31 December 2023, had an aggregate value of £40,000 (2022: £40,000).

The charity is a trustee of the charity 'St Michael's Southfields'.

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements (continued)

12. Pension contributions

The charity participates in the Pension Builder Scheme section of CWPF for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers.

CWPF has two sections:

1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections;
 - a. a deferred annuity section known as Pension Builder Classic, and,
 - b. a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

Pension Builder Classic provides a pension, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable (2023: £20,535, 2022: £20,059).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019.

For the Pension Builder Classic section, the 2019 valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review effective 1 January 2024, the Board chose to grant a discretionary bonus of 6.7% to both pensions not yet in payment and pensions in payment in respect of service prior to April 1997; and a bonus on pensions in payment in respect of post April 2006 service so that the pension increase was 5% (where usually it would be calculated based on inflation up to 2.5%). This followed improvements in the funding position over 2023. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the 2019 valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The next valuation is due as at 31 December 2022. Calculations for this are currently under way.

The legal structure of the scheme is such that if another employer fails, the charity could become responsible for paying a share of the failed employer's pension liabilities.

Accounts

PCC of St Michael and All Angels with St Stephen, Wandsworth

Annual report and financial statements

For the year ended 31 December 2022

Registered number: 1146780

PCC of St Michael and All Angels with St Stephen, Wandsworth

Contents of the Annual report and Financial Statements for the year ended 31 December 2022

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PCC of St Michael and All Angels with St Stephen, Wandsworth

General information – year ended 31 December 2022

Church office

71 Wimbledon Park Road
Southfields
London
SW18 5TT

Incumbent

The Rev Stephen Melluish

Church wardens

Jessica Harwood
Andrew Lucas

Hon. Treasurer

Elizabeth Jukes

Bankers

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Natwest Bank plc
Birmingham Business Centre
7 Brindley Place
Birmingham
B1 2TZ

Santander Bank UK plc
2 Triton Square
Regent's Place
London
NW1 3AN

Independent examiner

Helen Wildman ACA

PCC of St Michael and All Angels with St Stephen, Wandsworth

Annual report – year ended 31 December 2022

Aim and purposes

The church's mission statement is "Being transformed in Christ, bringing hope to everyone". In co-operation with Reverend Stephen Melluish, the PCC aims to promote the whole mission of the church: pastoral, evangelistic, social and ecumenical.

Objectives and activities

The PCC is committed to enabling as many people as possible to worship at our church and to become part of our parish community. When planning activities for the year, we have considered the Charity Commission's guidance on public benefit and in particular, the supplementary guidance on charities for the advancement of religion. We aim to help members of the community live out their faith as part of our parish community through:

- Worship and prayer
- Provision of pastoral care
- Missionary and outreach work
- Engagement with local issues of justice and mercy.

To facilitate this work, it is important we maintain the fabric of St Michael's and St Stephen's Churches and their related buildings.

Achievements and performance

2022 was the first full year of normal church activities since the start of the global Covid-19 pandemic. We continued to be actively involved in our local community and with our own internal church activities. We also continued to support a number of justice projects in various parts of the wider world.

A sample of our activities include, but are not limited to, the following:

- Mission Possible, our fundraising night for Mission funding, was back to its pre-Covid format in St Michael's Church building and raised significant funds of over £35,000 in profit for the charities we support.
- We ran termly Baptism Preparation Courses on zoom, which are effectively a mini Alpha Course. Averaging about 8 families on each course, we look at the cornerstones of our faith in relation to the baptism declarations.
- Foodbank continued to be a significant ministry and was also back in St Michael's Church. It was more important than ever in 2022 due to the cost of living crisis.
- Community Lunch operated from Brathway Hall throughout the pandemic, offering take away meals until welcoming guests back in February 2022. In November 2022 we moved back to St Michael's Church, welcoming between 25-30 guests each week.
- Following the Russian invasion of Ukraine in Spring 2022, a large number of Ukrainian refugees came to live in the area and we set up a weekly Friday Night Ukrainian Supper at Brathway Hall to provide a social hub for the refugees to meet. This switched to a monthly event in January 2023 but continues to be popular and well attended.
- The Glass Door Night Shelter continued from its central hub due to Covid, during the 2021-22 winter, but returned to its pre-Covid format in St Michael's Church for the winter of 2022-2023.
- The allotment project on the field grew in 2022 with a regular group of volunteers producing a varied selection of fruit and veg to be used for the community lunches and to be given to the needy in the community.
- The St Stephen's Church congregation continued to meet every week for a 9am communion service.
- Sparkle, a Thursday intergeneration drop-in centre was established at St Stephen's Church where the elderly from the area could come for lunch and activities with the children from Little Fingers Nursery. This was also well received and well attended and a second day is planned.
- Easter and Christmas services were all back in the church buildings. Carols on Tour took place for the third year running which provided Christmas cheer on the local streets. The Social Action and Ackroydon teams,

PCC of St Michael and All Angels with St Stephen, Wandsworth

together with a group of volunteers, provided over 140 Christmas hampers to families in need, feeding 500 people.

- Schools work, with the church running assemblies and RE lessons in local schools, returned to the school buildings after the pandemic.
- Cell groups took place in person again throughout the year. Church socials returned with the ever popular Christmas fair back to pre-Covid attendance levels.
- Ackroydon Community Church's Sunday lunch went from strength to strength and Open House for the elderly was back to its pre-Covid format.
- The children's Sunday work, Toolbox, Toolbox Extra and Youth work all reverted back to pre-Covid formats with good attendance. The new parent and toddler group, introduced in autumn 2021, proved very popular.
- We launched our new Family Conversations umbrella with a three-week Dads' Course and an evening looking at the topic of adolescent mental health.
- Septemberfields, the annual youth camp-out, happened again with over 60 teenagers camping out on our church field.
- Brathway Hall's mortgage was mostly repaid by the end of 2022, with the help of several generous donations. It was regularly used for St Michael's activities with some community hirers.
- Church cafe business was slow at the beginning of the year, resulting in a loss for the year, but, as church events increased, business started to pick up and in November and December it broke even.
- Due to the cost of living crisis, specifically the increase in heating costs, "warm spaces" were set up in Ackroydon and Brathway halls to allow people somewhere warm to go to in the winter. The Ackroydon centre was particularly well used.

Financial review

Total receipts for the year for unrestricted funds were £578,563 (2021: £527,580) of which £255,195 (2021: £256,039) was planned giving via gift aided standing orders with a further £62,987 (2021: £64,163) coming from the gift aid. In 2021 a bequest of £66,245 was left to the PCC from the John Bird Trust, of which £45,000 was received in 2021 and the balance of £21,245 in 2022 following the conditional approval from all beneficiaries of the Trust. A further £52,481 (2021: £53,047) of unrestricted income was raised from giving via CAF/GAYE and collections at services. Included in the restricted income of £113,282 (2021: £94,960) are those amounts raised for specific purposes of which £39,991 (2021: £30,349) was raised by 'Mission Possible', £nil (2021: £10,155) was raised for Interns and a further £73,291 (2021: £44,456) of donations and grants was raised to support specific local mission activities such as Open Door, community lunch, the kitchen garden and many others. Of this, £46,231 was raised through the sale of Heidi Klein designer swimwear, donated to the church specifically to raise funds for local mission projects. In addition, grants were received from the Ninds Trust and the London Borough of Wandsworth Council for the intergenerational project, Sparkle. In the prior year, £10,000 was raised for the repairs to the front of the church to be carried out in 2022 and £2,500 was received to replace the kitchen floor at St Michael's.

Church hall letting contributed a further £53,883 (2021: £40,932) to unrestricted funds with the increase being due to the fact that the church buildings were open for 12 months in 2022 as compared to 8 months in 2021. For similar reasons, the café generated an increased income of £50,889 (2021: £18,235). The running expenses of the café were £59,687 (2021: £23,888), resulting in a net loss for the year of £8,798 (2021: £5,653). In the prior year when the café was closed, we were able to furlough the café staff and received £3,432 from the HMRC Job Retention Scheme. No such amounts were received in 2022 and business was very slow at the start of the year but gradually picked up as church activities increased. Other income totalled £19,399 (2021: £9,473), mainly due to income from 'St Michael's Southfields' charity (which owns Brathway Hall) for use of church staff.

During the year £550,483 (2021: £422,338) was spent from unrestricted and restricted funds in providing the Christian ministry of the church. This includes an amount of £91,000 (2021: £91,000) representing the fairer share payment made to the Diocese.

Administration costs in the year totalled £120,697 (2021: £123,966). In the prior year this included £22,500 of expenses related to the Brathway Hall development.

Net movement on unrestricted funds for the year, after transfers to restricted funds, was therefore a surplus for the year of £2,195 (2021: surplus of £38,696). Restricted funds decreased by £12,030 (2021: increased by £11,540).

PCC of St Michael and All Angels with St Stephen, Wandsworth

Reserves policy

It is PCC policy to aim to maintain a balance on free reserves (net current assets) of at least 3 months unrestricted payments which is estimated to be around £90,000.

There was a balance of £136,259 (2021: £134,064) on the unrestricted funds at year end whilst the restricted funds had a year end surplus of £1,500 (2021: £13,530) following a transfer from unrestricted funds of £nil (2021:£25,237), representing amounts in respect of Interns, Mission Possible, church refurbishment and local mission activities as set out in note 8.

Staff as at 31 December 2022

Rev Stephen Melluish – Vicar
Rev Richard Boothroyd – Associate Minister
Rev Louisa Davies – Curate
Johanna Ferguson – Worship Pastor
Kate Elliott – Head of Operations
Heather Strydom – Office Manager
Megan Taylor – Children’s Pastor
Celia Richardson – Children’s Worker
Jen Constable – Pre-school Worker
Megan Bremner – Children’s Worker and Youth Worker
Gaby McWhinnie – Head of Social Action
Victoria Rawls – Social Action Manager
Christine Lipton – Finance Manager
Susan Sangamneheri – Accounts Administrator
Mike Richardson – Café Manager
Eithne Brading-Keane – Café Staff

We would also like to thank all the many volunteers who work so hard to make our church the lively and vibrant community that it is.

Staff reward

The charity’s policy on staff reward is to set pay in line with market rates for Church of England positions but with flexibility where needed in order to recruit appropriate staff.

Structure, governance and management

The PCC is a corporate body established by the Church of England and operating under the Parochial Church Council Measures. It is a registered charity.

The method of appointment of PCC members is set out in the Church Representation Rules. At St Michael and All Angels with St Stephen’s Church, membership of the PCC consists of the incumbent vicar Stephen Melluish, associate minister Richard Boothroyd, the church wardens Jessica Harwood and Andrew Lucas (both elected), staff member Kate Elliott, and those elected by members of the congregation who are on the electoral role of the church. The elected members are currently:

Toby Beazley, Jon Frostick, Max Griffin, Liz Jukes (treasurer), Anthony Bell, Jonathan Moore, Sarah Perrott, Joanne Withington and Caroline Crowther.

The PCC members are responsible for making decisions on all matters of general concern and importance to the parish, including deciding how the funds of the PCC are to be spent. The full PCC met 4 times in 2022 with an average attendance of 80%. Given its wide responsibilities, the PCC has a number of committees dealing with particular aspects of parish life which are responsible to the PCC and report back to it regularly.

PCC of St Michael and All Angels with St Stephen, Wandsworth

Principal risks and uncertainties

The PCC as trustees carried out risk assessments throughout the year to identify any major risks. The financial team meets regularly and reports to the PCC.

Financial Risk An annual budget was prepared and results compared to the budget and reported to the PCC at every meeting. Investments held by the PCC are reviewed by the Finance Team and act as the Church Reserve in accordance with Diocesan guidelines. The PCC approves internal controls for annual accounts. The PCC continues to monitor its financial budget to ensure that the finances of the church remain robust and that funds remain available to enable the fulfilment of its mission and objectives. Mitigating actions were taken in 2022 and will continue to be taken where necessary to protect the financial viability of the charity.

Compliance with Law and Regulation A health and safety review was undertaken by the Church Health & Safety Officer in June 2022. The PCC is informed of risks and these are dealt with as appropriate. Procedures for reporting accidents are in place. The fire extinguishers and alarms are checked regularly in compliance with our Health and Safety policy and procedures. A risk management survey was carried out by insurers and acted upon.

Safeguarding The Church has adopted the Diocesan 'Protection for All' Policy on Safeguarding Children & Vulnerable Adults. The Church complies with the DBS requirements when recruiting volunteers and staff.

Approved by the PCC and signed on its behalf of by



The Rev. Stephen Melliush
Vicar

26 April 2023

Statement of the responsibilities of the PCC

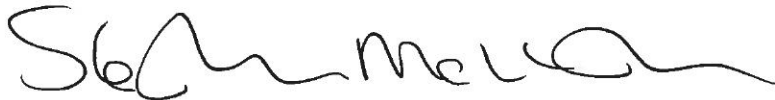
The Church Accounting Regulations 2006 require the Parochial Church Council (PCC) to prepare financial statements for each year, which give a true and fair view of the state of affairs of the Council and of its financial activities for that period.

In preparing those financial statements the PCC is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Council will continue.

The PCC acknowledges its responsibility for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Church and enable it to ensure that the financial statements comply with applicable Accounting Standards and Statements of Recommended Practice and with the regulations made under the Church Accounting Regulations 2006 and under section 145 of the Charities Act 2011. The PCC also acknowledges its responsibility for safeguarding the assets of the Church and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

On behalf of the PCC



The Rev. Stephen Melluish
Vicar

26 April 2023

PCC of St Michael and All Angels with St Stephen, Wandsworth

Independent examiner's report to the PCC of St Michael and All Angels with St Stephen, Wandsworth (1146780)

I report to the members of the PCC on my examination of the accounts of the above charity ("the charity") for the year ended 31 December 2022.

As members of the PCC, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the charity's accounts 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 and with the regulations made under the Church Accounting Regulations 2006.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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.



Helen Wildman ACA
London, United Kingdom

28 April 2023

PCC of St Michael and All Angels with St Stephen, Wandsworth

Statement of financial activities for the year ended 31 December 2022

| | Note | Un- restricted £ | Restricted £ | Total 2022 £ | Un- restricted £ | Restricted £ | Total 2021 £ |
|--|------|------------------------|------------------|--------------------|------------------------|------------------|--------------------|
| Incoming resources | | | | | | | |
| Donations and legacies | 2(a) | 453,284 | 113,282 | 566,566 | 458,922 | 94,960 | 553,882 |
| Other trading activities | 2(b) | 124,172 | - | 124,172 | 68,640 | - | 68,640 |
| Income from investments | 2(c) | 1,107 | - | 1,107 | 18 | - | 18 |
| Total income | | 578,563 | 113,282 | 691,845 | 527,580 | 94,960 | 622,540 |
| Resources used | | | | | | | |
| Grants and donations | 3(a) | - | (30,000) | (30,000) | - | (26,000) | (26,000) |
| Activities directly relating to the work of the church | 3(b) | (455,671) | (95,312) | (550,983) | (339,681) | (82,657) | (422,338) |
| Church management and administration | 3(c) | (120,697) | - | (120,697) | (123,966) | - | (123,966) |
| Total resources used | | (576,368) | (125,312) | (701,680) | (463,647) | (108,657) | (572,304) |
| Net incoming resources | | 2,195 | (12,030) | (9,835) | 63,933 | (13,697) | 50,236 |
| Movement between funds | 8 | - | - | - | (25,237) | 25,237 | - |
| Balance brought forward at 1 January | | 134,064 | 13,530 | 147,594 | 95,368 | 1,990 | 97,358 |
| Balance carried forward at 31 December | | 136,259 | 1,500 | 137,759 | 134,064 | 13,530 | 147,594 |

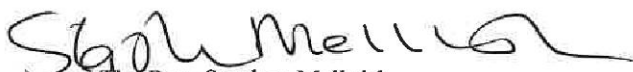
The notes form part of these financial statements

PCC of St Michael and All Angels with St Stephen, Wandsworth

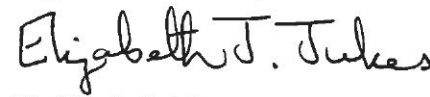
Balance Sheet as at 31 December 2022

| | Note | 2022 £ | 2021 £ |
|---|------|----------------|----------------|
| Current assets | | | |
| Debtors and prepayments | 4 | 24,214 | 29,481 |
| Cash at bank | | 84,700 | 93,842 |
| High interest account | 6 | 47,846 | 47,224 |
| | | <u>156,760</u> | <u>170,547</u> |
| Liabilities | | | |
| Creditors – amounts falling due within one year | 7 | (19,001) | (22,953) |
| | | <u>137,759</u> | <u>147,594</u> |
| Net assets | | | |
| Funds | | | |
| Unrestricted | | 136,259 | 134,064 |
| Restricted | 8 | 1,500 | 13,530 |
| | | <u>137,759</u> | <u>147,594</u> |

The financial statements were approved by the PCC and signed on its behalf by:


The Rev. Stephen Melliish
Vicar

26 April 2023


Mrs Elizabeth Jukes
Treasurer

26 April 2023

PCC of St Michael and All Angels with St Stephen, Wandsworth

Cashflow statement for the year ended 31 December 2022

| | Note | 2022 £ | 2021 £ |
|---|------|-----------------------|-----------------------|
| Cash flows from operating activities | | | |
| Net cash provided (used in)/provided by operating activities | a | <u>(9,627)</u> | <u>57,759</u> |
| Cash flows from investing activities | | | |
| Bank interest received | | <u>1,107</u> | <u>18</u> |
| Change in cash in the year | | (8,520) | 57,777 |
| Cash at 1 January | | 141,066 | 83,289 |
| Cash at 31 December | | <u><u>132,546</u></u> | <u><u>141,066</u></u> |
| Note a: | | | |
| Reconciliation of net movement in funds to net cash flow from operating activities | | | |
| Net movement in funds | | (9,834) | 50,236 |
| Adjustments: | | | |
| Decrease/(increase) in debtors | | 5,267 | 136 |
| (Decrease)/increase in creditors | | (3,952) | 7,405 |
| Bank interest received | | (1,107) | (18) |
| | | <u>9,627</u> | <u>57,759</u> |

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements

1. Accounting policies

a. General

The accounts have been prepared under the Church Accounting Regulations 2006 in accordance with applicable accounting standards and the current Statement of Recommended Practice, Accounting and Reporting by Charities and applicable accounting standard FRS 102.

The accounts have been prepared under the historical cost convention and on the accruals basis. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law.

b. Funds

General or unrestricted funds represent the funds of the PCC and are not subject to any restrictions regarding their use and are available for application on the general purposes of the PCC.

Restricted funds are funds that can only be used for particular restricted purposes within the objects of the charity.

Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

c. Incoming resources

Voluntary income and activities income

Collections are recognised when received by or on behalf of the PCC.

Planned giving receivable under covenant is recognised only when received.

Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement and the amount due.

Cafe income and sales of books and magazines are accounted for based on sales receipts.

Gift Aid Tax claims on cash donations

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

Other income

Rental income from the letting of the church premises is recognised when the rental is due.

Income from investments

Dividends and interest are accounted for when received. Tax recoverable on such income is recognised in the same accounting year.

Gains and losses on investments

Realised gains or losses are recognised when investments are sold.

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

Government grants

In the prior year Government grants under the coronavirus job-retention scheme were received in the year which relate to eligible staff costs. This grant income was presented in unrestricted income to match the unrestricted staff costs the grant income was provided to support.

d. Resources used

Grants

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC.

e. Activities directly relating to the work of the charity

The diocesan quota or parish share is accounted for when payable. Any agreed quota unpaid at 31 December is provided for in these accounts as an operational (though not legal) liability and is shown as a creditor in the Balance Sheet.

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements (continued)

1. Accounting policies (continued)

f. Fixed assets

Consecrated land and buildings and moveable church furnishings

Consecrated and beneficed property is excluded from the accounts by s.10(2)(a) and (c) of the Charities Act 2011. No value is placed in moveable 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 on moveable church furnishings, whether maintenance or improvements, is written off in the Statement of Financial Activities and separately disclosed.

g. Other fixtures, fittings and office equipment

Equipment used within the church premises is depreciated on a straight line basis over 4 years except for individual items of equipment with a purchase price of £2,000 or less which are written off when the asset is acquired.

h. Investments

Investments are valued at market value at 31 December.

i. Current assets

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors less provision for amounts which may prove uncollectable.

High interest accounts comprise cash held on deposit either with the Central Board of Finance of the Church of England or at the bank.

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements (continued)

2. Incoming resources

| | Unrestricted Funds £ | Restricted Funds £ | Total funds | |
|---|----------------------------|--------------------------|-----------------------|-----------------------|
| | | | 2022 £ | 2021 £ |
| (a) Donations and legacies | | | | |
| Planned giving | 255,195 | - | 255,195 | 256,039 |
| Income tax recoverable on standing orders | 62,987 | - | 62,987 | 64,163 |
| Donations | 48,049 | 73,291 | 121,340 | 106,600 |
| CAF & GAYE donations | 49,960 | - | 49,960 | 52,952 |
| Non-gift aid standing orders | 34,572 | - | 34,572 | 33,529 |
| Donations – interns | - | - | - | 10,155 |
| Donations – mission possible | - | 39,991 | 39,991 | 30,349 |
| Collections at services | 2,521 | - | 2,521 | 95 |
| | <u>453,284</u> | <u>113,282</u> | <u>566,566</u> | <u>553,882</u> |
| (b) Other trading activities | | | | |
| Lettings income | 53,884 | - | 53,884 | 40,932 |
| Other income | 19,399 | - | 19,399 | 9,473 |
| Café income | 50,889 | - | 50,889 | 18,235 |
| | <u>124,172</u> | <u>-</u> | <u>124,172</u> | <u>68,640</u> |
| (c) Income from investments | | | | |
| Bank interest received | 1,107 | - | 1,107 | 18 |
| Total incoming resources | <u><u>578,563</u></u> | <u><u>113,282</u></u> | <u><u>691,845</u></u> | <u><u>622,540</u></u> |

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements (continued)

3. Resources used

| | Unrestricted Funds £ | Restricted Funds £ | Total funds | |
|---|----------------------------|--------------------------|----------------|----------------|
| | | | 2022 £ | 2021 £ |
| (a) Grants and donations | | | | |
| Donations - overseas missionary | - | 25,500 | 25,500 | 22,500 |
| Donations - local mission activities | - | 4,500 | 4,500 | 3,500 |
| | <u>-</u> | <u>30,000</u> | <u>30,000</u> | <u>26,000</u> |
| (b) Activities directly relating to the work of the church | | | | |
| Diocese quota | 91,000 | - | 91,000 | 91,000 |
| Clergy reimbursements | 858 | - | 858 | 1,284 |
| Staff salaries | 194,460 | 60,908 | 255,368 | 220,027 |
| Insurance | 9,927 | - | 9,927 | 9,030 |
| Heating, lighting and water | 12,926 | - | 12,926 | 10,860 |
| Church maintenance | 44,661 | - | 44,661 | 19,881 |
| Church refurbishment | 25,581 | 10,000 | 35,581 | 8,218 |
| Church services | 6,291 | - | 6,291 | 4,342 |
| Church courses | 301 | - | 301 | 277 |
| Leadership training | 2,917 | - | 2,917 | - |
| Youth work & children | 6,223 | - | 6,223 | 3,347 |
| Bookstall | 839 | - | 839 | 47 |
| Local mission activities | - | 18,473 | 18,473 | 20,635 |
| Intern costs | - | - | - | 7,762 |
| Mission Possible costs | - | 5,931 | 5,931 | 1,740 |
| Cafe expense | 59,687 | - | 59,687 | 23,888 |
| | <u>455,671</u> | <u>95,312</u> | <u>550,983</u> | <u>422,338</u> |
| (c) Church management and administration | | | | |
| Miscellaneous | 8,134 | - | 8,134 | 7,185 |
| Administration | 11,888 | - | 11,888 | 11,277 |
| Salaries | 99,609 | - | 99,609 | 81,856 |
| Bank charges | 1,066 | - | 1,066 | 1,148 |
| Brathway Hall building development costs | - | - | - | 22,500 |
| | <u>120,697</u> | <u>-</u> | <u>120,697</u> | <u>123,966</u> |
| Total resources used | <u>576,368</u> | <u>125,312</u> | <u>701,680</u> | <u>572,304</u> |

Notes to the financial statements (continued)

4. Debtors and prepayments

| | 2022 | 2021 |
|----------------|---------------|---------------|
| | £ | £ |
| Tax refund due | 15,326 | 18,887 |
| Other debtors | 3,697 | 4,819 |
| Prepayments | 5,191 | 5,775 |
| | <u>24,214</u> | <u>29,481</u> |

5. Cash at bank

The PCC has entered into a pooling arrangement for cash balances operated by the diocese and is credited with a portion of the interest.

6. Cash at bank – high interest account

This is held at the Central Board of Finance of the Church of England and interest is credited quarterly.

7. Creditors due within one year

| | 2022 | 2021 |
|------------------|---------------|---------------|
| | £ | £ |
| Bank credit card | 1,005 | 3,535 |
| Accruals | 16,908 | 18,496 |
| Other creditors | 1,088 | 922 |
| | <u>19,001</u> | <u>22,953</u> |

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements (continued)

8. Restricted funds

| | Interns fund | Mission Possible fund | Local mission funds | Church refurbishment | Total |
|-----------------------------------|-----------------|-----------------------------|---------------------------|-------------------------|------------------|
| | £ | £ | £ | £ | £ |
| At 1 January 2022 | 2,393 | 1,137 | - | 10,000 | 13,530 |
| Income | - | 39,991 | 73,291 | - | 113,282 |
| | <u>-</u> | <u>(35,931)</u> | <u>(79,381)</u> | <u>(10,000)</u> | <u>(125,312)</u> |
| Expenses | | | | | |
| | <u>-</u> | <u>(35,931)</u> | <u>(79,381)</u> | <u>(10,000)</u> | <u>(125,312)</u> |
| Transfer between restricted funds | (2,393) | (4,061) | 6,454 | - | - |
| | <u>(2,393)</u> | <u>(4,061)</u> | <u>6,454</u> | <u>-</u> | <u>-</u> |
| At 31 December 2022 | <u>-</u> | <u>1,136</u> | <u>364</u> | <u>-</u> | <u>1,500</u> |

Mission Possible: The annual 'Mission Possible Fundraising Night' raises funds for specific overseas and local mission projects which receive donations from the church.

Interns fund: Donations and grants received have been used to support the costs of the interns working at the church.

Local mission funds: Donations and other income have been received in the year to support various specific, local initiatives. These include Wandsworth Food Bank, Community Lunch, Open House for the Elderly, Glass Door at St Michael's, Ukrainian Supper and Christmas hampers.

Church refurbishment: A £10,000 donation was received to help finance the refurbishment of the front of St Michael's Church. The funds were received in the prior year, with the works completed in 2022.

Transfers are made from unrestricted funds to restricted funds where expenditure on restricted funds exceeds income in the year.

9. Other trusts

Rochester & Southwark Church Trust Account 630 and 203

The diocese holds trust funds on behalf of St Michael's. As at 31 December 2022 the balance held was £10,091 (2021: £10,054).

Notes to the financial statements (continued)

10. Staff costs

| | 2022 | 2021 |
|--|----------------|----------------|
| | £ | £ |
| Wages and salaries | 341,580 | 284,676 |
| Social security costs | 18,708 | 14,021 |
| Employee pension contributions (note 12) | 20,059 | 20,789 |
| | <u>380,347</u> | <u>319,486</u> |

The above staff costs are net of £nil (2021: 15,121) from the Job Retention Scheme Grants received from HMRC for Covid-19 support.

The average number of employees was 13 (2021: 14). There were no emoluments of more than £60,000 paid to any individual employee.

The charity's policy on staff reward is to set pay in line with market rates for Church of England positions but with flexibility where needed in order to recruit appropriate staff.

11. Related party transactions

Out of pocket expenditure for items bought on behalf of the Church has been reimbursed to members of the PCC; such expenditure is categorised under the relevant expenditure heading, and as such is not separately disclosed in the accounts. There were no disclosable transactions in respect of PCC members, persons closely connected with them or other related parties.

Donations made by members of the PCC to the charity during the year ended 31 December 2021, had an aggregate value of £40,000 (2021: £50,000).

The charity is a trustee of the charity 'St Mike's Southfields' for which it acts as a guarantor (see note 13).

Notes to the financial statements (continued)

12. Pension contributions

St Michael's with St Stephen's Church participates in the Pension Builder Scheme section of CWPF for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers.

CWPF has two sections:

1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections;
 - a. a deferred annuity section known as Pension Builder Classic, and
 - b. a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

Pension Builder Classic provides a pension, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the Statement of Financial Activities in the year are the contributions payable (2022: £20,059, 2021: £20,789).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019. The next valuation is due as at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review, the Board chose to grant a discretionary bonus of 10.1% following improvements in the funding position over 2022. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, St Michael's with St Stephen's Church could become responsible for paying a share of the failed employer's pension liabilities.

- **PCC of St Michael and All Angels with St Stephen, Wandsworth**

13. Commitments and other guarantees

The charity was a guarantor for the mortgage held by the charity 'St Mike's Southfields'. The mortgage of £450,000 was taken out to develop Brathway Hall. The balance of the mortgage as at 31 December was £14,602 (2021: £73,927). This was fully repaid in January 2023.

Accounts

PCC of St Michael and All Angels with St Stephen, Wandsworth

Annual report and financial statements

For the year ended 31 December 2021

Registered number: 1146780

PCC of St Michael and All Angels with St Stephen, Wandsworth

Contents of the Annual report and Financial Statements for the year ended 31 December 2021

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PCC of St Michael and All Angels with St Stephen, Wandsworth

General information – year ended 31 December 2021

Church office

73 Wimbledon Park Road
Southfields
London
SW18 5TT

Incumbent

The Rev Stephen Melliush

Church wardens

Rosie Hyde (Temporarily replaced by Jessica Harwood)
Andrew Lucas

Hon. Treasurer

Elizabeth Jukes

Bankers

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Natwest Bank plc
Birmingham Business Centre
7 Brindley Place
Birmingham
B1 2TZ

Santander Bank UK plc
2 Triton Square
Regent's Place
London
NW1 3AN

Independent examiner

Helen Wildman ACA

Annual report – year ended 31 December 2021

Aim and purposes

The church's mission statement is "Being transformed in Christ, bringing hope to everyone". In co-operation with Reverend Stephen Melliush, the PCC aims to promote the whole mission of the church: pastoral, evangelistic, social and ecumenical.

Objectives and activities

The PCC is committed to enabling as many people as possible to worship at our church and to become part of our parish community. When planning activities for the year, we have considered the Charity Commission's guidance on public benefit and in particular, the supplementary guidance on charities for the advancement of religion. We aim to help members of the community live out their faith as part of our parish community through:

- Worship and prayer
- Provision of pastoral care
- Missionary and outreach work
- Engagement with local issues of justice and mercy.

To facilitate this work, it is important we maintain the fabric of St Michael's and St Stephen's Churches and their related buildings.

Achievements and performance

The church started 2021 operating remotely due to the global Covid-19 pandemic, providing online services and events and using the field for services whenever regulations (and the weather) allowed. We continued to be actively involved in our local community and with our own internal church activities, albeit many of them virtual for the first part of the year. We also continued to support a number of justice projects in various parts of the wider world.

A sample of our activities include, but are not limited to, the following:

- Mission Possible, our fundraising night for Mission funding, was, once again a virtual event in 2021 and raised significant funds of over £28,000 in profit for the charities we support.
- The Alpha course took place online and was successfully received.
- Foodbank continues to be a significant ministry. During the pandemic, it operated from a central Wandsworth hub rather than the church building. 2 members of the social action team were seconded to work for the Foodbank hub for part of their working week. However, it returned to the church building in September 2021 operating in accordance with strict Covid regulations.
- We continued to provide a Community Lunch serving up to 50 guests a week throughout the pandemic, as a collection / delivery service, operating from Brathway Hall with a reduced number of staff and volunteers in order to comply with Covid safety requirements. In February 2022 it once again became a seated, eat-in event.
- As with Foodbank, the Glass Door Night Shelter moved to a central hub due to Covid, however we continued to provide an evening meal every Saturday from November 2020 to April 2021, but on a delivery basis. We had hoped to restart the Shelter at the church for the 2021-22 winter, but this wasn't approved by the Glass Door trustees due to rising Covid numbers.
- The allotment project on the field (the "Kitchen Garden"), which began in 2020, became well established in 2021 with a regular group of volunteers producing a varied selection of fruit and veg to be used for the community lunches and to be given to the needy in the community.
- The St Stephen's Church congregation continued to meet regularly online and in person outside during the pandemic and then returned to a Sunday morning indoor service when Covid regulations allowed. Little Fingers Nursery continues to be run from those premises, although numbers dropped during lockdown and new recruitment measures have now been introduced.
- Easter services were all online in 2021. Christmas services were planned to take place in the church buildings but eventually took place on the field / online due to high Covid rates over the period. Carols on Tour took place for the second year running which provided Christmas cheer on the local streets in a Covid

PCC of St Michael and All Angels with St Stephen, Wandsworth

safe manner and was very well received. The Social Action and Ackroydon teams, together with a group of 35 volunteers, provided over 125 Christmas hampers to families in need.

- Schools work continued with the church running virtual assemblies and RE lessons in local schools during the pandemic and then returning to the school buildings when restrictions allowed.
- Cell groups took place online during lockdown, on the field once restrictions were eased and then back in the church building towards the end of the year. Pastoral staff continued with pastoral walks where possible. Church socials were reintroduced towards the end of the year with the ever popular Christmas fair being the highlight at the end of November. The Cricket Pavilion continued to be used in the summer when regulations allowed, and the field provided a welcome Covid safe meeting place for church members during the summer.
- Ackroydon Community Church also continued online with bi-weekly zoom meetings and then reverted to indoor meet ups when regulations allowed and a Sunday lunch was introduced.
- The children's Sunday work, Toolbox, and lots of new and innovative children's activities (incl Games on Zoom, bedtime stories) continued to take place online with others happening on the field when regulations allowed and then eventually back in church. Youth work operated similarly and continues to go from strength to strength. A new parent and toddler group was introduced on Thursday mornings in the Autumn term.
- Brathway Hall was completed during the lockdown period, and so regular, targeted use, has been slow to be implemented. We expect that to change in the future. Over the last 12 months there have been several generous donations towards repaying the mortgage on the hall, which is now substantially reduced.
- The church café reopened when regulations allowed in April. Staff were furloughed up until that point. Those staff moved on to other challenges and a new manager and staff took over the running of the café in September. Business was slow to begin with due to Covid but as church events restarted and hirers returned, business started to pick up.
- Grants were received from the Jerusalem Trust, the London Borough of Wandsworth Council and the Ninds Trust for the kitchen floor replacement and various Social Action projects, including the kitchen garden project.

Financial review

Total receipts for the year for unrestricted funds were £527,580 (2020: £482,722) of which £256,039 (2020: £253,073) was planned giving via gift aided standing orders with a further £64,163 (2020: £65,974) coming from the gift aid. A bequest of £66,245 was left to the PCC from the John Bird Trust, of which £45,000 was received in 2021. At 31 December 2021, receipt of the final instalment was conditional upon approval from all beneficiaries of the Trust and therefore £21,245 has been recognised upon receipt in 2022. A further £43,047 (2020: £36,020) of unrestricted income was raised from giving via CAF/GAYE and collections at services (no collections were taken after 23rd March 2020 due to lockdown and regular collections didn't resume in 2021). Included in the restricted income of £94,960 (2020: £88,260) are those amounts raised for specific purposes of which £30,349 (2020: £19,627) was raised by 'Mission Possible', £10,000 (2020:£0) was raised for the repairs to the front of the church to be carried out in 2022, £10,155 (2020: £12,020) was raised for Interns, £2,500 was received to replace the kitchen floor at St Michael's and a further £44,456 (2020: £37,926) of donations and grants was raised to support specific local mission activities such as Open Door, community lunch, the kitchen garden and many others.

Church hall letting contributed a further £40,932 (2020: £32,502) to unrestricted funds with the increase being due to the fact that the church buildings were reopened from April 2021. The café generated an increased income of £18,235 (2020: £14,386) due to reopening in April, albeit with reduced hours due to Covid restrictions. The running expenses of the café were £23,888 (2020: £13,336). These increased expenses were mainly due to the café being opened for longer than in 2021 but also Covid requirements necessitated an increase in staff. During the first few months of the year when the café was closed, we were able to furlough the café staff and received £3,432 (2020: £22,064) from the HMRC Job Retention Scheme to pay a substantial part of their salaries for the time that the café was closed. Other income totalled £9,473 (2020: £11,762), mainly due to income from 'St Michael's Southfields' charity (which owns Brathway Hall) for use of church staff.

During the year £422,338 (2020: £405,121) was spent from unrestricted and restricted funds in providing the Christian ministry of the church. This includes an amount of £91,000 (2020: £88,000) representing the fairer share payment made to the Diocese.

PCC of St Michael and All Angels with St Stephen, Wandsworth

Administration costs in the year totalled £123,966 (2020: £127,955) and included £22,500 (2020: £22,500) of expenses related to the Brathway Hall development.

Net movement on unrestricted funds for the year, after transfers to restricted funds, was therefore a surplus for the year of £38,696 (2020: £8,394). Restricted funds increased by £11,540 (2020: decreased by £3,424) after expenditure.

Reserves policy

It is PCC policy to aim to maintain a balance on free reserves (net current assets) of at least 3 months unrestricted payments which is estimated to be around £90,000.

There was a balance of £134,064 (2020: £95,368) on the unrestricted funds at year end whilst the restricted funds had a year end surplus of £13,530 (2020: £1,990) following a transfer from unrestricted funds of £25,237 (2020:£9,528), representing amounts in respect of Interns, Mission Possible, church refurbishment and local mission activities as set out in note 8.

Staff as at 31 December 2021

Rev Stephen Melliush – Vicar
Rev Richard Boothroyd – Associate Minister
Rev Louisa Davies – Curate
Rev Tim Armstrong – Curate
Ash Abbott – Worship Pastor
Kate Elliott – Head of Operations
Heather Strydom – Office Manager
Mike Richardson – Youth Work Co-ordinator and Café Manager
Megan Taylor – Children’s Pastor/Leader
Celia Richardson – Children’s Worker
Jen Constable – Pre-school Worker
Heidi King – Children’s Worker
Liz Burrell – Head of Social Action (including Foodbank Manager)
Gaby McWhinnie – Brathway Hall Development Manager and Glass Door lead
Victoria Rawls – Social Action Manager and Community Lunch lead
Christine Lipton – Finance Officer
Susan Sangamneheri – Accounts Administrator
James Holloway – Pastoral Worker
Ellie McWhinnie – Café Staff

We would also like to thank all the many volunteers who work so hard to make our church the lively and vibrant community that it is.

Staff reward

The charity’s policy on staff reward is to set pay in line with market rates for Church of England positions but with flexibility where needed in order to recruit appropriate staff.

Structure, governance and management

The PCC is a corporate body established by the Church of England and operating under the Parochial Church Council Measures. It is a registered charity.

The method of appointment of PCC members is set out in the Church Representation Rules. At St Michael and All Angels with St Stephen’s Church, membership of the PCC consists of the incumbent vicar Stephen Melliush, associate minister Richard Boothroyd, the church wardens Rosie Hyde (temporarily replaced by Jessica Harwood since January 2022) and Andrew Lucas (both elected), staff member Kate Elliott, and those elected by members of the congregation who are on the electoral role of the church. The elected members are currently:

PCC of St Michael and All Angels with St Stephen, Wandsworth

Toby Beazley, Jamie Doyle, Jon Frostick, Max Griffin, Liz Jukes (treasurer), Aidan Magill, Anna Samuel, Anthony Bell.

The PCC members are responsible for making decisions on all matters of general concern and importance to the parish, including deciding how the funds of the PCC are to be spent. The full PCC met 4 times in 2021 (mostly virtually) with an average attendance of 80%. Given its wide responsibilities, the PCC has a number of committees dealing with particular aspects of parish life which are responsible to the PCC and report back to it regularly.

Principal risks and uncertainties

The PCC as trustees carried out risk assessments throughout the year to identify any major risks. The financial team meets regularly and reports to the PCC.

Financial Risk An annual budget was prepared and results compared to the budget and reported to the PCC at every meeting. Investments held by the PCC are reviewed by the Finance Team and act as the Church Reserve in accordance with Diocesan guidelines. The PCC approves internal controls for annual accounts. In light of the Covid-19 pandemic, the PCC continues to monitor its financial budget to ensure that the finances of the church remain robust and that funds remain available to enable the fulfilment of its mission and objectives. Mitigating actions were taken in 2021 and will continue to be taken where necessary to protect the financial viability of the charity.

Compliance with Law and Regulation A health and safety review was undertaken by the Church Health & Safety Officer. The PCC is informed of risks and these are dealt with as appropriate. Procedures for reporting accidents are in place. The fire extinguishers and alarms are checked regularly in compliance with our Health and Safety policy and procedures. A risk management survey was carried out by insurers and acted upon.

Safeguarding The Church has adopted the Diocesan 'Protection for All' Policy on Safeguarding Children & Vulnerable Adults. The Church complies with the DBS requirements when recruiting volunteers and staff.

Approved by the PCC and signed on its behalf of by



The Rev. Stephen Melluish
Vicar

25 May 2022

Statement of the responsibilities of the PCC

The Church Accounting Regulations 2006 require the Parochial Church Council (PCC) to prepare financial statements for each year, which give a true and fair view of the state of affairs of the Council and of its financial activities for that period.

In preparing those financial statements the PCC is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Council will continue.

The PCC acknowledges its responsibility for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Church and enable it to ensure that the financial statements comply with applicable Accounting Standards and Statements of Recommended Practice and with the regulations made under the Church Accounting Regulations 2006 and under section 145 of the Charities Act 2011. The PCC also acknowledges its responsibility for safeguarding the assets of the Church and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

On behalf of the PCC



The Rev. Stephen Melliush
Vicar

25 May 2022

PCC of St Michael and All Angels with St Stephen, Wandsworth

Independent examiner's report to the PCC of St Michael and All Angels with St Stephen, Wandsworth (1146780)

I report to the members of the PCC on my examination of the accounts of the above charity ("the charity") for the year ended 31 December 2021.

As members of the PCC, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the charity's accounts 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 and with the regulations made under the Church Accounting Regulations 2006.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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.



Helen Wildman ACA
London, United Kingdom

25 May 2022

PCC of St Michael and All Angels with St Stephen, Wandsworth

Statement of financial activities for the year ended 31 December 2021

| | Note | Un- restricted £ | Restricted £ | Total 2021 £ | Un- restricted £ | Restricted £ | Total 2020 £ |
|--|------|------------------------|------------------|--------------------|------------------------|------------------|--------------------|
| Incoming resources | | | | | | | |
| Donations and legacies | 2(a) | 458,922 | 94,960 | 553,882 | 423,348 | 88,260 | 511,608 |
| Other trading activities | 2(b) | 68,640 | - | 68,640 | 59,295 | - | 59,295 |
| Income from investments | 2(c) | 18 | - | 18 | 79 | - | 79 |
| Total income | | 527,580 | 94,960 | 622,540 | 482,722 | 88,260 | 570,982 |
| Resources used | | | | | | | |
| Grants and donations | 3(a) | - | (26,000) | (26,000) | - | (32,936) | (32,936) |
| Activities directly relating to the work of the church | 3(b) | (339,681) | (82,657) | (422,338) | (336,845) | (68,276) | (405,121) |
| Church management and administration | 3(c) | (123,966) | - | (123,966) | (127,955) | - | (127,955) |
| Total resources used | | (463,647) | (108,657) | (572,304) | (464,800) | (101,212) | (566,012) |
| Net incoming resources | | 63,933 | (13,697) | 50,236 | 17,922 | (12,952) | 4,970 |
| Movement between funds | 8 | (25,237) | 25,237 | - | (9,528) | 9,528 | - |
| Balance brought forward at 1 January | | 95,368 | 1,990 | 97,358 | 86,974 | 5,414 | 92,388 |
| Balance carried forward at 31 December | | 134,064 | 13,530 | 147,594 | 95,368 | 1,990 | 97,358 |

The notes form part of these financial statements

PCC of St Michael and All Angels with St Stephen, Wandsworth

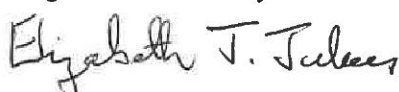
Balance Sheet as at 31 December 2021

| | Note | 2021 £ | 2020 £ |
|---|------|----------------|----------------|
| Current assets | | | |
| Debtors and prepayments | 4 | 29,481 | 29,617 |
| Cash at bank | | 93,842 | 81,073 |
| High interest account | 6 | 47,224 | 2,216 |
| | | <u>170,547</u> | <u>112,906</u> |
| Liabilities | | | |
| Creditors – amounts falling due within one year | 7 | (22,953) | (15,548) |
| Net assets | | | |
| | | <u>147,594</u> | <u>97,358</u> |
| Funds | | | |
| Unrestricted | | 134,064 | 95,368 |
| Restricted | 8 | 13,530 | 1,990 |
| | | <u>147,594</u> | <u>97,358</u> |

The financial statements were approved by the PCC and signed on its behalf by:


The Rev. Stephen Melliush
Vicar

25 May 2022


Mrs Elizabeth Jukes
Treasurer

25 May 2022

The notes form part of these financial statements

PCC of St Michael and All Angels with St Stephen, Wandsworth

Cashflow statement for the year ended 31 December 2021

| | Note | 2021 £ | 2020 £ |
|---|------|----------------|----------------|
| Cash flows from operating activities | | | |
| Net cash provided by (used in) operating activities | a | <u>57,759</u> | <u>(2,481)</u> |
| Cash flows from investing activities | | | |
| Bank interest received | | <u>18</u> | <u>79</u> |
| Change in cash in the year | | 57,777 | (2,402) |
| Cash at 1 January | | 83,289 | 85,691 |
| Cash at 31 December | | <u>141,066</u> | <u>83,289</u> |
| Note a: | | | |
| Reconciliation of net movement in funds to net cash flow from operating activities | | | |
| Net movement in funds | | 50,236 | 4,970 |
| Adjustments: | | | |
| (Increase)/decrease in debtors | | 136 | (5,143) |
| (Decrease)/increase in creditors | | 7,405 | (2,229) |
| Bank interest received | | (18) | (79) |
| | | <u>57,759</u> | <u>(2,481)</u> |

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements

1. Accounting policies

a. General

The accounts have been prepared under the Church Accounting Regulations 2006 in accordance with applicable accounting standards and the current Statement of Recommended Practice, Accounting and Reporting by Charities and applicable accounting standard FRS 102.

The accounts have been prepared under the historical cost convention and on the accruals basis. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law.

b. Funds

General or unrestricted funds represent the funds of the PCC and are not subject to any restrictions regarding their use and are available for application on the general purposes of the PCC.

Restricted funds are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

c. Incoming resources

Voluntary income and activities income

Collections are recognised when received by or on behalf of the PCC.

Planned giving receivable under covenant is recognised only when received.

Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement and the amount due. Cafe income and sales of books and magazines are accounted for based on sales receipts.

Gift Aid Tax claims on cash donations

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

Other income

Rental income from the letting of the church premises is recognised when the rental is due.

Income from investments

Dividends and interest are accounted for when received. Tax recoverable on such income is recognised in the same accounting year.

Gains and losses on investments

Realised gains or losses are recognised when investments are sold.

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

Government grants

Government grants under the coronavirus job-retention scheme have been received in the year which relate to eligible staff costs. This grant income has been presented in unrestricted income to match the unrestricted staff costs the grant income was provided to support.

d. Resources used

Grants

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC.

e. Activities directly relating to the work of the charity

The diocesan quota or parish share is accounted for when payable. Any agreed quota unpaid at 31 December is provided for in these accounts as an operational (though not legal) liability and is shown as a creditor in the Balance Sheet.

Notes to the financial statements (continued)

1. Accounting policies (continued)

f. Fixed assets

Consecrated land and buildings and moveable church furnishings

Consecrated and beneficed property is excluded from the accounts by s.10(2)(a) and (c) of the Charities Act 2011. No value is placed in moveable 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 on moveable church furnishings, whether maintenance or improvements, is written off in the Statement of Financial Activities and separately disclosed.

g. Other fixtures, fittings and office equipment

Equipment used within the church premises is depreciated on a straight line basis over 4 years except for individual items of equipment with a purchase price of £2,000 or less which are written off when the asset is acquired.

h. Investments

Investments are valued at market value at 31 December.

i. Current assets

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors less provision for amounts which may prove uncollectable.

High interest accounts comprise cash held on deposit either with the Central Board of Finance of the Church of England or at the bank.

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements (continued)

2. Incoming resources

| | Unrestricted | Restricted | Total funds | |
|---|----------------|---------------|----------------|----------------|
| | Funds | Funds | 2021 | 2020 |
| | £ | £ | £ | £ |
| (a) Donations and legacies | | | | |
| Planned giving | 256,039 | - | 256,039 | 253,073 |
| Income tax recoverable on standing orders | 64,163 | - | 64,163 | 65,974 |
| Donations | 62,144 | 44,456 | 106,600 | 82,210 |
| CAF & GAYE donations | 42,952 | 10,000 | 52,952 | 34,093 |
| Non-gift aid standing orders | 33,529 | - | 33,529 | 23,997 |
| Donations – interns | - | 10,155 | 10,155 | 12,020 |
| Donations – mission possible | - | 30,349 | 30,349 | 19,627 |
| Donations – specific charities | - | - | - | 18,687 |
| Collections at services | 95 | - | 95 | 1,927 |
| | <u>458,922</u> | <u>94,960</u> | <u>553,882</u> | <u>511,608</u> |
| (b) Other trading activities | | | | |
| Lettings income | 40,932 | - | 40,932 | 32,502 |
| Other income | 9,473 | - | 9,473 | 11,762 |
| Bookstall | - | - | - | 645 |
| Cafe income | 18,235 | - | 18,235 | 14,386 |
| | <u>68,640</u> | <u>-</u> | <u>68,640</u> | <u>59,295</u> |
| (c) Income from investments | | | | |
| Bank interest received | 18 | - | 18 | 79 |
| | <u>18</u> | <u>-</u> | <u>18</u> | <u>79</u> |
| Total incoming resources | <u>527,580</u> | <u>94,960</u> | <u>622,540</u> | <u>570,982</u> |

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements (continued)

3. Resources used

| | Unrestricted Funds £ | Restricted Funds £ | Total funds | |
|---|----------------------------|--------------------------|----------------|----------------|
| | | | 2021 £ | 2020 £ |
| (a) Grants and donations | | | | |
| Donations - overseas missionary | - | 22,500 | 22,500 | 26,936 |
| Donations - local mission activities | - | 3,500 | 3,500 | 6,000 |
| | <u>-</u> | <u>26,000</u> | <u>26,000</u> | <u>32,936</u> |
| (b) Activities directly relating to the work of the church | | | | |
| Diocese quota | 91,000 | - | 91,000 | 88,000 |
| Clergy reimbursements | 1,284 | - | 1,284 | 296 |
| Staff salaries | 170,921 | 49,106 | 220,027 | 199,681 |
| Insurance | 9,030 | - | 9,030 | 9,033 |
| Heating, lighting and water | 10,860 | - | 10,860 | 11,632 |
| Church maintenance | 19,881 | - | 19,881 | 27,609 |
| Church refurbishment | 4,804 | 3,414 | 8,218 | 13,136 |
| Church services | 4,342 | - | 4,342 | 3,673 |
| Church courses | 277 | - | 277 | 48 |
| Leadership training | - | - | - | 567 |
| Youth work & children | 3,347 | - | 3,347 | 1,942 |
| Bookstall | 47 | - | 47 | 815 |
| Local mission activities | - | 20,635 | 20,635 | 9,288 |
| Intern costs | - | 7,762 | 7,762 | 25,826 |
| Mission Possible costs | - | 1,740 | 1,740 | 239 |
| Cafe expense | 23,888 | - | 23,888 | 13,336 |
| | <u>339,681</u> | <u>82,657</u> | <u>422,338</u> | <u>405,121</u> |
| (c) Church management and administration | | | | |
| Miscellaneous | 7,185 | - | 7,185 | 8,891 |
| Administration | 11,277 | - | 11,277 | 10,582 |
| Salaries | 81,856 | - | 81,856 | 85,025 |
| Bank charges | 1,148 | - | 1,148 | 957 |
| Brathway Hall building development costs | 22,500 | - | 22,500 | 22,500 |
| | <u>123,966</u> | <u>-</u> | <u>123,966</u> | <u>127,955</u> |
| Total resources used | <u>463,647</u> | <u>108,657</u> | <u>572,304</u> | <u>566,012</u> |

Notes to the financial statements (continued)

4. Debtors and prepayments

| | 2021 | 2020 |
|----------------|---------------|---------------|
| | £ | £ |
| Tax refund due | 18,887 | 20,708 |
| Other debtors | 4,819 | 3,206 |
| Prepayments | 5,775 | 5,703 |
| | <u>29,481</u> | <u>29,617</u> |

5. Cash at bank

The PCC has entered into a pooling arrangement for cash balances operated by the diocese and is credited with a portion of the interest.

6. Cash at bank – high interest account

This is held at the Central Board of Finance of the Church of England and interest is credited quarterly.

7. Creditors due within one year

| | 2021 | 2020 |
|------------------|---------------|---------------|
| | £ | £ |
| Bank credit card | 3,535 | 3,524 |
| Accruals | 18,496 | 11,102 |
| Other creditors | 922 | 922 |
| | <u>22,953</u> | <u>15,548</u> |

Notes to the financial statements (continued)

8. Restricted funds

| | Interns fund | Mission Possible fund | Local mission funds | Church refurbishment | Total |
|-----------------------------------|-----------------|-----------------------------|---------------------------|-------------------------|-----------|
| | £ | £ | £ | £ | £ |
| Opening balance | - | 1,137 | 853 | - | 1,990 |
| Income | 10,155 | 30,349 | 41,956 | 12,500 | 94,960 |
| Expenses | (7,762) | (27,740) | (69,741) | (3,414) | (108,657) |
| Transfer from unrestricted funds | - | - | 24,323 | 914 | 25,237 |
| Transfer between restricted funds | - | (2,609) | 2,609 | - | - |
| | 2,393 | 1,137 | - | 10,000 | 13,530 |

Mission Possible: The annual 'Mission Possible Quiz Night' raises funds for specific overseas and local mission projects which receive donations from the church.

Interns fund: Donations and grants received have been used to support the costs of the interns working at the church.

Local mission funds: Donations and other income have been received in the year to support various specific, local initiatives. These include Messy Church, Wandsworth Food Bank, Community Lunch, Open House for the Elderly and Glass Door at St Michael's.

Church refurbishment: A £2,500 grant was received to partially finance the replacement of the kitchen floor and a £10,000 donation was received to help finance the refurbishment of the front of St Michael's Church, due to be carried out in 2022.

Transfers are made from unrestricted funds to restricted funds where expenditure on restricted funds exceeds income in the year.

9. Other trusts

Rochester & Southwark Church Trust Account 630 and 203

The diocese holds trust funds on behalf of St Michael's. As at 31 December 2021 the balance held was £10,054 (2020: £10,049).

Notes to the financial statements (continued)

10. Staff costs

| | 2021 | 2020 |
|--|----------------|----------------|
| | £ | £ |
| Wages and salaries | 284,676 | 279,455 |
| Social security costs | 14,021 | 14,666 |
| Employee pension contributions (note 12) | 20,789 | 23,049 |
| | <u>319,486</u> | <u>317,170</u> |

The above staff costs are net of £15,121 (2020: £22,063) from the Job Retention Scheme Grants received from HMRC for Covid-19 support.

The average number of employees was 14 (2020: 14). There were no emoluments of more than £60,000 paid to any individual employee.

The charity's policy on staff reward is to set pay in line with market rates for Church of England positions but with flexibility where needed in order to recruit appropriate staff.

11. Related party transactions

Out of pocket expenditure for items bought on behalf of the Church has been reimbursed to members of the PCC; such expenditure is categorised under the relevant expenditure heading, and as such is not separately disclosed in the accounts. There were no disclosable transactions in respect of PCC members, persons closely connected with them or other related parties.

Donations made by members of the PCC to the charity during the year ended 31 December 2021, had an aggregate value of £50,000 (2020: £50,000).

The charity is a trustee of the charity 'St Mike's Southfields' for which it acts as a guarantor (see note 13).

Notes to the financial statements (continued)

12. Pension contributions

St Michael's with St Stephen's Church (Wandsworth) (PB 2014) participates in the Pension Builder Scheme section of CWPF for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers.

CWPF has two sections:

1. Defined Benefits Scheme
2. Pension Builder Scheme, which has two subsections;
 - a. a deferred annuity section known as Pension Builder Classic, and,
 - b. a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

Pension Builder Classic provides a pension, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable of £20,789 (2020: £23,049).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019. The next valuation is due as at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review, the Board chose to grant a discretionary bonus of 3% following improvements in the funding position over 2021. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, St Michael's with St Stephen's Church (Wandsworth) (PB 2014) could become responsible for paying a share of the failed employer's pension liabilities.

13. Commitments and other guarantees

The charity is a guarantor for the mortgage held by the charity 'St Mike's Southfields'. The mortgage of £450,000 was taken out to develop Brathway Hall. The balance of the mortgage as at 31 December was £73,927 (2020: £239,136).

Accounts

**PCC of St Michael and All Angels with
St Stephen, Wandsworth
Annual report and financial statements**

for the year ended 31 December 2020

Registered number: **1146780**

PCC of St Michael and All Angels with St Stephen, Wandsworth

Report and financial statements 2020

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PCC of St Michael and All Angels with St Stephen, Wandsworth

Report and financial statements 2020

General information

Church Office Address

73 Wimbledon Park Road
Southfields
London
SW18 5TT

Incumbent

The Rev Stephen Melliush

Church Wardens

Rosie Hyde
Andrew Lucas
Roy Wellington

Hon. Treasurer

Elizabeth Jukes

Bankers

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Natwest Bank plc
Birmingham Business Centre
7 Brindley Place
Birmingham
B1 2TZ

Santander Bank UK plc
2 Triton Square
Regent's Place
London
NW1 3AN

Independent Examiner

Helen Wildman ACA

PCC of St Michael and All Angels with St Stephen, Wandsworth

Aim and purposes

The church's mission statement is "Being transformed in Christ, bringing hope to everyone". In co-operation with Reverend Stephen Melliush, the PCC aims to promote the whole mission of the church: pastoral, evangelistic, social and ecumenical.

Objectives and activities

The PCC is committed to enabling as many people as possible to worship at our church and to become part of our parish community. When planning activities for the year, we have considered the Charity Commission's guidance on public benefit and in particular, the supplementary guidance on charities for the advancement of religion. We aim to help members of the community live out their faith as part of our parish community through:

Worship and prayer

Provision of pastoral care

Missionary and outreach work

Engagement with local issues of justice and mercy.

To facilitate this work, it is important we maintain the fabric of St Michael's and St Stephen's Churches and their related buildings.

Achievements and performance

The church had to completely change its way of operating in 2020 due to the global Covid-19 pandemic. However, we were very quick to rise to the challenge and switch to providing online services and events and using the field for services whenever regulations (and the weather) allow. We continue to be actively involved in our local community and with our own internal church activities, albeit many of them virtual for a large part of the year. We also continue to support a number of justice projects in various parts of the wider world.

A sample of our activities include, but are not limited to, the following:

- Mission Possible, our fundraising night for Mission funding, became a virtual event in 2020 but still raised significant funds of over £19,000 in profit for the charities we support.
- An Alpha course took place online and was successfully received.
- Foodbank continues to be a significant ministry, but again, in a different – Covid friendly – shape. During the pandemic, it operates from a central Wandsworth hub rather than the church building. 2 members of the social action team are seconded to work for the Foodbank hub for part of their working week. Each week continues to see increasing numbers using its provision, more so than ever before, given the pandemic. Food packages are delivered to homes and advice is now given by telephone rather than in person.
- We have continued to provide a Community Lunch service throughout the pandemic, however it has become a collection / delivery service, operated by a reduced number of staff and volunteers in order to comply with Covid safety requirements. It runs weekly and continues to meet an ever increasing crucial local need.
- As with Foodbank, the Glass Door Night Shelter has moved to a central hub, however we continue to provide an evening meal every Saturday from November to April, but on a delivery basis.
- The St Stephen's Church congregation has been meeting regularly online and in person outside in September, when Covid regulations allowed. Little Fingers Nursery continues to be run from those premises, although it had to close during the first Covid lockdown.
- Easter and Christmas services were all online in 2020, apart from the Carols on Tour which provided Christmas cheer on the local streets in a Covid safe manner. The social action team and a group of volunteers provided over 200 Christmas hampers to families in need.
- Schools work continues with the church running virtual assemblies and RE lessons in local schools.
- Unfortunately, no live socials and few live cell groups could take place during the year, but the church members quickly adapted to virtual socials and home / cell groups and the pastoral staff introduced pastoral walks where possible.

PCC of St Michael and All Angels with St Stephen, Wandsworth

- The Cricket Pavilion continued to be used in the summer when regulations allowed, and the field provided a welcome Covid safe meeting place for church members during the summer.
- Ackroydon Community Church also went online with bi-weekly zoom meetings.
- The children's Sunday work, Toolbox, and lots of new and innovative children's activities (incl Games on Zoom, bedtime stories) took place online with others happening on the field when regulations allowed. A new intern arrived in September and threw herself into the role. Two of the children's workers went on maternity leave in September and October respectively.
- Similarly, the youth work has gone online and uses the field when possible and continues to go from strength to strength.
- The Brathway Hall development was opened in March 2020 (just before the first lockdown) by the local MP Fleur Anderson. Staff moved into the apartments in April and May 2020 and the hall was used by the Wimbledon Dons from June to September as a food warehouse for the community feeding initiative that they set up in light of the global pandemic. The church now has an ongoing relationship with the Dons, who provide food for Community Lunch and Glass Door.
- The church café had to close for the first lockdown and has opened intermittently ever since depending on regulations. The staff were furloughed when the café was closed which meant that the café broke even for the year.
- The external condition of the church grounds has substantially improved under the volunteerism and leadership of Jon Frostick.
- Grants were received for specific Social Action projects from the Jerusalem Trust, the London Borough of Wandsworth Covid Response Grant and the London Community Fund.

Financial review

Total receipts for the year for unrestricted funds were £482,722 (2019: £522,479) of which £253,073 (2019: £244,165) was planned giving via gift aided standing orders with a further £65,974 (2019: £64,162) coming from the gift aid.

A further £36,020 of unrestricted income (2019: £47,070) was raised from giving via CAF/GAYE and collections at services (no collections were taken after 23rd March 2020 due to lockdown). Included in the restricted income of £88,260 (2019: £86,056) are those amounts raised for specific purposes of which £19,627 (2019: £34,537) was raised by 'Mission Possible' and a further £37,926 (2019: £17,302) of donations and grants to support specific local mission activities such as Open Door, community lunch and many others.

Church hall letting contributed a further £32,502 (2019: £66,525) to unrestricted funds with the decrease being due to the fact that the church buildings were closed for half of the year. The café generated a reduced income of £14,386 (2019: £35,574) due to Covid. The running expenses of the café were £13,336 (2019: £30,148). These reduced expenses were mainly because we were able to furlough the café staff and received £22,064 from the HMRC Job Retention Scheme to pay a substantial part of their salaries for the time that the café was closed. Other income totalled £11,762 (2019: £11,210) mainly due to income from 'St Michael's Southfields' charity (which owns Brathway Hall) for use of church staff.

During the year £405,121 (2019: £422,223) was spent from unrestricted and restricted funds in providing the Christian ministry of the church. This includes an amount of £88,000 (2019: £86,500) representing the fairer share payment made to the Diocese.

Administration costs in the year totalled £127,955 (2019: £167,306) and included £22,500 (2019: £51,100) of expenses related to the Brathway Hall development. (A matching amount of £22,500 was donated to "St Michael's Southfields" from the Bertha Smith Trust. The PCC agreed in May 2020 to dissolve the Trust and gift the proceeds to the Brathway development to pay the outstanding construction costs.

Net movement on unrestricted funds for the year, after transfers to restricted funds, was therefore a surplus for the year of £8,394 (2019: £2,396). Restricted funds decreased by £3,424 (2019: £11,101) after expenditure.

PCC of St Michael and All Angels with St Stephen, Wandsworth

Reserves policy

It is PCC policy to aim to maintain a balance on free reserves (net current assets) of at least 3 months unrestricted payments which is estimated to be around £80,000.

There is a balance of £95,368 (2019: £86,974) on the unrestricted funds at year end whilst the restricted funds had a year end surplus of £1,990 following a transfer from unrestricted funds of £9,528 (2019 surplus: £5,414), representing amounts in respect of Interns, Mission Possible and local mission activities as set out in note 8.

Staff at end of 2020

Rev Stephen Melluish – Vicar
Rev Richard Boothroyd – Associate Minister
Rev Patricia Taylor – Associate Minister
Louisa Davies – Senior Pastor
Rev Tim Armstrong – Curate
Ash Abbott – Worship Pastor
Kate Elliott – Head of Operations
Heather Strydom – Office Manager
Mike Richardson – Youth Work Co-ordinator
Megan Taylor – Children’s Pastor/Leader
Celia Richardson – Children’s Worker (on maternity leave)
Triny Pugh-Smith – Pre-school Worker (on maternity leave)
Liz Burrell – Head of Social Action (including Foodbank Manager)
Gaby Mcwhinnie – Brathway Hall Development Manager and Glass Door lead
Edith Light – Social Action Manager and Community Lunch lead
Christine Lipton – Finance Officer
Susan Sangamneheri – Accounts Administrator
Charlotte Billett – DBS and office administrator
James Holloway – Pastoral Worker
Jen Constable – Pre-school worker maternity cover
Heidi King – Intern children’s worker
Moirá Mullally – Café Co-Manager
Deborah Koby – Café Co-manager

In 2020 Jen Constable joined the team as a pre-school worker and Heidi King joined as an intern children’s worker.

We would also like to thank all the many volunteers who work so hard to make our church the lively and vibrant community that it is.

Staff reward

The charity’s policy on staff reward is to set pay in line with market rates for Church of England positions but with flexibility where needed in order to recruit appropriate staff.

Structure, governance and management

The PCC is a corporate body established by the Church of England and operating under the Parochial Church Council Measures. It is a registered charity.

The method of appointment of PCC members is set out in the Church Representation Rules. At St Michael and All Angels with St Stephen’s Church, membership of the PCC consists of the incumbent vicar Stephen Melluish, associate minister Patricia Taylor, associate minister Richard Boothroyd, the church wardens Rosie Hyde and Andrew

PCC of St Michael and All Angels with St Stephen, Wandsworth

Lucas (elected), staff member Kate Elliott, and those elected by members of the congregation who are on the electoral role of the church. The elected members are currently:

Toby Beazley, Mark Browning, Jamie Doyle, Tim Evans, Jon Frostick, Max Griffin, Jess Harwood, Liz Jukes (treasurer), Aidan Magill, Anna Samuel.

Roy Wellington stood down from the PCC due to ill health and Rachel Swithinbank stood down due to her family moving out of London.

The PCC members are responsible for making decisions on all matters of general concern and importance to the parish, including deciding how the funds of the PCC are to be spent. The full PCC met 5 times in 2020 (mostly virtually) with an average attendance of 80%. Given its wide responsibilities, the PCC has a number of committees dealing with particular aspects of parish life which are responsible to the PCC and report back to it regularly.

Principal risks and uncertainties

The PCC as trustees carried out risk assessments throughout the year to identify any major risks. The financial team meets regularly and reports to the PCC.

Financial Risk An annual budget was prepared and results compared to the budget and reported to the PCC at every meeting. Investments held by the PCC are reviewed by the Finance Team and act as the Church Reserve in accordance with Diocesan guidelines. The PCC approves internal controls for annual accounts.

In light of the Covid-19 pandemic, the PCC continues to monitor its financial budget to ensure that the finances of the church remain robust and that funds remain available to enable the fulfilment of its mission and objectives. Mitigating actions were taken in 2020 and will continue to be taken where necessary to protect the financial viability of the charity.

Compliance with Law and Regulation A health and safety review was undertaken by the Church Health & Safety Officer. The PCC is informed of risks and these are dealt with as appropriate. Procedures for reporting accidents are in place. The fire extinguishers and alarms are checked regularly in compliance with our Health and Safety policy and procedures. A risk management survey was carried out by insurers and acted upon.

Safeguarding The Church has adopted the Diocesan 'Protection for All' Policy on Safeguarding Children & Vulnerable Adults. The Church complies with the DBS requirements when recruiting volunteers and staff.

Administrative information

Refer to the notes on page 2.

Approved by the PCC on
and signed on its behalf of by



The Rev. Stephen Melluish
Vicar

26 May 2021

PCC of St Michael and All Angels with St Stephen, Wandsworth

Statement of the responsibilities of the PCC

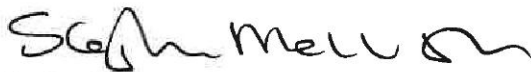
The Church Accounting Regulations 2006 require the Parochial Church Council (PCC) to prepare financial statements for each year, which give a true and fair view of the state of affairs of the Council and of its financial activities for that period.

In preparing those financial statements the PCC is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Council will continue.

The PCC acknowledges its responsibility for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Church and enable it to ensure that the financial statements comply with applicable Accounting Standards and Statements of Recommended Practice and with the regulations made under the Church Accounting Regulations 2006 and under section 145 of the Charities Act 2011. The PCC also acknowledges its responsibility for safeguarding the assets of the Church and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

On behalf of the PCC



The Rev. Stephen Mellaish
Vicar

26th May 2021

PCC of St Michael and All Angels with St Stephen, Wandsworth

Independent examiner's report to the PCC of St Michael and All Angels with St Stephen, Wandsworth (1146780)

I report to the members of the PCC on my examination of the accounts of the above charity ("the charity") for the year ended 31 December 2020.

As members of the PCC, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the charity's accounts 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 and with the regulations made under the Church Accounting Regulations 2006.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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.



Helen Wildman ACA
London, United Kingdom

26 May 2021

PCC of St Michael and All Angels with St Stephen, Wandsworth

Balance sheet

At 31 December 2020

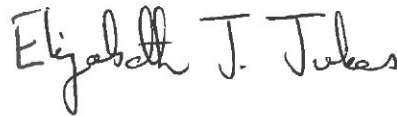
| | Note | 2020 £ | 2019 £ |
|---|------|----------------|----------------|
| Current assets | | | |
| Debtors and prepayments | 4 | 29,617 | 24,474 |
| Cash at bank | | 81,073 | 63,514 |
| High interest account | 6 | 2,216 | 22,177 |
| | | <u>112,906</u> | <u>110,165</u> |
| Liabilities | | | |
| Creditors – amounts falling due within one year | 7 | (15,548) | (17,777) |
| | | <u>97,358</u> | <u>92,388</u> |
| Net assets | | | |
| Funds | | | |
| Unrestricted | | 95,368 | 86,974 |
| Restricted | 8 | 1,990 | 5,414 |
| | | <u>97,358</u> | <u>92,388</u> |

Approved by the Parochial Church Council and signed on its behalf on 26 May 2021 by:

The Rev. Stephen Melluish
Vicar



Mrs Elizabeth Jukes
Treasurer



PCC of St Michael and All Angels with St Stephen, Wandsworth

Statement of financial activities

For the year ended 31 December 2020

| | Note | Un- restricted £ | Restricted £ | Total 2020 £ | Un- restricted £ | Restricted £ | Total 2019 £ |
|--|------|------------------------|------------------|--------------------|------------------------|------------------|--------------------|
| Incoming resources | | | | | | | |
| Donations and legacies | 2(a) | 423,348 | 88,260 | 511,608 | 408,891 | 86,056 | 494,947 |
| Other trading activities | 2(b) | 59,295 | - | 59,295 | 113,259 | - | 113,259 |
| Income from investments | 2(c) | 79 | - | 79 | 329 | - | 329 |
| Total income | | 482,722 | 88,260 | 570,982 | 522,479 | 86,056 | 608,535 |
| Resources used | | | | | | | |
| Grants and donations | 3(a) | - | (32,936) | (32,936) | (2) | (27,709) | (27,711) |
| Activities directly relating to the work of the church | 3(b) | (336,845) | (68,276) | (405,121) | (357,387) | (64,836) | (422,223) |
| Church management and administration | 3(c) | (127,955) | - | (127,955) | (146,206) | (21,100) | (167,306) |
| Total resources used | | (464,800) | (101,212) | (566,012) | (503,595) | (113,645) | 617,240) |
| Net incoming resources | | 17,922 | (12,952) | 4,970 | 18,884 | (27,589) | (8,705) |
| Movement between funds | 8 | (9,528) | 9,528 | - | (16,488) | 16,488 | - |
| Balance brought forward at 1 January | | 86,974 | 5,414 | 92,388 | 84,578 | 16,515 | 101,093 |
| Balance carried forward at 31 December | | 95,368 | 1,990 | 97,358 | 86,974 | 5,414 | 92,388 |

PCC of St Michael and All Angels with St Stephen, Wandsworth

Cash flow Statement

For the year ended 31 December 2020

| | Note | 2020 £ | 2019 £ |
|---|------|-----------|-----------|
| Cash flows from operating activities | | | |
| Net cash provided by (used in) operating activities | a | (2,481) | 102 |
| Cash flows from investing activities | | | |
| Bank interest received | | 79 | 329 |
| Cash flows from financing activities | | | |
| Repayments of loans advanced | | - | - |
| Change in cash in the year | | (2,402) | 431 |
| Cash at 1 January | | 85,691 | 85,261 |
| Cash at 31 December | | 83,289 | 85,692 |
| Note a: | | | |
| Reconciliation of net movement in funds to net cash flow from operating activities | | | |
| Net movement in funds | | 4,970 | (8,705) |
| Adjustments: | | | |
| (Increase)/decrease in debtors | | (5,143) | 8,137 |
| (Decrease)/increase in creditors | | (2,229) | 999 |
| Bank interest received | | (79) | (329) |
| | | (2,481) | 102 |

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements For the year ended 31 December 2020

Accounting policies

1. General

The accounts have been prepared under the Church Accounting Regulations 2006 in accordance with applicable accounting standards and the current Statement of Recommended Practice, Accounting and Reporting by Charities and applicable accounting standard FRS 102.

The accounts have been prepared under the historical cost convention and on the accruals basis. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law.

2. Funds

General or unrestricted funds represent the funds of the PCC and are not subject to any restrictions regarding their use and are available for application on the general purposes of the PCC.

Restricted funds are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

3. Incoming resources

Voluntary income and activities income

Collections are recognised when received by or on behalf of the PCC.

Planned giving receivable under covenant is recognised only when received.

Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement and the amount due.

Cafe income and sales of books and magazines are accounted for based on sales receipts.

Gift Aid Tax claims on cash donations

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

Other income

Rental income from the letting of the church premises is recognised when the rental is due.

Income from investments

Dividends and interest are accounted for when received. Tax recoverable on such income is recognised in the same accounting year.

Gains and losses on investments

Realised gains or losses are recognised when investments are sold.

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

Government grants

Government grants under the coronavirus job-retention scheme have been received in the year which relate to eligible staff costs. This grant income has been recognised in the Statement of Financial Activities when the charity was entitled to receive the income and has been matched to the unrestricted staff costs the grant income was provided to support.

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements

For the year ended 31 December 2020

1. Accounting policies (continued)

4. Resources used

Grants

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC.

5. Activities directly relating to the work of the charity

The diocesan quota or parish share is accounted for when payable. Any agreed quota unpaid at 31 December is provided for in these accounts as an operational (though not legal) liability and is shown as a creditor in the Balance Sheet.

6. Fixed assets

Consecrated land and buildings and moveable church furnishings

Consecrated and beneficed property is excluded from the accounts by s.10(2)(a) and (c) of the Charities Act 2011. No value is placed in moveable 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 on moveable church furnishings, whether maintenance or improvements, is written off in the Statement of Financial Activities and separately disclosed.

7. Other fixtures, fittings and office equipment

Equipment used within the church premises is depreciated on a straight line basis over 4 years except for individual items of equipment with a purchase price of £2,000 or less which are written off when the asset is acquired.

8. Investments

Investments are valued at market value at 31 December.

9. Current assets

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors less provision for amounts which may prove uncollectable.

High interest accounts comprise cash held on deposit either with the Central Board of Finance of the Church of England or at the bank.

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements For the year ended 31 December 2020

2. Incoming resources

| | Unrestricted | Restricted | Total funds | |
|---|----------------|---------------|----------------|----------------|
| | Funds | Funds | 2020 | 2019 |
| | £ | £ | £ | £ |
| 2(a) Donations and legacies | | | | |
| Planned giving | 253,073 | - | 253,073 | 244,165 |
| Income tax recoverable on standing orders | 65,974 | - | 65,974 | 64,162 |
| Donations | 44,284 | 37,926 | 82,210 | 58,258 |
| CAF & GAYE donations | 34,093 | - | 34,093 | 39,841 |
| Non-gift aid standing orders | 23,997 | - | 23,997 | 12,538 |
| Donations – Brathway Hall | - | - | - | 21,100 |
| Donations – interns | - | 12,020 | 12,020 | 10,675 |
| Donations – mission possible | - | 19,627 | 19,627 | 34,537 |
| Donations – specific charities | - | 18,687 | 18,687 | 2,442 |
| Collections at services | 1,927 | - | 1,927 | 7,229 |
| | <u>423,348</u> | <u>88,260</u> | <u>511,608</u> | <u>494,947</u> |
| 2(b) Other trading activities | | | | |
| Lettings income | 32,502 | - | 32,502 | 66,525 |
| Other income | 11,762 | - | 11,762 | 11,210 |
| Bookstall | 645 | - | 645 | (50) |
| Cafe income | 14,386 | - | 14,386 | 35,574 |
| | <u>59,295</u> | <u>-</u> | <u>59,295</u> | <u>113,259</u> |
| 2(c) Income from investments | | | | |
| Bank interest received | 79 | - | 79 | 329 |
| Total incoming resources | <u>482,722</u> | <u>88,260</u> | <u>570,982</u> | <u>608,535</u> |

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements For the year ended 31 December 2020

3. Resources used

| | Unrestricted | Restricted | Total funds | |
|--|----------------|----------------|----------------|----------------|
| | Funds | Funds | 2020 | 2019 |
| | £ | £ | £ | £ |
| 3(a) Grants and donations | | | | |
| Donations - overseas missionary | - | 26,936 | 26,936 | 22,709 |
| Donations - local mission activities | - | 6,000 | 6,000 | 5,002 |
| | - | 32,936 | 32,936 | 27,711 |
| 3(b) Activities directly relating to the work of the church | | | | |
| Diocese quota | 88,000 | - | 88,000 | 86,500 |
| Clergy reimbursements | 296 | - | 296 | 3,079 |
| Staff salaries | 166,758 | 32,923 | 199,681 | 169,037 |
| Insurance | 9,033 | - | 9,033 | 8,878 |
| Heating, lighting and water | 11,632 | - | 11,632 | 15,957 |
| Church maintenance | 27,609 | - | 27,609 | 21,340 |
| Church refurbishment | 13,136 | - | 13,136 | 12,075 |
| Church services | 3,673 | - | 3,673 | 5,616 |
| Church courses | 48 | - | 48 | 560 |
| Leadership training | 567 | - | 567 | 280 |
| Youth work & children | 1,942 | - | 1,942 | 3,937 |
| Bookstall | 815 | - | 815 | (20) |
| Local mission activities | - | 9,288 | 9,288 | 47,344 |
| Intern costs (including salaries) | - | 25,826 | 25,826 | 11,919 |
| Mission Possible costs | - | 239 | 239 | 5,573 |
| Cafe expense (including salaries) | 13,336 | - | 13,336 | 30,148 |
| | 336,845 | 68,276 | 405,121 | 422,223 |
| 3(c) Church management and administration | | | | |
| Miscellaneous | 8,891 | - | 8,891 | 11,310 |
| Administration | 10,582 | - | 10,582 | 10,484 |
| Salaries | 85,025 | - | 85,025 | 93,174 |
| Bank charges | 957 | - | 957 | 1,238 |
| Brathway Hall building development costs | 22,500 | - | 22,500 | 51,100 |
| | 127,955 | - | 127,955 | 167,306 |
| Total resources used | 464,800 | 101,212 | 566,012 | 617,240 |

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements

For the year ended 31 December 2020

4. Debtors and prepayments

| | 2020 | 2019 |
|----------------|---------------|---------------|
| | £ | £ |
| Tax refund due | 20,708 | 11,315 |
| Other debtors | 3,206 | 7,018 |
| Prepayments | 5,703 | 6,141 |
| | <u>29,617</u> | <u>24,474</u> |

5. Bank accounts

The PCC has entered into a pooling arrangement for cash balances operated by the diocese and is credited with a portion of the interest.

6. High interest account

This is held at the Central Board of Finance of the Church of England and interest is credited quarterly.

7. Creditors and accruals: due in one year

| | 2020 | 2019 |
|------------------|---------------|---------------|
| | £ | £ |
| Bank credit card | 3,524 | 3,807 |
| Accruals | 11,102 | 12,948 |
| Other creditors | 922 | 1,022 |
| | <u>15,548</u> | <u>17,777</u> |

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements For the year ended 31 December 2020

8. Restricted funds

| | Interns fund | Mission Possible fund | Local mission funds | Specific charities | Total |
|-----------------------------------|-----------------|-----------------------------|---------------------------|-----------------------|-----------|
| | £ | £ | £ | £ | £ |
| Opening balance | 4,277 | 1,136 | - | - | 5,414 |
| Income | 12,020 | 19,627 | 37,926 | 18,686 | 88,260 |
| Expenses | (25,826) | (14,488) | (42,211) | (18,686) | (101,212) |
| Transfer from unrestricted funds | 9,528 | - | - | - | 9,528 |
| Transfer between restricted funds | - | (5,138) | 5,138 | - | - |
| | - | 1,137 | 853 | - | 1,990 |

Mission Possible: The annual 'Mission Possible Quiz Night' raises funds for specific overseas and local mission projects which receive donations from the church.

Interns fund: Donations and grants received have been used to support the costs of the interns working at the church.

Local mission funds: Donations and other income have been received in the year to support various specific, local initiatives. These include Messy Church, Wandsworth Food Bank, Community Lunch, Open House for the Elderly and Glass Door at St Michael's.

Transfers are made from unrestricted funds to restricted funds where expenditure on restricted funds exceeds income in the year.

9a. Rochester & Southwark Church Trust Account 630 and 203

The diocese holds trust funds on behalf of St Michael's. As at 31 December 2020 the balance held was £10,049 (2019: £9,907).

9b. Bertha Smith Trust

The charity is a beneficiary of the Bertha Smith Trust. This Trust was established in 1984. In May 2020 the PCC agreed to dissolve the Trust and transfer the funds to 'St Michael's Southfields' (the charity which owns Brathway Hall) to help to meet the final construction invoice. An amount of £22,500 was transferred to 'St Michael's Southfields'. (As at December 2019 the value of the Trust was £22,521.)

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements For the year ended 31 December 2020

10. Staff costs

| | 2020 | 2019 |
|--|----------------|----------------|
| | £ | £ |
| Wages and salaries | 279,455 | 281,821 |
| Social security costs | 14,666 | 14,229 |
| Employee pension contributions (note 12) | 23,049 | 21,595 |
| | <u>317,170</u> | <u>317,645</u> |

The above staff costs are net of £22,063 from the Job Retention Scheme Grants received from HMRC for Covid-19 support. The prior year disclosure has been restated to include salary costs relating to café, social action and intern staff to provide full information regarding the charity's salary and associated costs.

The average number of employees was 14 (2019: 13). There were no emoluments of more than £60,000 paid to any individual employee.

The charity's policy on staff reward is to set pay in line with market rates for Church of England positions but with flexibility where needed in order to recruit appropriate staff.

11. Related party transactions

Out of pocket expenditure for items bought on behalf of the Church has been reimbursed to members of the PCC; such expenditure is categorised under the relevant expenditure heading, and as such is not separately disclosed in the accounts. There were no disclosable transactions in respect of PCC members, persons closely connected with them or other related parties.

Donations made by members of the PCC to the charity during the year ended 31 December 2020, had an aggregate value of £50,000 (2019: £40,000).

The charity is a trustee of the charity 'St Michael's Southfields' for which it acts as a guarantor (see note 13).

12. Pension contributions

St Michael's with St Stephen's Church (Wandsworth) (PB 2014) participates in the Pension Builder Scheme section of CWPF for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

The Pension Builder Scheme of the Church Workers Pension Fund is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes.

Pension Builder Classic provides a pension for members for payment from retirement, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Bonuses may also be declared, depending upon the investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no

PCC of St Michael and All Angels with St Stephen, Wandsworth

Notes to the financial statements

For the year ended 31 December 2020

requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the Statement of Financial Activities as contributions payable in the year are £23,049 (2019: £21,595).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent was carried out as at 31 December 2016. A valuation as at 31 December 2019 was underway as at 31 December 2020.

For the Pension Builder Classic section, the valuation revealed a deficit of £14.2m on the ongoing assumptions used. At the most recent annual review, the Board chose not to grant a discretionary bonus, which will have acted to improve the funding position. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £1.8m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, St Michael's with St Stephen's Church (Wandsworth) could become responsible for paying a share of that employer's pension liabilities.

13. Commitments and other guarantees

The charity is a guarantor for the mortgage held by the charity 'St Michael's Southfields'. The mortgage of £450,000 was taken out to develop Brathway Hall. The balance of the mortgage as at 31st December 2020 was £239,136.