

**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.

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- 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 Melliush – 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
Moira 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 Melliush, 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

26 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

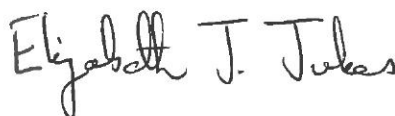
At 31 December 2020

	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 Melliush
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 Funds £	Restricted Funds £	Total 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 Funds £	Restricted Funds £	Total 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 CWPB 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

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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.