

# ST MICHAEL'S CHURCH CENTRE LIMITED

England & Wales · Charity number 1149601

## Details

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**Status** Registered

**Legal form** Charitable company

**Company number** [08242432](#)

**Registered** 2012-11-02

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** St. Michaels Church Office  
Old School Rooms  
The Green  
Stoke Gifford  
Bristol  
BS34 8PD

**Phone** 01179692486

**Email** [office@stmichaelsbristol.org](mailto:office@stmichaelsbristol.org)

**Website** [www.stmichaelsbristol.org](http://www.stmichaelsbristol.org)

## Activities

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**Objects:** The charitable purposes of the Charity are to advance the Christian religion by providing facilities for St Michael's church (Stoke Gifford) and other Christian organisations locally, regionally and nationally, for meetings, mission and outreach and, provided there is sufficient capacity remaining, to offer the facilities to local schools, community groups, charities and to other users, in a noticeably Christian setting; and any such other charitable purposes as shall, in the opinion of the Trustees, put into practice the Christian Religion, including but not limited to prevention and relief of need, hardship and sickness; the advancement of education; the provision of facilities in the interests of social welfare for recreation or other leisure time of groups and individuals which have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving conditions of life; provided that the advancement of such purposes be undertaken in a manner consistent with the Christian religion.

**Activities:** St Michael's Church Centre Ltd operates the St Michael's Church Centre to serve both the Parish of St Michael's Stoke Gifford and the community as well as the wider church and to advance the Christian religion.

## Classification

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

## Geography

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- Bristol City
- South Gloucestershire

## Finances

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Period end	Income	Expenditure	Assets	Employees
2024-12-31	£899,949	£624,056	£6,025,328	7
2023-12-31	£735,532	£528,509	£5,749,435	7
2022-12-31	£657,913	£421,583	£5,542,412	7
2021-12-31	£520,233	£330,193	£5,306,082	6
2020-12-31	£803,026	£366,845	£5,116,042	6

## Trustees

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Name	Role	Appointed
Caroline Sweetnam		2020-10-12
David Robert Pilch		2022-05-04
Kathryn Bridgford		2024-10-21
Richard Fairchild		2024-10-21
Robert James Farrell		2022-01-17

**ST MICHAEL'S CHURCH CENTRE LIMITED**

England & Wales - Charity number 1149601

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# Accounts

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**REGISTERED COMPANY NUMBER: 08242432 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1149601**

**Report of the Trustees and**  
**Audited Financial Statements**  
**for the Year Ended 31 December 2024**  
**for**  
**ST MICHAEL'S CHURCH CENTRE LIMITED**

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Contents of the Financial Statements  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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	<b>Page</b>
<b>Report of the Trustees</b>	1 to 6
<b>Report of the Independent Auditors</b>	7 to 10
<b>Statement of Financial Activities</b>	11
<b>Balance Sheet</b>	12
<b>Cash Flow Statement</b>	13
<b>Notes to the Cash Flow Statement</b>	14
<b>Notes to the Financial Statements</b>	15 to 28

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# ST MICHAEL'S CHURCH CENTRE LIMITED

## Report of the Trustees FOR THE YEAR ENDED 31 DECEMBER 2024

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The Trustees present their report with the financial statements of the charity for the year ended 31 December 2024. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

### OBJECTIVES AND ACTIVITIES

#### Objectives and aims

St Michael's Church Centre Limited (SMCC) was established in October 2012, with the main charitable purpose being "to advance the Christian religion". In 2013, the SMCC became "Trustee for all purposes" (ie both Custodian and Managing Trustees) for all the assets of the Old School Rooms Trust.

The overall vision of SMCC is to provide quality facilities, primarily for the congregation of St Michael's Church and associated church groups as well as the wider community and corporate, regional and national organisations. The Trustees believe these objectives benefit the communities which they wish to serve.

#### Significant activities

The first occupational stage of the new buildings was completed in April 2015, and from that time, the Church Centre has been the venue for the 10.30am family church services and the 6.30pm informal evening services. The Church Centre has also been increasingly used to host community events as well as an expanding variety of Christian events. Practical examples of the expanding activities include hosting the Bristol-wide Bible-Study-Fellowship on a weekly basis, monthly Messy Church, and a variety of Bristol choirs, as well as expanding youth-work within the premises. Other community events include Robot Wars, Golden Oldies, St Michael's Church over-65's lunches and Summer Club.

The Trustees confirm that they have complied with their duty under the Charities Act 2011 to have due regard to the Charity Commission's guidance on Public Benefit when planning and reviewing the objectives and activities of SMCC.

#### Grantmaking

As part of the Heart of the Community Project, it is the intention that 10% of the internally generated funds will be available for mission work both in the UK and overseas as the project progresses. The concept of "mission" has been extended to include the support of churches in the region who are struggling to fulfil their missionary and community outreach ambitions. Tithe funds have been set aside for charitable grants to be made during 2025.

#### Volunteers

Much of what happens at the Church Centre is driven by volunteers. It is not possible to quantify the contribution of volunteers except to say that the charity would not be able to carry out many of its activities without them.

## ST MICHAEL'S CHURCH CENTRE LIMITED

### Report of the Trustees FOR THE YEAR ENDED 31 DECEMBER 2024

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#### ACHIEVEMENT AND PERFORMANCE

##### Charitable activities - review of the year

The main user of SMCC is St Michael's Church congregation and its staff and administration. When rooms are available, regular church bookings include a Men's Group, Life Groups, Messy Church, Beehive, Link Club, and Saturday Breakfast. Space is provided for youth work in the form of Sunday Club, including Teen-Central, FXG and Word and other youth-work events. There is a quarterly over 65s lunch and the Church Centre is increasingly being used regionally and nationally to host events.

The facilities are making an impact locally and regionally and there is a steady and noticeable increase in footfall. Users of the facilities include individuals, charities and larger organisations.

SMCC provides the facilities for the Coffee Shop, operated by St Michaels Church, which is open 6 days a week. The facility is used outside opening hours for marriage/wedding preparation, parenting courses, ALPHA courses, community library and student groups. The Church Centre provides space for a number of groups including several uniformed groups. Residual space is also used by a number of community groups including Music with Mummy, Men's Group, Stokes Volunteer Bureau, Keep Fit (dance class) and Link Club (senior citizens). The Church Centre is also used for commercial purposes, wedding receptions and birthday parties. The Trustees of SMCC are delighted with the increase in usage for Christian and community events that has been seen during 2024.

#### FINANCIAL REVIEW

##### Principal funding sources

The primary source of incoming funds is the sacrificial donations (both regular and one-off) from individual members of St Michael's Church congregation. The next most significant source of income is the income generated by the hiring of the facilities to a range of users from the general public, and then revenue generated by the hiring out of the facilities to St Michael's Church PCC for use by the church. The constructional development of the Church Centre is complete, and the main focus of donational income in 2024 was the repayment of all the loans of which nil remains outstanding at the year-end (2023 - £451,799). The operational surpluses allow the continuing upgrading of the centre facilities as well as the day-to-day operation of the facility by an increasing range of users.

During the period, there was significant funding of SMCC from donations and related gift aid totalling £437,631 (2023 - £298,783). During the year a contribution of £145,000 (2023 - £157,903 as restated) was made by Stoke Gifford PCC to SMCC as payment for the church use of the buildings. This has enabled the Trustees to progress the development of SMCC facilities and provide additional space for the whole range of church and community activities.

One of the four main objectives of the Heart of the Community (HOTC) project, (being an integral part of the SMCC), was to provide funds for the refurbishment of the old St Michael's church building. During the year, a gift of £77,000 was made to St Michael's PCC along with a gift of £30,000 for the ministry and mission of St Michael's.

During 2024, the SMCC became registered as Partially Exempt for VAT purposes, which has resulted in charging unrecoverable VAT during the year of £25,384 to the SOFA.

##### Reserves policy

At the year end, there were total reserves of £6,025,328 (2023 - £5,749,435) of which £733 (2023 - £1,188) was held in restricted funds and £5,963,533 (2023 - £5,620,794) in designated funds.

It is the intention that general reserves will be at least 3 months' annual operating expenditure of running the Church Centre, which currently equates to £92,933 based on 2024 operating expenditure.

At the year end, free reserves were £88,350 (2023 - £139,189, as restated). Free reserves are measured as the General Fund balance, less any fixed assets held in the fund, plus the designated Fabric Fund.

A designated fund of £5,875,498 (2023 - £5,769,955) represents the net book value of the Church Centre building and related fixed assets and can only be realised by the disposal of the fixed asset. During the year, the fixtures and fittings were transferred to the fund.

## ST MICHAEL'S CHURCH CENTRE LIMITED

### Report of the Trustees FOR THE YEAR ENDED 31 DECEMBER 2024

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#### FINANCIAL REVIEW

##### Funds in deficit

In the prior year, the Heart of the Community Fund showed a deficit of £338,689 as a result of loans of £451,799 drawn down of which £11,549 was secured against the property. The deficit has been cleared in the current year as the loan were repaid and the remaining balance was reimbursed by the General Fund.

#### FUTURE PLANS

The intention is that SMCC will continue to grow, develop and flourish in the growth of the community. It is the intention of the Trustees to continue to apply surplus funds into the on-going development of the Church Centre for the benefit of all church user-groups and the wider community.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governing document

The charity is governed by its Memorandum and Articles of Association adopted on 5 October 2012, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

During 2013, a Scheme was set up with the Charity Commission under the Charities Act 2011 to discharge the Bristol Diocesan Board of Finance Limited as custodian trustee of the assets of the Old School Rooms Trust (OSRT) and appoint St Michael's Church Centre Limited (SMCC) as "Trustee for all purposes". The Scheme also provided for the transfer of title to the land previously held by the OSRT to SMCC as custodian trustee.

The Board of SMCC meet regularly throughout the year to review the activities of the charity. As a result of that review, the Objective clause in the Memorandum and Articles of Association has been expanded as follows:

"The charitable purposes of the Charity are to advance the Christian religion by providing facilities for St Michael's church (Stoke Gifford) and other Christian organisations locally, regionally and nationally, for meetings, mission and outreach and, provided there is sufficient capacity remaining, to offer the facilities to local schools, community groups, charities and to other users, in a noticeably Christian setting; and any such other charitable purposes as shall, in the opinion of the Trustees, put into practice the Christian Religion, including but not limited to prevention and relief of need, hardship and sickness; the advancement of education; the provision of facilities in the interests of social welfare for recreation or other leisure time of groups and individuals which have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving conditions of life; provided that the advancement of such purposes be undertaken in a manner consistent with the Christian religion."

This amendment has been approved by the Charity Commission and at Companies House.

##### Recruitment and appointment of new trustees

The Memorandum and Articles state that there must be at least three members at all times. Not more than three trustees may be appointed by resolution of the PCC. The PCC may remove any trustee it has appointed and may fill any vacancy arising amongst the three trustees it is entitled to appoint.

All other trustees shall be appointed by resolution of the Trustees. Trustees are elected to serve for a period of three years at a time.

##### Induction and training of new trustees

Trustees receive a short induction which includes review of the previous minutes, an update from an existing trustee and are required to review the publication 'The Essential Trustee' issued by the Charity Commission.

## ST MICHAEL'S CHURCH CENTRE LIMITED

### Report of the Trustees FOR THE YEAR ENDED 31 DECEMBER 2024

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#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Staff remuneration

All staff who work for SMCC are also jointly employed by St Michael's Church PCC. The costs of those staff are on the payroll of St Michael's PCC but shared by both charities and are re-charged by a management charge agreed annually between the Trustees of the two charities.

All St Michael's Church PCC employees are remunerated by reference to a standard salary-band matrix, which is comparative to other large churches within the Bristol area.

##### Related parties

None of the Trustees receive remuneration or other benefit from their work with SMCC. In the current year no other related party transactions took place with the Trustees.

St Michael's Church PCC is a related party of St Michael's Church Centre Limited (SMCC). SMCC is responsible for the construction and operation of the St Michael's Church Centre. The Church Centre is the continuing expression of the vision of St Michael's Church of 'Living to make a difference, by being a Christian heart at the centre of our communities'. SMCC and St Michael's Church PCC have two trustees in common. In order to deliver the Church Centre, SMCC took out low-interest loans from individuals, the Bristol Diocese (via St Michael's Church PCC), and CAF Bank. CAF Bank requested, (and the PCC of St Michael's supplied) a "letter of comfort" to signify their support of SMCC operations. In June 2024, CAF confirmed that their loan had been fully repaid and that the SMCC and the St Michael's PCC had been released from all legal charges on the assets of the SMCC.

Interest payments on all loans are the liability of SMCC and are paid from SMCC funds.

##### Risk management

The major risks to which the charity and each trustee is exposed have been reviewed and, where appropriate, systems and procedures have been established to manage those risks.

The Trustees operate a risk management process. This involves identifying the types of risks the charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of managing or mitigating the risks. The main risk to SMCC is the discontinuation of regular and one-off donations from members of the St Michael's congregation for the completion of the new facilities. However, the Trustees regularly review cash-flow projections at the Trustees' board meetings, and are satisfied that, based on the last 5 years track record and experience, SMCC remains financially healthy and solvent for the foreseeable future.

The other risks which occur within the day-to-day operation of the Church Centre are reviewed regularly by the appointed management responsible for the care of children, adults and Health and Safety within the PCC and SMCC.

#### REFERENCE AND ADMINISTRATIVE DETAILS

##### Registered Company number

08242432 (England and Wales)

##### Registered Charity number

1149601

##### Registered office

St Michael's Church Office  
The Old School Rooms  
The Green, North Road  
Stoke Gifford  
Bristol  
BS34 8PD

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Report of the Trustees  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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**Trustees**

C Bradley Treasurer  
S Denning  
L Hitchin Acting Chair (resigned 3.6.24)  
C Sweetnam  
R J Farrell Chair from 3 June 2024  
D R Pilch  
K Bridgford (appointed 21.10.24)  
R Fairchild (appointed 21.10.24)

**Auditors**

Gravita Audit Western Limited  
Chartered Accountants and Statutory Auditors  
Bath House  
6 - 8 Bath Street  
Bristol  
BS1 6HL

**Bankers**

Lloyds Bank  
61 Gloucester Road  
Patchway  
Bristol  
BS34 5JH

**Web addresses**

[www.stmichaelsbristol.org](http://www.stmichaelsbristol.org)

## ST MICHAEL'S CHURCH CENTRE LIMITED

### Report of the Trustees FOR THE YEAR ENDED 31 DECEMBER 2024

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#### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of St Michael's Church Centre Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charity SORP 2019 (FRS 102).
- make judgements and estimates that are reasonable and prudent.
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### AUDITORS

The auditors, Gravita Audit Western Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 23 June 2025 and signed on its behalf by:

C Bradley - Trustee

## **Report of the Independent Auditors to the Members of St Michael's Church Centre Limited**

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### **Opinion**

We have audited the financial statements of St Michael's Church Centre Limited (the 'charitable company') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

## **Report of the Independent Auditors to the Members of St Michael's Church Centre Limited**

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### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks applicable to the charitable company and the sector in which it operates. We determined that the following laws and regulations were most significant: The Companies Act 2006, UK GAAP, The Charities Act 2011 and the Charities SORP.

We obtained an understanding of how the charitable company is complying with those legal and regulatory frameworks and made enquiries to the management of known or suspected instances of fraud and non-compliance with laws and regulations. We corroborated our enquiries through our review of board minutes, other relevant meeting minutes and review of correspondence with regulatory bodies.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the audit team included:

- Identifying and assessing the controls management has in place to prevent and detect fraud;
- Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- Challenging assumptions and judgments made by management in its significant accounting estimates and judgments;
- Identifying and testing journal entries, in particular journal entries posted with unusual account combinations; and
- Assessing the extent of compliance with the relevant laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Members of  
St Michael's Church Centre Limited**

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**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Matthew Bracher BSc FCA (Senior Statutory Auditor)  
for and on behalf of Gravita Audit Western Limited  
Chartered Accountants and Statutory Auditors  
Bath House  
6 - 8 Bath Street  
Bristol  
BS1 6HL

23 June 2025

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Notes	Unrestricted funds £	Restricted fund £	2024 Total funds £	2023 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	<b>437,631</b>	-	<b>437,631</b>	298,783
<b>Charitable activities</b>					
Management of the Church Centre	5	<b>145,144</b>	-	<b>145,144</b>	158,047
Raising funds	3	<b>311,728</b>	-	<b>311,728</b>	294,383
Investment income	4	<b>5,446</b>	-	<b>5,446</b>	3,319
<b>Total</b>		<b>899,949</b>	-	<b>899,949</b>	754,532
<b>EXPENDITURE ON</b>					
Raising funds	6	<b>54,666</b>	-	<b>54,666</b>	73,021
<b>Charitable activities</b>					
Management of the Church Centre	7	<b>539,171</b>	<b>455</b>	<b>539,626</b>	387,070
Heart of the Community		<b>27,050</b>	-	<b>27,050</b>	75,889
Other	11	<b>2,714</b>	-	<b>2,714</b>	11,529
<b>Total</b>		<b>623,601</b>	<b>455</b>	<b>624,056</b>	547,509
<b>NET INCOME/(EXPENDITURE)</b>		<b>276,348</b>	<b>(455)</b>	<b>275,893</b>	207,023
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		<b>5,748,247</b>	<b>1,188</b>	<b>5,749,435</b>	5,542,412
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>6,024,595</b>	<b>733</b>	<b>6,025,328</b>	5,749,435

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

**ST MICHAEL'S CHURCH CENTRE LIMITED (REGISTERED NUMBER: 08242432)**

**Balance Sheet**  
**31 DECEMBER 2024**

	Notes	Unrestricted funds £	Restricted fund £	2024 Total funds £	2023 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	16	5,875,498	-	5,875,498	5,934,504
<b>CURRENT ASSETS</b>					
Debtors	17	45,376	-	45,376	24,113
Cash at bank		126,578	733	127,311	274,921
		<u>171,954</u>	<u>733</u>	<u>172,687</u>	<u>299,034</u>
<b>CREDITORS</b>					
Amounts falling due within one year	18	(22,857)	-	(22,857)	(221,738)
		<u>149,097</u>	<u>733</u>	<u>149,830</u>	<u>77,296</u>
<b>NET CURRENT ASSETS</b>					
		<u>149,097</u>	<u>733</u>	<u>149,830</u>	<u>77,296</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>6,024,595</u>	<u>733</u>	<u>6,025,328</u>	<u>6,011,800</u>
<b>CREDITORS</b>					
Amounts falling due after more than one year	19	-	-	-	(262,365)
		<u>6,024,595</u>	<u>733</u>	<u>6,025,328</u>	<u>5,749,435</u>
<b>NET ASSETS</b>					
		<u>6,024,595</u>	<u>733</u>	<u>6,025,328</u>	<u>5,749,435</u>
<b>FUNDS</b>					
Unrestricted funds	23			6,024,595	5,748,247
Restricted funds				733	1,188
				<u>6,025,328</u>	<u>5,749,435</u>
<b>TOTAL FUNDS</b>					
				<u>6,025,328</u>	<u>5,749,435</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 23 June 2025 and were signed on its behalf by:

C Bradley - Trustee

R J Farrell - Trustee

The notes form part of these financial statements

**ST MICHAEL'S CHURCH CENTRE LIMITED****Cash Flow Statement  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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	Notes	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	301,457	266,245
Interest paid		(2,714)	(11,529)
Net cash provided by operating activities		<u>298,743</u>	<u>254,716</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		-	(28,343)
Interest received		5,446	3,319
Net cash provided by/(used in) investing activities		<u>5,446</u>	<u>(25,024)</u>
<b>Cash flows from financing activities</b>			
Loan repayments in year		(451,799)	(228,882)
Net cash used in financing activities		<u>(451,799)</u>	<u>(228,882)</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
		(147,610)	810
<b>Cash and cash equivalents at the beginning of the reporting period</b>			
		<u>274,921</u>	<u>274,111</u>
<b>Cash and cash equivalents at the end of the reporting period</b>			
		<u><u>127,311</u></u>	<u><u>274,921</u></u>

The notes form part of these financial statements

ST MICHAEL'S CHURCH CENTRE LIMITED

Notes to the Cash Flow Statement  
FOR THE YEAR ENDED 31 DECEMBER 2024

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024	2023
	£	£
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	<b>275,893</b>	207,023
<b>Adjustments for:</b>		
Depreciation charges	59,006	59,006
Interest received	(5,446)	(3,319)
Interest paid	2,714	11,529
(Increase)/decrease in debtors	(21,263)	8,990
Decrease in creditors	(9,447)	(16,984)
<b>Net cash provided by operations</b>	<b>301,457</b>	266,245

2. ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS

	At 1.1.24	Cash flow	At 31.12.24
	£	£	£
<b>Net cash</b>			
Cash at bank	274,921	(147,610)	127,311
	<u>274,921</u>	<u>(147,610)</u>	<u>127,311</u>
<b>Debt</b>			
Debts falling due within 1 year	(189,434)	189,434	-
Debts falling due after 1 year	(262,365)	262,365	-
	<u>(451,799)</u>	<u>451,799</u>	<u>-</u>
<b>Total</b>	<b>(176,878)</b>	<b>304,189</b>	<b>127,311</b>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

**Basis of preparing the financial statements**

The financial statements of the charity which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The charity is a company, incorporated in England and Wales, limited by guarantee having no share capital and, in accordance with the Memorandum of Association, every member is liable to contribute £1 towards the costs of dissolution and liabilities incurred by the charity in the event of the company being wound up. The address of the registered office is given in the charity information on pages 4 to 5 of these financial statements.

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

The financial statements have been prepared on a going concern basis after consideration by the Trustees. The Trustees consider that the charity has sufficient cash reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

**Income**

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The value of services provided by volunteers has not been included.

**Voluntary income**

Donations are recognised when received and gift aid is recognised on an accruals basis in line with the donation. Grants are also recognised on a receivable basis. Pledges are not recognised until they are received.

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

**Investment income**

Investment income is recognised on an accruals basis and represents income from deposit funds, short and long term investments.

**Rental income**

Rental income and the provision of refreshments and other services to hirers, is recognised within other trading activities and is accounted for in the period to which the event takes place.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

**1. ACCOUNTING POLICIES - continued**

**Raising funds**

Costs of raising funds are recognised on an accruals basis in the period to which they relate.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings - 5 years straight line (equipment), 15 years straight line (kitchen)

Freehold property (excluding land) - 50 years straight line (fit-out), 200 years straight line (construction)

All fixed assets are initially recorded at cost. The cost of construction of the church centre, including on surveying and engineering costs, has been capitalised. Depreciation has been charged for the full year on additions.

**Taxation**

The charity is exempt from tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees.

Designated funds form part of the unrestricted funds and have been identified as being for particular purposes by the Trustees.

Restricted funds 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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Debtors**

Debtors are measured on initial recognition at settlement amount after any amounts advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

**Creditors**

The charity has creditors which are measured at settlement amounts.

**Cash and short term investments**

Cash at bank is held to meet short-term cash commitments as they fall due rather than for investment purposes and includes all cash equivalents held in the form of short-term highly liquid investments. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

**Financial instruments**

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

# ST MICHAEL'S CHURCH CENTRE LIMITED

## Notes to the Financial Statements - continued FOR THE YEAR ENDED 31 DECEMBER 2024

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### 1. ACCOUNTING POLICIES - continued

#### Financial instruments

##### Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost. Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### Basic financial liabilities

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Financial liabilities are derecognised when, and only when, the charity's contractual obligations are discharged, cancelled, or they expire.

##### Concessionary loans

Concessionary loans include those payable to third parties which are interest free or below market interest rates and are made to advance charitable purposes. The charity has applied S34 of FRS102 with regards to the valuation of loans to public benefit entities so that discounted present value and an associated interest charge are not recognised. All loans are measured at cost. Concessionary loans were repaid in the year.

### 2. DONATIONS AND LEGACIES

	2024	2023
	£	£
Donations	353,231	241,216
Gift aid	84,400	57,567
	<u>437,631</u>	<u>298,783</u>

### 3. RAISING FUNDS

	2024	2023
	£	£
Fundraising events	262	839
Room hire	214,174	184,228
Refreshments and other services	92,880	109,316
Other income	4,412	-
	<u>311,728</u>	<u>294,383</u>

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**4. INVESTMENT INCOME**

	<b>2024</b>	2023
	<b>£</b>	£
Deposit account interest	<b>5,446</b>	3,319
	<u>5,446</u>	<u>3,319</u>

**5. INCOME FROM CHARITABLE ACTIVITIES**

	<b>2024</b>	2023
	<b>£</b>	£
Contribution for Church use	<b>145,144</b>	158,047
Activity Management of the Church Centre	<u>145,144</u>	<u>158,047</u>

A payment of £19,000 made to the church in the prior year, and treated as a refund of contribution for church use, has been reclassified as a grant to the PCC to ensure consistency with payments recognised in the current year.

**6. RAISING FUNDS**

**Other trading activities**

	<b>2024</b>	2023
	<b>£</b>	£
Cost of fundraising events	<b>94</b>	359
Costs of refreshments and other services	<b>54,572</b>	72,662
	<u>54,666</u>	<u>73,021</u>

**7. CHARITABLE ACTIVITIES COSTS**

	Direct Costs (see note 8)	Grant funding of activities (see note 9)	Support costs (see note 10)	Totals
	£	£	£	£
Management of the Church Centre	<b>427,146</b>	<b>107,000</b>	<b>5,480</b>	<b>539,626</b>
Heart of the Community	-	<b>27,050</b>	-	<b>27,050</b>
	<u>427,146</u>	<u>134,050</u>	<u>5,480</u>	<u>566,676</u>

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**8. DIRECT COSTS OF CHARITABLE ACTIVITIES**

	<b>2024</b>	2023
	£	£
Rates and water	4,413	4,069
Insurance	9,398	8,099
Light and heat	78,412	88,321
Contribution to PCC for cleaner and caretaker	1,028	976
Contribution to PCC for administrator	34,464	32,724
Contribution to PCC for facilities & hospitality staff	95,366	76,432
Repairs and maintenance	73,441	51,420
Cleaning	36,097	34,964
Licences	170	159
Other professional fees	34	13
Office, admin and training	8,869	7,633
Irrecoverable VAT	25,384	-
Bad debts written off	256	-
Bank charges	808	414
Depreciation	59,006	59,006
	<u>427,146</u>	<u>364,230</u>

**9. GRANTS PAYABLE**

	<b>2024</b>	2023
	£	£
Management of the Church Centre	107,000	19,000
Heart of the Community	27,050	75,889
	<u>134,050</u>	<u>94,889</u>

The total grants paid to institutions during the year was as follows:

	<b>2024</b>	2023
	£	£
Axe Valley Christian Trust	-	2,000
The Brickworks	10,000	-
Christ The King Bradley Stoke	5,000	-
Embrace the Middle East Charity	-	6,000
The Epaphras Trust	-	15,000
Holy Trinity Church Stapleton	3,500	-
inHope Bristol	-	6,500
Kintsugi Hope	-	6,000
The Leprosy Mission England	-	6,774
Moldova Mission	5,050	9,115
Stoke Gifford PCC - Ministry and Mission	30,000	19,000
Stoke Gifford PCC - Church Refurbishment	77,000	-
St Mary's and St James Church, Lockleaze	-	20,000
Returned grants	(6,500)	-
	<u>124,050</u>	<u>90,389</u>

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**9. GRANTS PAYABLE - continued**

The total grants paid to individuals during the year was as follows:

	<b>2024</b>	2023
	<b>£</b>	£
Sarah Sutton - Clwb Coffi	-	4,500
Moldova mission partners	<b>10,000</b>	-
	<u><b>10,000</b></u>	<u>-</u>
	<u><b>10,000</b></u>	<u>4,500</u>

In accordance with the expressed desire to tithe at least 10 per cent of donations to the Heart Of The Community project £42,825 (2023 - £147,915) has been set aside in the Tithe Fund (designated) to be available for grant funding and £57,050 was expended during the year (2023 - £94,889).

A payment of £19,000 made to the church in the prior year and treated as a refund of contribution for church use, has been reclassified as a grant to the PCC to ensure consistency with payments recognised in the current year.

**10. SUPPORT COSTS**

	Governance costs £
Management of the Church Centre	<b>5,480</b>
	<u><b>5,480</b></u>

Support costs, included in the above, are as follows:

**Governance costs**

	<b>2024</b>	2023
	<b>Management of the Church Centre £</b>	Total activities £
Auditors' remuneration	<b>3,780</b>	<b>2,175</b>
Auditors' remuneration for non audit work	<b>1,700</b>	<b>1,665</b>
	<u><b>5,480</b></u>	<u><b>3,840</b></u>

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024**

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**11. OTHER**

	<b>2024</b>	2023
	<b>£</b>	£
Interest payable and similar charges	<b>2,714</b>	11,529
Support costs	<b>5,480</b>	3,840
	<u><b>8,194</b></u>	<u>15,369</u>

**12. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	<b>2024</b>	2023
	<b>£</b>	£
Auditors' remuneration - audit	<b>3,780</b>	2,175
Accounts preparation	<b>1,700</b>	1,665
Depreciation - owned assets	<b>59,006</b>	59,005
	<u><b>64,486</b></u>	<u>62,845</u>

**13. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2024 nor for the year ended 31 December 2023.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2024 nor for the year ended 31 December 2023.

**14. STAFF COSTS**

Staff costs of £130,858 (2023 - £110,132) were incurred by Stoke Gifford PCC for staff who are jointly employed by Stoke Gifford PCC and SMCC. The contributions that have been made by SMCC are included in charitable activities expenditure.

The Operations Director and the Trustees comprise the key management personnel of the charity. No Trustee received any remuneration during the current or previous year. No Trustees were reimbursed for expenses in the current or previous year. Key management personnel received total employment benefits of £25,434 (2023 - £24,194).

**ST MICHAEL'S CHURCH CENTRE LIMITED****Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024****15. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	298,783	-	298,783
<b>Charitable activities</b>			
Management of the Church Centre	158,047	-	158,047
Raising funds	294,383	-	294,383
Investment income	3,319	-	3,319
<b>Total</b>	<u>754,532</u>	<u>-</u>	<u>754,532</u>
<b>EXPENDITURE ON</b>			
Raising funds	73,021	-	73,021
<b>Charitable activities</b>			
Management of the Church Centre	387,070	-	387,070
Heart of the Community	75,889	-	75,889
Other	11,529	-	11,529
<b>Total</b>	<u>547,509</u>	<u>-</u>	<u>547,509</u>
<b>NET INCOME</b>	207,023	-	207,023
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	5,541,224	1,188	5,542,412
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>5,748,247</u></u>	<u><u>1,188</u></u>	<u><u>5,749,435</u></u>

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**16. TANGIBLE FIXED ASSETS**

	Freehold property £	Fixtures and fittings £	Totals £
<b>COST</b>			
At 1 January 2024 and 31 December 2024	<b>5,940,976</b>	<b>259,461</b>	<b>6,200,437</b>
<b>DEPRECIATION</b>			
At 1 January 2024	<b>171,021</b>	<b>94,912</b>	<b>265,933</b>
Charge for year	<b>42,761</b>	<b>16,245</b>	<b>59,006</b>
At 31 December 2024	<b>213,782</b>	<b>111,157</b>	<b>324,939</b>
<b>NET BOOK VALUE</b>			
At 31 December 2024	<b>5,727,194</b>	<b>148,304</b>	<b>5,875,498</b>
At 31 December 2023	<b>5,769,955</b>	<b>164,549</b>	<b>5,934,504</b>

The asset value of freehold property of £5,727,194 in the Balance Sheet represents the cumulative expenditure on the acquisition of the land, all construction costs and associated professional fees incurred to date less depreciation.

**17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2024 £	2023 £
Trade debtors - room hire owing	<b>27,999</b>	22,724
Prepayments	<b>17,297</b>	-
Income tax recoverable	<b>80</b>	1,389
	<b>45,376</b>	24,113

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2024	2023
	£	£
Other loans (see note 20)	-	189,434
Trade creditors	6,441	4,457
VAT	3,004	-
Accrued expenses	13,412	27,847
	<u>22,857</u>	<u>221,738</u>

The analysis of the maturity of the CAF loan, in the prior year, reflected the intent to repay the loan rather than the legal terms of the loan agreement.

**19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2024	2023
	£	£
Other loans (see note 20)	-	262,365
	<u>-</u>	<u>262,365</u>

All external loans were fully repaid during 2024.

**20. LOANS**

An analysis of the maturity of loans is given below:

	2024	2023
	£	£
Amounts falling due within one year on demand:		
Other loans - individuals	-	62,635
Other loans - Bristol Diocese	-	115,250
Other loans - CAF	-	11,549
	<u>-</u>	<u>189,434</u>
Amounts falling between one and two years:		
Other loans - 1-2 years - individuals	-	81,660
	<u>-</u>	<u>81,660</u>
Amounts falling due between two and five years:		
Other loans 2-5 years - individuals	-	180,705
	<u>-</u>	<u>180,705</u>

**CONCESSIONARY LOANS**

Amount of concessionary loans received

	2024	2023
	£	£
Loans from individuals	-	325,000
Amounts payable after less than 1 year	-	62,635
Amounts payable in more than 1 year	-	262,365

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024**

**20. LOANS - continued**

Loans from individuals were provided at nil rate of interest and have been fully repaid in the year.

The prior year analysis of the maturity of the loans from individuals reflected the agreements with the individuals to repay the loans over 4 years.

**21. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2024	2023
	£	£
Within one year	637	345
Between one and five years	1,591	-
	<u>2,228</u>	<u>345</u>

**22. SECURED DEBTS**

In the prior year, the amounts due under the loan to CAF Bank were secured on the assets that they related to.

In the prior year, the bank held a Legal Mortgage and Charge over land and a Fixed Charge over tangible assets. All external loans were fully repaid during 2024.

**23. MOVEMENT IN FUNDS**

	At 1.1.24	Net movement	Transfers between	At
	£	in funds	funds	31.12.24
		£	£	£
<b>Unrestricted funds</b>				
General Fund	127,453	45,468	(111,859)	61,062
Heart of the Community Fund (designated)	(338,689)	434,204	(95,515)	-
Church Centre Property Fund (designated)	5,769,955	(59,006)	164,549	5,875,498
Tithe Fund (designated)	74,972	(57,050)	42,825	60,747
Fabric Fund (designated)	37,556	(10,268)	-	27,288
Church Refurbishment Fund (designated)	77,000	(77,000)	-	-
	<u>5,748,247</u>	<u>276,348</u>	-	<u>6,024,595</u>
<b>Restricted funds</b>				
Library Fund	1,188	(455)	-	733
	<u>5,749,435</u>	<u>275,893</u>	-	<u>6,025,328</u>

ST MICHAEL'S CHURCH CENTRE LIMITED

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2024

23. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General Fund	462,812	(417,344)	45,468
Heart of the Community Fund (designated)	437,087	(2,883)	434,204
Church Centre Property Fund (designated)	-	(59,006)	(59,006)
Tithe Fund (designated)	50	(57,100)	(57,050)
Fabric Fund (designated)	-	(10,268)	(10,268)
Church Refurbishment Fund (designated)	-	(77,000)	(77,000)
	<u>899,949</u>	<u>(623,601)</u>	<u>276,348</u>
<b>Restricted funds</b>			
Library Fund	-	(455)	(455)
	<u>899,949</u>	<u>(624,056)</u>	<u>275,893</u>

Comparatives for movement in funds

	At 1.1.23 £	Net movement in funds £	Transfers between funds £	At 31.12.23 £
<b>Unrestricted funds</b>				
General Fund	145,082	52,371	(70,000)	127,453
Heart of the Community Fund (designated)	(445,062)	273,288	(166,915)	(338,689)
Church Centre Property Fund (designated)	5,812,717	(42,762)	-	5,769,955
Tithe Fund (designated)	2,931	(75,874)	147,915	74,972
Fabric Fund (designated)	25,556	-	12,000	37,556
Church Refurbishment Fund (designated)	-	-	77,000	77,000
	<u>5,541,224</u>	<u>207,023</u>	<u>-</u>	<u>5,748,247</u>
<b>Restricted funds</b>				
Library Fund	1,188	-	-	1,188
	<u>5,542,412</u>	<u>207,023</u>	<u>-</u>	<u>5,749,435</u>

**23. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General Fund	453,154	(400,783)	52,371
Heart of the Community Fund (designated)	301,378	(28,090)	273,288
Church Centre Property Fund (designated)	-	(42,762)	(42,762)
Tithe Fund (designated)	-	(75,874)	(75,874)
	<u>754,532</u>	<u>(547,509)</u>	<u>207,023</u>
<b>TOTAL FUNDS</b>	<u>754,532</u>	<u>(547,509)</u>	<u>207,023</u>

**Funds****Heart of the Community Fund (designated)**

This represents the Heart of the Community Project asset value, excluding fixed assets. The loans have been fully repaid in the year and the project is complete. £42,825 was transferred to the Tithe fund and £138,729 to the Church Centre Property Fund. The remaining negative fund balance of £86,039 has been cleared by the General Fund.

The prior year negative fund balance of £338,689 included loans of £451,799 of which £11,549 was secured against the property.

In the prior year, a transfer of £19,000 was made from the Heart of the Community Fund to the General Fund in recognition of a refund of the PCC contribution for church use of the Church Centre. In the 2024 accounts, the refund has been reclassified as a grant to the PCC to ensure consistency with the treatment of the amounts payable to the PCC in the current year.

**Church Centre Property Fund (designated)**

Representing the net book value of the Church Centre building and other fixed assets. At the start of the year, transfers of £25,820 and £138,729 were made from the General Fund and Heart of the Community Fund respectively to bring all fixed assets into the property fund. Depreciation for this year has been charged to this fund accordingly.

**Tithe fund (designated)**

A transfer was made into this fund of £42,825 (2023 - £147,915) to represent the annual designation of HOTC gifts received for mission payments.

**Fabric fund (designated)**

Created to set aside a fund for current and future provisions for maintaining the fabric of the Church Centre. During the year, a transfer was made into this fund of £nil (2023 - £12,000).

**Library fund (restricted)**

This represents funding provided specifically for the development of the community library, a joint initiative with South Gloucestershire Council.

## ST MICHAEL'S CHURCH CENTRE LIMITED

### Notes to the Financial Statements - continued FOR THE YEAR ENDED 31 DECEMBER 2024

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#### 23. MOVEMENT IN FUNDS - continued

##### Funds - continued

##### Church Refurbishment Fund (Designated)

This represented funds set aside from the General Fund to reflect the Trustees' decision to earmark £77,000 for the refurbishment of the church building in the future. The balance of £77,000 has been gifted to St Michael's Church PCC during the year and is included in the grants disclosure per note 9.

##### Comparative analysis of net assets between funds, are as follows:

Fund balances as at 31 December 2023	Unrestricted funds £	Restricted funds £	Total funds £
Fixed assets	5,934,504	-	5,934,504
Current assets	297,846	1,188	299,034
Current liabilities	(221,738)	-	(221,738)
Non-current liabilities	(262,365)	-	(262,365)
<b>Total net assets</b>	<u>5,748,247</u>	<u>1,188</u>	<u>5,749,435</u>

#### 24. RELATED PARTY DISCLOSURES

On 30 June 2014, Stoke Gifford PCC received a loan of £375,000 from the Diocese of Bristol in support of the construction of the Church Centre. This loan was at an interest rate of 0.55% over the CCLA base rate (0.25% at the start of the year, increasing throughout the year to 3.50% on 16 December 2022), and it is required to be repaid by 30 June 2024 as funds allow. On 16 July 2014, these monies were onward loaned to SMCC on the same basis as Stoke Gifford PCC received the loan from the Diocese.

The loan was repaid during the year (2023 - balance of £115,250). Interest payments of £2,215 (2023 - £10,150) were paid by SMCC to the Diocese during the year.

During the year, a contribution of £145,000 (2023 - restated to £157,903) was received from Stoke Gifford PCC in recognition of the use of the Church Centre and Old School Rooms for church activities.

Contributions of £34,464 (2023 - £32,724) and £96,394 (2023 - £77,408) have been paid to Stoke Gifford PCC in recognition of work carried out by employees who are jointly employed by the PCC and SMCC, for administration and building maintenance of the Church Centre respectively.

##### Donations from Trustees and related parties

The aggregate donations received from the Trustees were £13,450 (2023 - £21,010).

##### Other related party transactions

During the year grants of £10,000 (2023 - £Nil) were paid to The Brickworks. SMCC and The Brickworks had one trustee in common at the start of the previous year.

**ST MICHAEL'S CHURCH CENTRE LIMITED**

England & Wales - Charity number 1149601

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# Accounts

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**REGISTERED COMPANY NUMBER: 08242432 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1149601**

**Report of the Trustees and**  
**Audited Financial Statements**  
**for the Year Ended 31 December 2023**  
**for**  
**ST MICHAEL'S CHURCH CENTRE LIMITED**

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Contents of the Financial Statements  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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	<b>Page</b>
<b>Report of the Trustees</b>	1 to 6
<b>Report of the Independent Auditors</b>	7 to 10
<b>Statement of Financial Activities</b>	11
<b>Balance Sheet</b>	12
<b>Cash Flow Statement</b>	13
<b>Notes to the Cash Flow Statement</b>	14
<b>Notes to the Financial Statements</b>	15 to 29

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**Report of the Trustees  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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The Trustees present their report with the financial statements of the charity for the year ended 31 December 2023. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

St Michael's Church Centre Limited (SMCC) was established in October 2012, with the main charitable purpose being "to advance the Christian religion". In 2013, the SMCC became "Trustee for all purposes" (ie both Custodian and Managing Trustees) for all the assets of the Old School Rooms Trust.

The overall vision of SMCC is to provide quality facilities, primarily for the congregation of St Michael's Church and associated church groups as well as the wider community and corporate, regional and national organisations. The Trustees believe these objectives benefit the communities which they wish to serve.

**Significant activities**

The first occupational stage of the new buildings was completed in April 2015, and from that time, the Church Centre has been the venue for the 10.30am family church services and the 6.30pm informal evening services. The Church Centre has also been increasingly used to host community events as well as an expanding variety of Christian events. Practical examples of the expanding activities include hosting the Bristol-wide Bible-Study-Fellowship on a weekly basis, monthly Messy Church, and a variety of Bristol choirs, as well as expanding youth-work within the premises. Other community events include Robot Wars, Golden Oldies, over-65's lunches and Summer Club.

The Trustees confirm that they have complied with their duty under the Charities Act 2011 to have due regard to the Charity Commission's guidance on Public Benefit when planning and reviewing the objectives and activities of SMCC.

**Grantmaking**

As part of the Heart of the Community Project, it is the intention that 10% of the internally generated funds will be available for mission work both in the UK and overseas as the project progresses. The concept of "mission" has been extended to include the support of churches in the region who are struggling to fulfil their missionary and community outreach ambitions. Tithe funds have been set aside for charitable grants to be made during 2023.

**Volunteers**

Much of what happens at the Church Centre is driven by volunteers. It is not possible to quantify the contribution of volunteers except to say that the charity would not be able to carry out many of its activities without them.

**Report of the Trustees  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**ACHIEVEMENT AND PERFORMANCE**

**Charitable activities - review of the year**

The main user of SMCC is St Michael's Church congregation and its staff and administration. When rooms are available, regular church bookings include a Men's Group, Life Groups, Messy Church, Beehive, Link Club, and Saturday Breakfast. Space is provided for youth work in the form of Sunday Club, including Teen-Central, FXG and Word and other youth-work events. There is a quarterly over 65s lunch and the Church Centre is increasingly being used regionally and nationally to host events.

The facilities are making an impact locally and regionally and there is a steady and noticeable increase in footfall. Users of the facilities include individuals, charities and larger organisations.

SMCC provides the facilities for the Coffee Shop, operated by St Michaels Church, which is open 6 days a week. The facility is used outside opening hours for marriage/wedding preparation, parenting courses, ALPHA courses, community library and student groups. The Church Centre provides space for a number of groups including several uniformed groups. Residual space is also used by a number of community groups including Music with Mummy, Men's Group, Stokes Volunteer Bureau, Keep Fit (dance class) and Link Club (senior citizens). The Church Centre is also used for commercial purposes, wedding receptions and birthday parties. The Trustees of SMCC are delighted with the increase in usage for Christian and community events that has been seen during 2023.

**FINANCIAL REVIEW**

**Principal funding sources**

The primary source of incoming funds is the sacrificial donations (both regular and one-off) from individual members of St Michael's Church congregation. The next most significant source of income is the income generated by the hiring of the facilities to a range of users from the general public, and then revenue generated by the hiring out of the facilities to St Michael's Church PCC for use by the church. The constructional development of the Church Centre is substantially complete, and the main focus of donational income in 2024 and 2025 - 2027 will be the repayment of the initial loans taken out on the project, of which £451,799 remains outstanding at the year-end (2022 - £680,680). The operational surpluses allow the continuing upgrading of the centre facilities as well as the day-to-day operation of the facility by an increasing range of non-church users.

During the period, there was significant funding of SMCC from donations and related gift aid totalling £298,783 (2022 - £362,398). During the year a contribution of £139,047 (2022 - £118,353) was made by Stoke Gifford PCC to SMCC as payment for the church use of the buildings. This has enabled the Trustees to progress the development of SMCC facilities and provide additional space for the whole range of church and community activities.

**Reserves policy**

At the year end, there were total reserves of £5,749,435 (2022 - £5,542,412) of which £1,188 (2022 - £1,188) was held in restricted funds and £5,620,794 (2022 - £5,396,142) in designated funds.

It is the intention that general reserves will be at least 3 months' annual operating expenditure of running the Church Centre, which currently equates to £95,446 based on 2023 operating expenditure.

At the year end, free reserves were £101,633 (2022 - £117,665). Free reserves are measured as the General Fund balance less fixed assets held within the General Fund.

A designated fund of £5,769,955 (2022 - £5,812,717) represents the net book value of the Church Centre building and can only be realised by the disposal of the fixed asset.

**Funds in deficit**

The Heart of the Community Fund shows a deficit of £338,689 (2022 - £445,062) as a result of loans of £451,799 (2022 - £680,680) drawn down of which £11,549 (2022 - £60,430) is secured against the property. The deficit will be eliminated as funds are raised to pay off the loans.

**Report of the Trustees  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**FINANCIAL REVIEW**

**GOING CONCERN**

The Trustees consider that the charity will continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved for the following reasons:

- The Trustees of the charity considers that it holds sufficient reserves (as detailed on page 2) to be sustained for the foreseeable future.
- The charity's key funders (being the CAF Bank, the Diocese of Bristol and the soft-loan lenders) have confirmed their continued support of their funding for the charity.

The Trustees therefore consider it appropriate to adopt the going concern basis of preparation of the accounts, as detailed in note 1 to the financial statements.

**FUTURE PLANS**

The intention is that SMCC will continue to grow, develop and flourish in the growth of the community. It is the intention of the Trustees to continue to apply surplus funds into the on-going development of the Church Centre for the benefit of all church user-groups and the wider community.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is governed by its Memorandum and Articles of Association adopted on 5 October 2012, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

During 2013, a Scheme was set up with the Charity Commission under the Charities Act 2011 to discharge the Bristol Diocesan Board of Finance Limited as custodian trustee of the assets of the Old School Rooms Trust (OSRT) and appoint St Michael's Church Centre Limited (SMCC) as "Trustee for all purposes". The Scheme also provided for the transfer of title to the land previously held by the OSRT to SMCC as custodian trustee.

The Board of SMCC meet regularly throughout the year to review the activities of the charity.

**Recruitment and appointment of new trustees**

The Memorandum and Articles state that there must be at least three members at all times. Not more than three trustees may be appointed by resolution of the PCC. The PCC may remove any trustee it has appointed and may fill any vacancy arising amongst the three trustees it is entitled to appoint.

All other trustees shall be appointed by resolution of the Trustees. Trustees are elected to serve for a period of three years at a time.

**Induction and training of new trustees**

Trustees receive a short induction which includes review of the previous minutes, an update from an existing trustee and are required to review the publication 'The Essential Trustee' issued by the Charity Commission.

**Staff remuneration**

All staff who work for SMCC are also jointly employed by St Michael's Church PCC. The costs of those staff are on the payroll of St Michael's PCC but shared by both charities and are re-charged by a management charge agreed annually between the Trustees of the two charities.

All St Michael's Church PCC employees are remunerated by reference to a standard salary-band matrix, which is comparative to other large churches within the Bristol area.

**Report of the Trustees  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Related parties**

None of the Trustees receive remuneration or other benefit from their work with SMCC. In the current year no other related party transactions took place with the Trustees.

St Michael's Church PCC is a related party of St Michael's Church Centre Limited (SMCC). SMCC is responsible for the construction and operation of the St Michael's Church Centre. The Church Centre is the continuing expression of the vision of St Michael's Church of 'Living to make a difference, by being a Christian heart at the centre of our communities'. SMCC and St Michael's Church PCC have one trustee in common. In order to deliver the Church Centre, SMCC took out low-interest loans from individuals, the Bristol Diocese (via St Michael's Church PCC), and CAF Bank. CAF Bank requested, (and the PCC of St Michael's supplied) a "letter of comfort" to signify their support of SMCC operations.

At a PCC Meeting held on 14th July 2014 it was resolved that the directors of St Michael's Church Centre Limited be supported to undertake a loan of up to £800,000 from CAF Bank (including the initial loan of £150,000) and that the St Michael's Church PCC should stand behind the directors of St Michael's Church Centre Limited and offer a "letter of comfort" to CAF Bank in support of that loan, in regard to honouring the capital and interest repayments on that loan if required. The total value of these loans outstanding at the year end was £11,549 (2022 - £60,430).

Interest payments on all loans are the liability of SMCC and are paid from SMCC funds.

**Risk management**

The major risks to which the charity and each trustee is exposed have been reviewed and, where appropriate, systems and procedures have been established to manage those risks.

The Trustees operate a risk management process. This involves identifying the types of risks the charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of managing or mitigating the risks. The main risk to SMCC is the discontinuation of regular and one-off donations from members of the St Michael's congregation for the completion of the new facilities and the repayment of the long-term loans. However, the Trustees regularly review cash-flow projections at the Trustees' board meetings, and are satisfied that, based on the last 5 years track record and experience, SMCC remains financially healthy and solvent for the foreseeable future.

The other risks which occur within the day-to-day operation of the Church Centre are reviewed regularly by the appointed management responsible for the care of children, adults and Health and Safety within the PCC and SMCC.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

08242432 (England and Wales)

**Registered Charity number**

1149601

**Registered office**

St Michael's Church Office  
The Old School Rooms  
The Green, North Road  
Stoke Gifford  
Bristol  
BS34 8PD

**Report of the Trustees  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**Trustees**

C Bradley Treasurer  
S Denning  
L Hitchin Acting Chair  
C Sweetnam  
R J Farrell  
D R Pilch

**Auditors**

Haines Watts (Western) Limited  
Chartered Accountants and Statutory Auditors  
Bath House  
6 - 8 Bath Street  
Bristol  
BS1 6HL

**Bankers**

Lloyds Bank  
61 Gloucester Road  
Patchway  
Bristol  
BS34 5JH

**Web addresses**

[www.stmichaelsbristol.org](http://www.stmichaelsbristol.org)

**Report of the Trustees  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also the directors of St Michael's Church Centre Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charity SORP 2019 (FRS 102).
- make judgements and estimates that are reasonable and prudent.
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITORS**

The auditors, Haines Watts (Western) Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 3 June 2024 and signed on its behalf by:

C Bradley - Trustee

## **Report of the Independent Auditors to the Members of St Michael's Church Centre Limited**

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### **Opinion**

We have audited the financial statements of St Michael's Church Centre Limited (the 'charitable company') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

## **Report of the Independent Auditors to the Members of St Michael's Church Centre Limited**

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### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks applicable to the charitable company and the sector in which it operates. We determined that the following laws and regulations were most significant: The Companies Act 2006, UK GAAP, The Charities Act 2011 and the Charities SORP.

We obtained an understanding of how the charitable company is complying with those legal and regulatory frameworks and made enquiries to the management of known or suspected instances of fraud and non-compliance with laws and regulations. We corroborated our enquiries through our review of board minutes, other relevant meeting minutes and review of correspondence with regulatory bodies.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the audit team included:

- Identifying and assessing the controls management has in place to prevent and detect fraud;
- Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- Challenging assumptions and judgments made by management in its significant accounting estimates and judgments;
- Identifying and testing journal entries, in particular journal entries posted with unusual account combinations; and
- Assessing the extent of compliance with the relevant laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Members of  
St Michael's Church Centre Limited**

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**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Jordan FCA (Senior Statutory Auditor)  
for and on behalf of Haines Watts (Western) Limited  
Chartered Accountants and Statutory Auditors  
Bath House  
6 - 8 Bath Street  
Bristol  
BS1 6HL

28 June 2024

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	Unrestricted funds £	Restricted fund £	2023 Total funds £	2022 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	<b>298,783</b>	-	<b>298,783</b>	368,598
<b>Charitable activities</b>					
Management of the Church Centre	5	<b>139,047</b>	-	<b>139,047</b>	118,353
Raising funds	3	<b>294,383</b>	-	<b>294,383</b>	170,654
Investment income	4	<b>3,319</b>	-	<b>3,319</b>	308
<b>Total</b>		<b>735,532</b>	-	<b>735,532</b>	657,913
<b>EXPENDITURE ON</b>					
Raising funds	6	<b>73,021</b>	-	<b>73,021</b>	46,696
<b>Charitable activities</b>					
Management of the Church Centre	7	<b>368,070</b>	-	<b>368,070</b>	304,597
Heart of the Community		<b>75,889</b>	-	<b>75,889</b>	59,300
Other	11	<b>11,529</b>	-	<b>11,529</b>	10,990
<b>Total</b>		<b>528,509</b>	-	<b>528,509</b>	421,583
<b>NET INCOME</b>		<b>207,023</b>	-	<b>207,023</b>	236,330
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		<b>5,541,224</b>	<b>1,188</b>	<b>5,542,412</b>	5,306,082
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>5,748,247</b>	<b>1,188</b>	<b>5,749,435</b>	5,542,412

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

ST MICHAEL'S CHURCH CENTRE LIMITED (REGISTERED NUMBER: 08242432)

**Balance Sheet**  
**31 DECEMBER 2023**

	Notes	Unrestricted funds £	Restricted fund £	2023 Total funds £	2022 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	17	5,934,504	-	5,934,504	5,965,166
<b>CURRENT ASSETS</b>					
Debtors	18	24,113	-	24,113	33,103
Cash at bank		273,733	1,188	274,921	274,111
		<u>297,846</u>	<u>1,188</u>	<u>299,034</u>	<u>307,214</u>
<b>CREDITORS</b>					
Amounts falling due within one year	19	(221,738)	-	(221,738)	(118,718)
		<u>76,108</u>	<u>1,188</u>	<u>77,296</u>	<u>188,496</u>
<b>NET CURRENT ASSETS</b>					
		<u>76,108</u>	<u>1,188</u>	<u>77,296</u>	<u>188,496</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>6,010,612</u>	<u>1,188</u>	<u>6,011,800</u>	<u>6,153,662</u>
<b>CREDITORS</b>					
Amounts falling due after more than one year	20	(262,365)	-	(262,365)	(611,250)
		<u>5,748,247</u>	<u>1,188</u>	<u>5,749,435</u>	<u>5,542,412</u>
<b>NET ASSETS</b>					
		<u>5,748,247</u>	<u>1,188</u>	<u>5,749,435</u>	<u>5,542,412</u>
<b>FUNDS</b>					
Unrestricted funds	24			5,748,247	5,541,224
Restricted funds				1,188	1,188
				<u>5,749,435</u>	<u>5,542,412</u>
<b>TOTAL FUNDS</b>					
				<u>5,749,435</u>	<u>5,542,412</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 3 June 2024 and were signed on its behalf by:

C Bradley - Trustee

L Hitchin - Trustee

The notes form part of these financial statements

**ST MICHAEL'S CHURCH CENTRE LIMITED****Cash Flow Statement  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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	Notes	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	266,659	315,472
Interest paid		(11,943)	(11,448)
Net cash provided by operating activities		<u>254,716</u>	<u>304,024</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(28,343)	(90,194)
Interest received		3,319	308
Net cash used in investing activities		<u>(25,024)</u>	<u>(89,886)</u>
<b>Cash flows from financing activities</b>			
Loan repayments in year		(228,882)	(240,849)
Net cash used in financing activities		<u>(228,882)</u>	<u>(240,849)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>810</u>	<u>(26,711)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>274,111</u>	<u>300,822</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>274,921</u></u>	<u><u>274,111</u></u>

The notes form part of these financial statements

ST MICHAEL'S CHURCH CENTRE LIMITED

Notes to the Cash Flow Statement  
FOR THE YEAR ENDED 31 DECEMBER 2023

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023	2022
	£	£
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	<b>207,023</b>	236,330
<b>Adjustments for:</b>		
Depreciation charges	59,006	58,071
Interest received	(3,319)	(308)
Interest paid	11,943	11,448
Decrease/(increase) in debtors	8,990	(18,767)
(Decrease)/increase in creditors	(16,984)	28,698
	<u>266,659</u>	<u>315,472</u>
<b>Net cash provided by operations</b>	<b><u>266,659</u></b>	<b><u>315,472</u></b>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.23	Cash flow	At 31.12.23
	£	£	£
<b>Net cash</b>			
Cash at bank	274,111	810	274,921
	<u>274,111</u>	<u>810</u>	<u>274,921</u>
<b>Debt</b>			
Debts falling due within 1 year	(69,430)	(120,004)	(189,434)
Debts falling due after 1 year	(611,250)	348,885	(262,365)
	<u>(680,680)</u>	<u>228,881</u>	<u>(451,799)</u>
<b>Total</b>	<b><u>(406,569)</u></b>	<b><u>229,691</u></b>	<b><u>(176,878)</u></b>

The notes form part of these financial statements

## 1. ACCOUNTING POLICIES

### **Basis of preparing the financial statements**

The financial statements of the charity which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The charity is a company, incorporated in England and Wales, limited by guarantee having no share capital and, in accordance with the Memorandum of Association, every member is liable to contribute £1 towards the costs of dissolution and liabilities incurred by the charity in the event of the company being wound up. The address of the registered office is given in the charity information on pages 4 to 5 of these financial statements.

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

At the end of the year, the charity had net current assets of £77,296 (2022 - £188,496) and creditors falling due after one year of £262,365 (2022 - £611,250) of which £82,917 is repayable between one and two years.

Projections prepared on behalf of the Trustees indicate that whilst sufficient cash will be generated to fund external borrowings, the assumptions on which the projections are based are subject to the uncertainty of whether they will be realised and achieved. These uncertainties therefore have a potential impact on the future ability of the charity to remain a going concern. Whilst there is no impact on the current set of the financial statements Trustees believe it is appropriate to bring this to the attention to the readers of these financial statements.

The financial statements have been prepared on a going concern basis after consideration by the Trustees.

The Trustees have tested their cash flow analysis to take into account the impact on the charity of possible scenarios brought on by the impact of the cost of living crisis and rising energy prices, alongside the measures that they can take to mitigate the impact. The Trustees have considered the impact of these issues on the charity's current and future financial position. The charity holds free reserves of £101,633 (2022 - £117,665). The Trustees consider that the charity has sufficient cash reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

### **Income**

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The value of services provided by volunteers has not been included.

### **Voluntary income**

Donations are recognised when received and gift aid is recognised on an accruals basis in line with the donation. Grants are also recognised on a receivable basis. Pledges are not recognised until they are received.

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

### **Investment income**

**1. ACCOUNTING POLICIES - continued**

**Income**

Investment income is recognised on an accruals basis and represents income from deposit funds, short and long term investments.

**Rental income**

Rental income and the provision of refreshments and other services to hirers, is recognised within other trading activities and is accounted for in the period to which the event takes place.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

**Raising funds**

Costs of raising funds are recognised on an accruals basis in the period to which they relate.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings - 5 years straight line (equipment), 15 years straight line (kitchen)  
Freehold property (excluding land) - 50 years straight line (fit-out), 200 years straight line (construction)

All fixed assets are initially recorded at cost. The cost of construction of the church centre, including on surveying and engineering costs, has been capitalised. Depreciation has been charged for the full year on additions.

**Taxation**

The charity is exempt from tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees.

Designated funds form part of the unrestricted funds and have been identified as being for particular purposes by the Trustees.

Restricted funds 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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Debtors**

Debtors are measured on initial recognition at settlement amount after any amounts advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

1. ACCOUNTING POLICIES - continued

**Creditors**

The charity has creditors which are measured at settlement amounts.

**Cash and short term investments**

Cash at bank is held to meet short-term cash commitments as they fall due rather than for investment purposes and includes all cash equivalents held in the form of short-term highly liquid investments. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

**Financial instruments**

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost. Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

**Basic financial liabilities**

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Financial liabilities are derecognised when, and only when, the charity's contractual obligations are discharged, cancelled, or they expire.

**Concessionary loans**

Concessionary loans include those payable to third parties which are interest free or below market interest rates and are made to advance charitable purposes. The charity has applied S34 of FRS102 with regards to the valuation of loans to public benefit entities so that discounted present value and an associated interest charge are not recognised. All loans are measured at cost.

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**2. DONATIONS AND LEGACIES**

	<b>2023</b>	2022
	<b>£</b>	£
Donations	<b>241,216</b>	292,024
Gift aid	<b>57,567</b>	70,374
Grants	-	6,200
	<u><b>298,783</b></u>	<u>368,598</u>

Grants received, included in the above, are as follows:

	<b>2023</b>	2022
	<b>£</b>	£
South Gloucestershire Council	-	6,200
	<u>-</u>	<u>6,200</u>

**3. RAISING FUNDS**

	<b>2023</b>	2022
	<b>£</b>	£
Fundraising events	<b>839</b>	3,579
Room hire	<b>184,228</b>	110,070
Refreshments and other services	<b>109,316</b>	57,005
	<u><b>294,383</b></u>	<u>170,654</u>

**4. INVESTMENT INCOME**

	<b>2023</b>	2022
	<b>£</b>	£
Deposit account interest	<b>3,319</b>	308
	<u>3,319</u>	<u>308</u>

**5. INCOME FROM CHARITABLE ACTIVITIES**

	<b>2023</b>	2022
	<b>£</b>	£
Contribution for Church use	<b>139,047</b>	118,353
Activity Management of the Church Centre	<u>139,047</u>	<u>118,353</u>

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**6. RAISING FUNDS**

**Other trading activities**

	<b>2023</b>	2022
	£	£
Bad debts	-	171
Cost of fundraising events	<b>359</b>	2,585
Costs of refreshments and other services	<b>72,662</b>	43,940
	<u><b>73,021</b></u>	<u>46,696</u>

**7. CHARITABLE ACTIVITIES COSTS**

	Direct Costs (see note 8)	Grant funding of activities (see note 9)	Support costs (see note 10)	Totals
	£	£	£	£
Management of the Church Centre	<b>364,230</b>	-	<b>3,840</b>	<b>368,070</b>
Heart of the Community	-	<b>75,889</b>	-	<b>75,889</b>
	<u><b>364,230</b></u>	<u><b>75,889</b></u>	<u><b>3,840</b></u>	<u><b>443,959</b></u>

**8. DIRECT COSTS OF CHARITABLE ACTIVITIES**

	<b>2023</b>	2022
	£	£
Rates and water	<b>4,069</b>	2,623
Insurance	<b>8,099</b>	7,124
Light and heat	<b>88,321</b>	59,738
Contribution to PCC for cleaner and caretaker	<b>976</b>	1,140
Contribution to PCC for administrator	<b>32,724</b>	31,404
Contribution to PCC for facilities & hospitality staff	<b>76,432</b>	61,232
Repairs and maintenance	<b>51,420</b>	42,028
Cleaning	<b>34,964</b>	27,249
Licences	<b>159</b>	159
Other professional fees	<b>13</b>	2,188
Office, admin and training	<b>7,633</b>	7,369
Depreciation	<b>59,006</b>	58,071
Interest payable and similar charges	<b>414</b>	458
	<u><b>364,230</b></u>	<u>300,783</u>

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**9. GRANTS PAYABLE**

	<b>2023</b>	2022
	<b>£</b>	£
Heart of the Community	<b>75,889</b>	59,300

The total grants paid to institutions during the year was as follows:

	<b>2023</b>	2022
	<b>£</b>	£
Axe Valley Christian Trust	<b>2,000</b>	500
The Brickworks	-	1,000
Bridges for Communities	-	500
CMS - Rocks Family	-	1,000
Embrace the Middle East Charity	<b>6,000</b>	-
The Epaphras Trust	<b>15,000</b>	4,000
inHope Bristol	<b>6,500</b>	500
Kintsugi Hope	<b>6,000</b>	-
The Leprosy Mission England	<b>6,774</b>	-
Moldova Mission	<b>9,115</b>	4,300
The George Muller Charitable Trust	-	10,000
Network Counselling	-	15,500
SIITA Nest	-	1,000
St Mary's and St James Church, Lockleaze	<b>20,000</b>	-
Univida	-	19,000
	<b>71,389</b>	57,300

The total grants paid to individuals during the year was as follows:

	<b>2023</b>	2022
	<b>£</b>	£
Sarah Sutton - Clwb Coffi	<b>4,500</b>	2,000

In accordance with the expressed desire to tithe at least 10 per cent of donations to the the Heart Of The Community project £147,915 (2022 - £60,240) has been set aside in the Tithe Fund (designated) to be available for grant funding and £94,889 was expended during the year (2022 - £59,300).

ST MICHAEL'S CHURCH CENTRE LIMITED

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023

10. SUPPORT COSTS

	Governance costs
	£
Management of the Church Centre	<u><u>3,840</u></u>

Support costs, included in the above, are as follows:

**Governance costs**

	2023	2022
	Management of the Church Centre	Total activities
	£	£
Auditors' remuneration	2,175	2,229
Auditors' remuneration for non audit work	1,665	1,585
	<u><u>3,840</u></u>	<u><u>3,814</u></u>

11. OTHER

	2023	2022
	£	£
Interest payable and similar charges	<u><u>11,529</u></u>	<u><u>10,990</u></u>

12. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation - owned assets	<u><u>59,005</u></u>	<u><u>58,071</u></u>

13. AUDITORS' REMUNERATION

	2023	2022
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	<u><u>2,175</u></u>	<u><u>2,229</u></u>
Accounts preparation	<u><u>1,665</u></u>	<u><u>1,585</u></u>
Total fees payable	<u><u>3,840</u></u>	<u><u>3,814</u></u>

## ST MICHAEL'S CHURCH CENTRE LIMITED

### Notes to the Financial Statements - continued FOR THE YEAR ENDED 31 DECEMBER 2023

#### 14. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

##### Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2023 nor for the year ended 31 December 2022.

#### 15. STAFF COSTS

Staff costs of £110,132 (2022 - £93,776) were incurred by Stoke Gifford PCC for staff who are jointly employed by Stoke Gifford PCC and SMCC. The contributions that have been made by SMCC are included in charitable activities expenditure.

The Acting Operations Director and the Trustees comprise the key management personnel of the charity. No Trustee received any remuneration during the current or previous year. No Trustees were reimbursed for expenses in the current or previous year. Key management personnel received total employment benefits of £24,194 (2022 - £23,292).

#### 16. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	368,248	350	368,598
<b>Charitable activities</b>			
Management of the Church Centre	118,353	-	118,353
Raising funds	170,654	-	170,654
Investment income	308	-	308
<b>Total</b>	<b>657,563</b>	<b>350</b>	<b>657,913</b>
<b>EXPENDITURE ON</b>			
Raising funds	46,696	-	46,696
<b>Charitable activities</b>			
Management of the Church Centre	304,297	300	304,597
Heart of the Community	59,300	-	59,300
Other	10,990	-	10,990
<b>Total</b>	<b>421,283</b>	<b>300</b>	<b>421,583</b>
<b>NET INCOME</b>	<b>236,280</b>	<b>50</b>	<b>236,330</b>
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	5,304,944	1,138	5,306,082

ST MICHAEL'S CHURCH CENTRE LIMITED

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023

16. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted fund £	Total funds £
<b>TOTAL FUNDS CARRIED FORWARD</b>	5,541,224	1,188	5,542,412

17. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Totals £
<b>COST</b>			
At 1 January 2023	5,940,976	231,118	6,172,094
Additions	-	28,343	28,343
At 31 December 2023	5,940,976	259,461	6,200,437
<b>DEPRECIATION</b>			
At 1 January 2023	128,259	78,669	206,928
Charge for year	42,762	16,243	59,005
At 31 December 2023	171,021	94,912	265,933
<b>NET BOOK VALUE</b>			
At 31 December 2023	5,769,955	164,549	5,934,504
At 31 December 2022	5,812,717	152,449	5,965,166

The asset value of freehold property of £5,769,955 in the Balance Sheet represents the cumulative expenditure on the acquisition of the land, all construction costs and associated professional fees incurred to date less depreciation.

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors - room hire owing	22,724	31,883
Income tax recoverable	1,389	1,220
	<u>24,113</u>	<u>33,103</u>

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023	2022
	£	£
Other loans (see note 21)	189,434	69,430
Trade creditors	4,457	23,080
Accrued expenses	27,847	26,208
	<u>221,738</u>	<u>118,718</u>

The analysis of the maturity of the CAF loan reflects the intent to repay the loan rather than the legal terms of the loan agreement.

**20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2023	2022
	£	£
Other loans (see note 21)	<u>262,365</u>	<u>611,250</u>

**21. LOANS**

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year on demand:		
Other loans - individuals	62,635	9,000
Other loans - Bristol Diocese	115,250	-
Other loans - CAF	11,549	60,430
	<u>189,434</u>	<u>69,430</u>
Amounts falling between one and two years:		
Other loans - 1-2 years - individuals	81,660	330,000
Other loans 1-2 years - Bristol Diocese	-	281,250
	<u>81,660</u>	<u>611,250</u>
Amounts falling due between two and five years:		
Other loans 2-5 years - individuals	<u>180,705</u>	<u>-</u>

**CONCESSIONARY LOANS**

Amount of concessionary loans received

	2023	2022
	£	£
Loans from individuals	<u>325,000</u>	<u>339,000</u>
Amounts payable after less than 1 year	62,635	9,000
Amounts payable in more than 1 year	262,365	330,000

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**21. LOANS - continued**

Loans from individuals have been provided at nil rate of interest.

The analysis of the maturity of the loans from individuals reflects the agreements with the individuals this year to repay the loans over the next 4 years, with repayments starting in June 2024.

**22. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023	2022
	£	£
Within one year	<u>345</u>	<u>-</u>

**23. SECURED DEBTS**

The following secured debts are included within creditors:

	2023	2022
	£	£
Other loans - CAF	<u>11,549</u>	<u>60,430</u>
	<u>11,549</u>	<u>60,430</u>

The amounts due under the loan to CAF Bank are secured on the assets that they relate to.

The bank holds a Legal Mortgage and Charge over land and a Fixed Charge over tangible assets.

**24. MOVEMENT IN FUNDS**

	At 1.1.23	Net movement in funds	Transfers between funds	At 31.12.23
	£	£	£	£
<b>Unrestricted funds</b>				
General Fund	145,082	52,371	(70,000)	127,453
Heart of the Community Fund (designated)	(445,062)	273,288	(166,915)	(338,689)
Church Centre Property Fund (designated)	5,812,717	(42,762)	-	5,769,955
Tithe Fund (designated)	2,931	(75,874)	147,915	74,972
Fabric Fund (designated)	25,556	-	12,000	37,556
Church Refurbishment Fund (designated)	-	-	77,000	77,000
	<u>5,541,224</u>	<u>207,023</u>	<u>-</u>	<u>5,748,247</u>
<b>Restricted funds</b>				
Library Fund	1,188	-	-	1,188
	<u>5,542,412</u>	<u>207,023</u>	<u>-</u>	<u>5,749,435</u>

ST MICHAEL'S CHURCH CENTRE LIMITED

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023

24. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General Fund	434,154	(381,783)	52,371
Heart of the Community Fund (designated)	301,378	(28,090)	273,288
Church Centre Property Fund (designated)	-	(42,762)	(42,762)
Tithe Fund (designated)	-	(75,874)	(75,874)
	<u>735,532</u>	<u>(528,509)</u>	<u>207,023</u>
<b>TOTAL FUNDS</b>	<u>735,532</u>	<u>(528,509)</u>	<u>207,023</u>

Comparatives for movement in funds

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
<b>Unrestricted funds</b>				
General Fund	146,540	10,542	(12,000)	145,082
Heart of the Community Fund (designated)	(719,881)	335,059	(60,240)	(445,062)
Church Centre Property Fund (designated)	5,855,478	(42,761)	-	5,812,717
Tithe Fund (designated)	1,991	(59,300)	60,240	2,931
Fabric Fund (designated)	20,816	(7,260)	12,000	25,556
	<u>5,304,944</u>	<u>236,280</u>	<u>-</u>	<u>5,541,224</u>
<b>Restricted funds</b>				
Library Fund	1,138	50	-	1,188
	<u>1,138</u>	<u>50</u>	<u>-</u>	<u>1,188</u>
<b>TOTAL FUNDS</b>	<u>5,306,082</u>	<u>236,330</u>	<u>-</u>	<u>5,542,412</u>

## ST MICHAEL'S CHURCH CENTRE LIMITED

### Notes to the Financial Statements - continued FOR THE YEAR ENDED 31 DECEMBER 2023

#### 24. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General Fund	295,736	(285,194)	10,542
Heart of the Community Fund (designated)	361,827	(26,768)	335,059
Church Centre Property Fund (designated)	-	(42,761)	(42,761)
Tithe Fund (designated)	-	(59,300)	(59,300)
Fabric Fund (designated)	-	(7,260)	(7,260)
	<u>657,563</u>	<u>(421,283)</u>	<u>236,280</u>
<b>Restricted funds</b>			
Library Fund	350	(300)	50
	<u>350</u>	<u>(300)</u>	<u>50</u>
<b>TOTAL FUNDS</b>	<u><u>657,913</u></u>	<u><u>(421,583)</u></u>	<u><u>236,330</u></u>

#### Funds

##### Heart of the Community Fund (designated)

This represents the Heart of the Community Project asset value excluding the value of the Church Centre building. The negative fund includes loans of £451,799 (2022 - £680,680) outstanding at the year end of which £11,549 (2022 - £60,530) is secured against the property.

A transfer of £19,000 has been made in the year from the Heart of the Community Fund to the General Fund in recognition of a refund of the PCC contribution for church use of the Church Centre. Please see note 24 for more details.

##### Church Centre Property Fund (designated)

Representing the net book value of the Church Centre building.

##### Tithe fund (designated)

A transfer was made into this fund of £147,915 (2022 - £60,240) to represent the total amounts which have been designated for mission payments.

##### Fabric fund (designated)

Created to set aside a fund for current and future provisions for maintaining the fabric of the Church Centre. During the year, a transfer was made into this fund of £12,000 (2022 - £12,000).

##### Library fund (restricted)

This represents funding provided specifically for the development of the community library, a joint initiative with South Gloucestershire Council.

##### Church Refurbishment Fund (Designated)

This represents funds set aside from the General Fund to reflect the Trustees' decision to earmark £77,000 for the refurbishment of the church building in the future. A transfer of £77,000 has been made to reflect this.

**24. MOVEMENT IN FUNDS - continued****Funds - continued****Comparative analysis of net assets between funds, are as follows:**

Fund balances as at 31 December 2022	Unrestricted funds £	Restricted funds £	Total funds £
Fixed assets	5,965,166	-	5,965,166
Current assets	306,026	1,188	307,214
Current liabilities	(118,718)	-	(118,718)
Non-current liabilities	(611,250)	-	(611,250)
<b>Total net assets</b>	<u>5,541,224</u>	<u>1,188</u>	<u>5,542,412</u>

**25. RELATED PARTY DISCLOSURES**

On 30 June 2014, Stoke Gifford PCC received a loan of £375,000 from the Diocese of Bristol in support of the construction of the Church Centre. This loan was at an interest rate of 0.55% over the CCLA base rate (0.25% at the start of the year, increasing throughout the year to 3.50% on 16 December 2022), and it is required to be repaid by 30 June 2024 as funds allow. On 16 July 2014, these monies were onward loaned to SMCC on the same basis as Stoke Gifford PCC received the loan from the Diocese.

At the year end, the balance outstanding was £115,250 (2022 - £281,250). Interest payments of £10,150 (2022 - £5,065) were paid by SMCC to the Diocese during the year.

During 2014, it was agreed that Stoke Gifford PCC should stand behind the Directors of St Michael's Church Centre Limited (SMCC) and offer a "letter of comfort" to CAF Bank in support of that loan of £800,000, in regard to honouring the capital and interest repayments on that loan if required. Whilst this letter of comfort does not form a legal guarantee, it does represent the commitment of the PCC to support the charitable purpose of SMCC. At the year end, the balance outstanding was £11,549 (2022 - £60,530) and is due to be repaid within 12 months.

During the year, a contribution of £139,047 (2022 - £118,245) was received from Stoke Gifford PCC in recognition of the use of the Church Centre and Old School Rooms for church activities. This is net of a donation of £19,000 (2022 - £nil) made by SMCC to Stoke Gifford PCC from the Heart of the Community Fund following the May Gift Day and the Trustees' decision to refund a value equivalent to approximately 10 per cent of gross pledges.

Contributions of £32,724 (2022 - £31,404) and £77,408 (2022: £62,372) have been paid to Stoke Gifford PCC in recognition of work carried out by employees who are jointly employed by the PCC and SMCC, for administration and building maintenance of the Church Centre respectively.

**Donations from Trustees and related parties**

The aggregate donations received from the Trustees were £21,010 (2022 - £43,370).

**Other related party transactions**

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**25. RELATED PARTY DISCLOSURES - continued**

During the previous year grants of £1,000 were paid to The Brickworks. SMCC and The Brickworks had one trustee in common at the start of the previous year.

**ST MICHAEL'S CHURCH CENTRE LIMITED**

England & Wales - Charity number 1149601

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# Accounts

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**REGISTERED COMPANY NUMBER: 08242432 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1149601**

**Report of the Trustees and**  
**Audited Financial Statements**  
**for the Year Ended 31 December 2022**  
**for**  
**ST MICHAEL'S CHURCH CENTRE LIMITED**

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Contents of the Financial Statements  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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	<b>Page</b>
<b>Report of the Trustees</b>	1 to 5
<b>Trustees' Responsibility Statement</b>	6
<b>Report of the Independent Auditors</b>	7 to 10
<b>Statement of Financial Activities</b>	11
<b>Balance Sheet</b>	12
<b>Cash Flow Statement</b>	13
<b>Notes to the Cash Flow Statement</b>	14
<b>Notes to the Financial Statements</b>	15 to 28

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# ST MICHAEL'S CHURCH CENTRE LIMITED

## Report of the Trustees FOR THE YEAR ENDED 31 DECEMBER 2022

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The Trustees present their report with the financial statements of the charity for the year ended 31 December 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

### OBJECTIVES AND ACTIVITIES

#### Objectives and aims

St Michael's Church Centre Limited (SMCC) was established in October 2012, with the main charitable purpose being "to advance the Christian religion". In 2013, the SMCC became "Trustee for all purposes" (ie both Custodian and Managing Trustees) for all the assets of the Old School Rooms Trust.

The overall vision of the SMCC is to provide quality facilities, primarily for the congregation of St Michael's Church and associated church groups as well as the wider community and corporate, regional and national organisations. The trustees believe these objectives benefit the communities which we wish to serve.

#### Significant activities

The first occupational stage of the new buildings were completed in April 2015, and from that time, the new church centre has been the venue for the 10.30am family church services and the 6.30pm informal evening services. The centre has also been increasingly used to host community events as well as an expanding variety of Christian events. Practical examples of the expanding activities include hosting the Bristol-wide Bible-Study-Fellowship on a weekly basis, monthly Messy Church, and a variety of bristol choirs, as well as an expanding youth work within the premises. Post-Covid-19, the centre has hosted many local community events, including the South Gloucestershire Council public consultation of their redevelopment of Bristol Parkway Planning Strategy and local issues such as public consultations regarding new local developments for the South West.

#### Covid-19

Like all other community venues, the operation of the centre has been severely restricted since Covid first hit in March 2020. The success of the vaccination programme and warmer weather has resulted in customers returning back to use the facilities of the centre, including extended use of the additional meeting rooms completed in 2020.

The Trustees confirm that they have complied with their duty under the Charities Act 2011 to have due regard to the Charity Commission's guidance on Public Benefit when planning and reviewing the objectives and activities of St Michael's Church Centre Limited.

#### Grantmaking

As part of the Heart of the Community Project, it is the intention that 10% of the internally generated funds will be available for mission work both in the UK and overseas as the project progresses. Tithe funds have been set aside for charitable grants to be made during 2023.

#### Volunteers

Much of what happens at the church centre is driven by volunteers. It is therefore not possible to quantify the contribution of volunteers to the charity except to say that the charity would not be able to carry out many of its activities without them.

## ST MICHAEL'S CHURCH CENTRE LIMITED

### Report of the Trustees FOR THE YEAR ENDED 31 DECEMBER 2022

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#### ACHIEVEMENT AND PERFORMANCE

##### Charitable activities - review of the year excluding the impact of Covid-19

The main user of SMCC is St Michael's Church congregation and its staff and administration. When rooms are available, regular church bookings include a Men's Group, Life Groups, Messy Church, Beehive, Link Club, and Saturday Breakfast. Space is provided for youth work in the form of Sunday Club, including Teen-Central, FXG and Word and other youth-work events. There is a quarterly over 65s lunch and the centre is increasingly being used regionally and nationally to host events.

The facilities are making an impact locally and regionally and there is a steady and noticeable increase in footfall of a range of users of the facilities, for individuals, charities and larger organisations.

SMCC provides the facilities for the Coffee Shop which is open 5 days a week and the facility is used outside opening hours for Marriage/Wedding preparation, Parenting Courses, ALPHA courses, Community Library and Student groups. SMCC provides space for a number of groups including several Uniformed Groups. Residual space is also used by a number of community groups including; Music with Mummy, Men's Group, Stokes Volunteer Bureau, Keep Fit (dance class) and Link Club (senior citizens). SMCC is also used for commercial purposes, wedding receptions and birthday parties. The Trustees of the St Michael's Church Centre Ltd are delighted with the increase in usage for Christian and community events that has been seen during 2022.

#### FINANCIAL REVIEW

##### Principal funding sources

The primary source of incoming funds is the sacrificial donations (both regular and one-off) from individual members of St Michael's Church congregation. The next most significant source of income is the revenue generated by the hiring out of the facilities to St Michael's Church PCC for use by the church, and then the income generated by the hiring of the facilities to a range of users from the general public. These funds allow the continuing development of the centre facilities as well as the day-to-day operation of the facility by an increasing range of non-church users.

During the period there was significant additional funding of the SMCC from donations and related gift aid totalling £361,523 (2021 - £331,612). During the year a contribution of £118,353 (2021 - £94,595) was made by Stoke Gifford PCC to the church centre as payment for the church use of the buildings. This has enabled the Trustees to progress the development of the SMCC facilities and provide additional space for the whole range of church and community activities.

##### Reserves policy

At the year end, there were total reserves of £5,542,412 (2021 - £5,306,082) of which £1,188 (2021 - £1,138) was held in restricted funds and £5,396,142 (2021 - £5,158,404) in designated funds.

It is the intention that general reserves will be at least 3 months' annual operating expenditure of running the church centre, which currently equates to £60,529 based on 2022 operating expenditure.

At the year end free reserves were £145,082 (2021 - £146,540).

The free reserves of SMCC include £77,000 which is intended to be made available to St Michael's PCC to assist in the refurbishment of the church building, when required.

A designated fund of £5,812,717 (2021 - £5,855,478) represents the net book value of the church centre building and can only be realised by the disposal of the fixed asset.

##### Funds in deficit

The Heart of the Community Fund shows a deficit of £445,062 (2021 - £719,881) as a result of loans of £680,680 (2021 - £921,529) drawn down of which £60,430 (2020 - £270,779) is secured against the property. The deficit will be eliminated as funds are raised to pay off the loans.

## ST MICHAEL'S CHURCH CENTRE LIMITED

### Report of the Trustees FOR THE YEAR ENDED 31 DECEMBER 2022

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#### FINANCIAL REVIEW

##### GOING CONCERN

The trustees consider that the charitable company will continue as a going concern for a period of at least 18 months from the date on which these financial statements are approved for the following reasons:

- The Trustees of the charity considers that it holds sufficient reserves (as detailed on page 2) to be sustained for the foreseeable future.
- The charity's key funders (being the CAF Bank, the Diocese of Bristol and the soft-loan lenders) have verbally confirmed their continued support of their funding for the charity.

The trustees therefore consider it appropriate to adopt the going concern basis of preparation of the accounts, as detailed in note 1 to the financial statements.

##### FUTURE PLANS

The intention is that SMCC will continue to grow, develop and flourish in the growth of the community. It is the intention of the Trustees to continue to apply surplus funds into the on-going development of the centre for the benefit of all church user-groups and the wider community.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governing document

The charity is governed by its Memorandum and Articles of Association adopted on 5 October 2012, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

During 2013, a Scheme was set up with the Charity Commission under the Charities Act 2011 to discharge the Bristol Diocesan Board of Finance Limited as custodian trustee of the assets of the Old School Rooms Trust (OSRT) and appoint St Michael's Church Centre Limited (SMCC) as "Trustee for all purposes". The Scheme also provided for the transfer of title to the land previously held by the OSRT to the SMCC as custodian trustee.

The Board of the SMCC meet regularly throughout the year to review the activities of the charitable company.

##### Recruitment and appointment of new trustees

The Memorandum and Articles state that there must be at least three members at all times. Not more than three trustees may be appointed by resolution of the PCC. The PCC may remove any trustee it has appointed and may fill any vacancy arising amongst the three trustees it is entitled to appoint.

All other trustees shall be appointed by resolution of the Trustees. Trustees are elected to serve for a period of three years at a time.

##### Induction and training of new trustees

Trustees receive a short induction which includes review of the previous minutes, an update from an existing trustee and are required to review the publication 'The Essential Trustee' issued by the Charity Commission.

##### Staff remuneration

All staff who work for the SMCC are also jointly employed by St Michael's Church PCC. The costs of those staff are on the payroll of St Michael's PCC but shared by both charities and are re-charged by a management charge agreed annually between the trustees of the two charities.

All St Michael's Church PCC employees are remunerated by reference to a standard salary-band matrix, which is comparative to other large churches within the Bristol area.

## ST MICHAEL'S CHURCH CENTRE LIMITED

### Report of the Trustees FOR THE YEAR ENDED 31 DECEMBER 2022

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#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Related parties

None of the trustees receive remuneration or other benefit from their work with the charity. In the current year no other related party transactions took place with the trustees.

St Michael's Church PCC is a related party of St Michael's Church Centre (SMCC). SMCC is responsible for the construction and operation of the St Michael's Church Centre. The Centre is the continuing expression of the vision of St Michael's Church of 'Living to make a difference, by being a Christian heart at the centre of our communities'. The SMCC and St Michael's Church PCC have one trustee in common. In order to deliver the Centre, SMCC took out low-interest loans from individuals, the Bristol Diocese (via St Michael's Church PCC), and CAF Bank. CAF Bank requested, (and the PCC of St Michael's supplied) a "letter of comfort" to signify their support of the SMCC operations.

At a PCC Meeting held on 14th July 2014 it was resolved that: "the Directors of St Michael's Church Centre Limited be supported to undertake a loan of up to £800,000 from CAF Bank (including the initial loan of £150,000) and that the St Michael's Church PCC should stand behind the Directors of St Michael's Church Centre Limited and offer a "letter of comfort" to CAF Bank in support of that loan, in regard to honouring the capital and interest repayments on that loan if required. The total value of these loans outstanding at the year end was £60,430.

Interest payments on all loans are the liability of SMCC, and are paid from SMCC funds.

##### Risk management

The major risks to which the charity and each trustee is exposed have been reviewed and, where appropriate, systems and procedures have been established to manage those risks.

The Trustees operate a risk management process. This involves identifying the types of risks the charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of managing or mitigating the risks. The main risk to the SMCC is the discontinuation of regular and one-off donations from members of the St Michael's congregation for the completion of the new facilities and the repayment of the long-term loans. However, the Trustees regularly review cash-flow projections at the Trustees Board meetings, and are satisfied that, based on the last 5 years track record and experience, the SMCC remains financially healthy and solvent for the foreseeable future.

The other risks which occur within the day-to-day operation of the church centre are reviewed regularly by the appointed management responsible for the care of children, adults and Health and Safety within the PCC and the SMCC.

#### REFERENCE AND ADMINISTRATIVE DETAILS

##### Registered Company number

08242432 (England and Wales)

##### Registered Charity number

1149601

##### Registered office

St Michael's Church Office  
The Old School Rooms  
The Green, North Road  
Stoke Gifford  
Bristol  
BS34 8PD

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Report of the Trustees  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**Trustees**

J Spens Chair of Trustees (resigned 19.9.22)  
C Bradley Treasurer  
I Osborne (resigned 4.5.22)  
S Denning  
L Hitchin Acting Chair  
C Sweetnam  
R J Farrell (appointed 17.1.22)  
D R Pilch (appointed 4.5.22)

**Auditors**

Haines Watts Bristol Limited  
Chartered Accountants and Statutory Auditors  
Bath House  
6 - 8 Bath Street  
Bristol  
BS1 6HL

**Bankers**

Lloyds Bank  
61 Gloucester Road  
Patchway  
Bristol  
BS34 5JH

**Web addresses**

[www.stmichaelsbristol.org](http://www.stmichaelsbristol.org)

**AUDITORS**

The auditors, Haines Watts Bristol Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 19 June 2023 and signed on its behalf by:

C Bradley - Trustee

## **ST MICHAEL'S CHURCH CENTRE LIMITED**

### **Trustees' Responsibility Statement FOR THE YEAR ENDED 31 DECEMBER 2022**

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The trustees (who are also the directors of St Michael's Church Centre Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

## **Report of the Independent Auditors to the Members of St Michael's Church Centre Limited**

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### **Opinion**

We have audited the financial statements of St Michael's Church Centre Limited (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

## **Report of the Independent Auditors to the Members of St Michael's Church Centre Limited**

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### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

### **Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks applicable to the charitable company and the sector in which it operates. We determined that the following laws and regulations were most significant: The Companies Act 2006, UK GAAP, The Charities Act 2011 and the Charities SORP.

We obtained an understanding of how the charitable company is complying with those legal and regulatory frameworks and made enquiries to the management of known or suspected instances of fraud and non-compliance with laws and regulations. We corroborated our enquiries through our review of board minutes, other relevant meeting minutes and review of correspondence with regulatory bodies.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the audit team included:

- Identifying and assessing the controls management has in place to prevent and detect fraud;
- Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- Challenging assumptions and judgments made by management in its significant accounting estimates and judgments;
- Identifying and testing journal entries, in particular journal entries posted with unusual account combinations; and
- Assessing the extent of compliance with the relevant laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Members of  
St Michael's Church Centre Limited**

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**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Matthew Bracher BSc FCA (Senior Statutory Auditor)  
for and on behalf of Haines Watts Bristol Limited  
Chartered Accountants and Statutory Auditors  
Bath House  
6 - 8 Bath Street  
Bristol  
BS1 6HL

19 June 2023

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	Unrestricted funds £	Restricted fund £	2022 Total funds £	2021 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	368,248	350	368,598	342,578
<b>Charitable activities</b>					
Management of the Church Centre	5	118,353	-	118,353	94,595
Raising funds	3	170,654	-	170,654	83,015
Investment income	4	308	-	308	45
<b>Total</b>		<b>657,563</b>	<b>350</b>	<b>657,913</b>	<b>520,233</b>
<b>EXPENDITURE ON</b>					
Raising funds	6	46,696	-	46,696	12,754
<b>Charitable activities</b>					
Management of the Church Centre	7	304,297	300	304,597	217,569
Heart of the Community		59,300	-	59,300	88,878
Other	11	10,990	-	10,990	10,992
<b>Total</b>		<b>421,283</b>	<b>300</b>	<b>421,583</b>	<b>330,193</b>
<b>NET INCOME</b>		<b>236,280</b>	<b>50</b>	<b>236,330</b>	<b>190,040</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		5,304,944	1,138	5,306,082	5,116,042
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>5,541,224</b>	<b>1,188</b>	<b>5,542,412</b>	<b>5,306,082</b>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

ST MICHAEL'S CHURCH CENTRE LIMITED (REGISTERED NUMBER: 08242432)

**Balance Sheet**  
**31 DECEMBER 2022**

	Notes	Unrestricted funds £	Restricted fund £	2022 Total funds £	2021 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	17	5,965,166	-	5,965,166	5,933,043
<b>CURRENT ASSETS</b>					
Debtors	18	33,103	-	33,103	14,336
Cash at bank		272,923	1,188	274,111	300,822
		<u>306,026</u>	<u>1,188</u>	<u>307,214</u>	<u>315,158</u>
<b>CREDITORS</b>					
Amounts falling due within one year	19	(118,718)	-	(118,718)	(288,184)
		<u>187,308</u>	<u>1,188</u>	<u>188,496</u>	<u>26,974</u>
<b>NET CURRENT ASSETS</b>					
		<u>187,308</u>	<u>1,188</u>	<u>188,496</u>	<u>26,974</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>6,152,474</u>	<u>1,188</u>	<u>6,153,662</u>	<u>5,960,017</u>
<b>CREDITORS</b>					
Amounts falling due after more than one year	20	(611,250)	-	(611,250)	(653,935)
		<u>5,541,224</u>	<u>1,188</u>	<u>5,542,412</u>	<u>5,306,082</u>
<b>NET ASSETS</b>					
		<u>5,541,224</u>	<u>1,188</u>	<u>5,542,412</u>	<u>5,306,082</u>
<b>FUNDS</b>					
Unrestricted funds	23			5,541,224	5,304,944
Restricted funds				1,188	1,138
				<u>5,542,412</u>	<u>5,306,082</u>
<b>TOTAL FUNDS</b>					
				<u>5,542,412</u>	<u>5,306,082</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 19 June 2023 and were signed on its behalf by:

C Bradley - Trustee

L Hitchin - Trustee

The notes form part of these financial statements

**ST MICHAEL'S CHURCH CENTRE LIMITED****Cash Flow Statement  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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	Notes	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	315,472	164,560
Interest paid		(11,448)	(11,492)
		<u>304,024</u>	<u>153,068</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(90,194)	(1,200)
Interest received		308	45
		<u>(89,886)</u>	<u>(1,155)</u>
<b>Cash flows from financing activities</b>			
Loan repayments in year		(240,849)	(199,993)
		<u>(240,849)</u>	<u>(199,993)</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
		<u>(26,711)</u>	<u>(48,080)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>			
		<u>300,822</u>	<u>348,902</u>
<b>Cash and cash equivalents at the end of the reporting period</b>			
		<u>274,111</u>	<u>300,822</u>

The notes form part of these financial statements

ST MICHAEL'S CHURCH CENTRE LIMITED

Notes to the Cash Flow Statement  
FOR THE YEAR ENDED 31 DECEMBER 2022

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022	2021
	£	£
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	<b>236,330</b>	190,040
<b>Adjustments for:</b>		
Depreciation charges	58,071	52,060
Interest received	(308)	(45)
Interest paid	11,448	11,492
Increase in debtors	(18,767)	(11,298)
Increase/(decrease) in creditors	28,698	(77,689)
	<u>315,472</u>	<u>164,560</u>
<b>Net cash provided by operations</b>	<b><u>315,472</u></b>	<b><u>164,560</u></b>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.22	Cash flow	At 31.12.22
	£	£	£
<b>Net cash</b>			
Cash at bank	300,822	(26,711)	274,111
	<u>300,822</u>	<u>(26,711)</u>	<u>274,111</u>
<b>Debt</b>			
Debts falling due within 1 year	(267,594)	198,164	(69,430)
Debts falling due after 1 year	(653,935)	42,685	(611,250)
	<u>(921,529)</u>	<u>240,849</u>	<u>(680,680)</u>
<b>Total</b>	<b><u>(620,707)</u></b>	<b><u>214,138</u></b>	<b><u>(406,569)</u></b>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The charity is a company, incorporated in England and Wales, limited by guarantee having no share capital and, in accordance with the Memorandum of Association, every member is liable to contribute £1 towards the costs of dissolution and liabilities incurred by the charitable company in the event of the company being wound up. The address of the registered office is given in the charity information on pages 4 to 5 of these financial statements.

The financial statements are prepared in sterling which is the functional currency of the charitable company and are rounded to the nearest £.

At the end of the year, the charitable company had net current assets of £187,308 (2021 - £26,974) and creditors falling due after one year of £611,250 (2021 - £653,935) of which £60,685 is repayable between one and two years.

Projections prepared on behalf of the Trustees indicate that whilst sufficient cash will be generated to fund external borrowings, the assumptions on which the projections are based are subject to the uncertainty of whether they will be realised and achieved. These uncertainties therefore have a potential impact on the future ability of the charitable company to remain a going concern. Whilst there is no impact on the current set of the financial statements Trustees believe it is appropriate to bring this to the attention to the readers of these financial statements.

The financial statements have been prepared on a going concern basis after consideration by the Trustees.

The Trustees have tested their cash flow analysis to take into account the impact on the charitable company of possible scenarios brought on by the impact of the cost of living crisis and rising energy prices, alongside the measures that they can take to mitigate the impact. The trustees have considered the impact of these issues on the charity's current and future financial position. The charity holds general reserves of £145,082 and a cash balance of £274,111. The trustees consider that the charity has sufficient cash reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

**Income**

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The value of services provided by volunteers has not been included.

**Voluntary income**

Donations are recognised when received and gift aid is recognised on an accruals basis in line with the donation. Grants are also recognised on a receivable basis. Pledges are not recognised until they are received.

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

1. ACCOUNTING POLICIES - continued

**Income**

**Investment income**

Investment income is recognised on an accruals basis and represents income from deposit funds, short and long term investments.

**Rental income**

Rental income and the provision of refreshments to hirers, is recognised within Other Trading Activities and is accounted for in the period to which the event takes place.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

**Raising funds**

Costs of generating voluntary income are recognised on an accruals basis in the period to which they relate.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings - 5 years straight line (equipment), 15 years straight line (kitchen)  
Freehold property (excluding land) - 50 years straight line (fit-out), 200 years straight line (construction)

All fixed assets are initially recorded at cost. The cost of construction of the Church Centre, including on surveying and engineering costs, has been capitalised. Depreciation has been charged for the full year on additions.

**Taxation**

The charity is exempt from tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds form part of the unrestricted funds and have been identified as being for particular purposes by the trustees.

Restricted funds 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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Debtors**

Debtors are measured on initial recognition at settlement amount after any amounts advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

1. ACCOUNTING POLICIES - continued

**Creditors**

The charity has creditors which are measured at settlement amounts.

**Cash and short term investments**

Cash at bank is held to meet short-term cash commitments as they fall due rather than for investment purposes and includes all cash equivalents held in the form of short-term highly liquid investments. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

**Donated goods, services and facilities**

Donated goods, services or facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated goods, services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**Financial instruments**

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost. Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

**Basic financial liabilities**

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Financial liabilities are derecognised when, and only when, the charity's contractual obligations are discharged, cancelled, or they expire.

**Concessionary loans**

Concessionary loans include those payable to third parties which are interest free or below market interest rates and are made to advance charitable purposes. The charity has applied S34 of FRS102 with regards to the valuation of loans to public benefit entities so that discounted present value and an associated interest charge are not recognised. All loans are measured at cost.

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**2. DONATIONS AND LEGACIES**

	<b>2022</b>	2021
	<b>£</b>	£
Donations	<b>292,024</b>	268,872
Gift aid	<b>70,374</b>	64,486
Grants	<b>6,200</b>	9,220
	<b><u>368,598</u></b>	<u>342,578</u>

Grants received, included in the above, are as follows:

	<b>2022</b>	2021
	<b>£</b>	£
South Gloucestershire Council	<b>6,200</b>	-
HMRC Job Retention Scheme	-	9,220
	<b><u>6,200</u></b>	<u>9,220</u>

**3. RAISING FUNDS**

	<b>2022</b>	2021
	<b>£</b>	£
Fundraising events	<b>3,579</b>	2,421
Room hire	<b>110,070</b>	59,985
Refreshments and other services	<b>53,881</b>	17,057
Other income	<b>3,124</b>	3,552
	<b><u>170,654</u></b>	<u>83,015</u>

**4. INVESTMENT INCOME**

	<b>2022</b>	2021
	<b>£</b>	£
Deposit account interest	<b>308</b>	45
	<b><u>308</u></b>	<u>45</u>

ST MICHAEL'S CHURCH CENTRE LIMITED

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022

5. INCOME FROM CHARITABLE ACTIVITIES

		2022	2021
	Activity	£	£
Contribution for Church use	Management of the Church Centre	<u>118,353</u>	<u>94,595</u>

6. RAISING FUNDS

Other trading activities

	2022	2021
	£	£
Bad debts	171	-
Cost of fundraising events	2,585	408
Costs of refreshments and other services	<u>43,940</u>	<u>12,346</u>
	<u>46,696</u>	<u>12,754</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8)	Grant funding of activities (see note 9)	Support costs (see note 10)	Totals
	£	£	£	£
Management of the Church Centre	300,783	-	3,814	304,597
Heart of the Community	-	59,300	-	59,300
	<u>300,783</u>	<u>59,300</u>	<u>3,814</u>	<u>363,897</u>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2022	2021
	£	£
Rates and water	2,623	1,644
Insurance	7,124	6,808
Light and heat	59,738	26,265
Contribution to PCC for cleaner and caretaker	1,140	294
Contribution to PCC for administrator	31,404	38,329
Contribution to PCC for facilities & hospitality staff	61,232	36,964
Discipleship Year Costs	-	1,400
Repairs and maintenance	42,028	30,620
Cleaning materials and windows	27,249	12,416
Licences	159	159
Other professional fees	2,188	-
Sundries	7,369	6,270
Depreciation	58,071	52,060
Interest payable and similar charges	458	500
	<u>300,783</u>	<u>213,729</u>

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**9. GRANTS PAYABLE**

	<b>2022</b>	2021
	<b>£</b>	£
Heart of the Community	<b>59,300</b>	88,878

The total grants paid to institutions during the year was as follows:

	<b>2022</b>	2021
	<b>£</b>	£
Axe Valley Christian Trust	<b>500</b>	7,000
The Brickworks	<b>1,000</b>	12,100
Bridges for Communities	<b>500</b>	2,000
CMS - Rocks Family	<b>1,000</b>	5,000
The Epaphras Trust	<b>4,000</b>	5,000
inHope Bristol	<b>500</b>	13,000
Moldova Mission	<b>4,300</b>	17,778
Network Counselling	<b>15,500</b>	5,000
Peace and Hope Trust	-	2,000
SIITA Nest	<b>1,000</b>	5,000
Univida	<b>19,000</b>	5,000
Mullers	<b>10,000</b>	-
	<b>57,300</b>	78,878

The total grants paid to individuals during the year was as follows:

	<b>2022</b>	2021
	<b>£</b>	£
Sarah Sutton - Clwb Coffi	<b>2,000</b>	10,000

In accordance with the expressed desire to tithe at least 10 per cent of donations to the the HOTC project £60,240 (2021 - £43,368) has been set aside in the tithe designated fund to be available for grant funding and £59,300 was expended during the year (2021: £88,878).

**10. SUPPORT COSTS**

	Governance costs £
Management of the Church Centre	<b>3,814</b>

ST MICHAEL'S CHURCH CENTRE LIMITED

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022

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10. SUPPORT COSTS - continued

Support costs, included in the above, are as follows:

**Governance costs**

	2022	2021
	Management of the Church Centre £	Total activities £
Auditors' remuneration	2,229	2,255
Auditors' remuneration for non audit work	1,585	1,585
	<u>3,814</u>	<u>3,840</u>

11. OTHER

	2022	2021
	£	£
Interest payable and similar charges	10,990	10,992
	<u>10,990</u>	<u>10,992</u>

12. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation - owned assets	58,071	52,060
	<u>58,071</u>	<u>52,060</u>

13. AUDITORS' REMUNERATION

	2022	2021
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	2,229	2,255
Accounts preparation	1,585	1,585
Total fees payable	<u>3,814</u>	<u>3,840</u>

ST MICHAEL'S CHURCH CENTRE LIMITED

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022

14. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2022 nor for the year ended 31 December 2021.

15. STAFF COSTS

Staff costs of £93,776 (2021 - £75,587) were incurred by Stoke Gifford PCC for staff who are jointly employed by the PCC and SMCC Ltd. The contributions that have been made by SMCC Ltd are included in charitable activities expenditure.

16. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	342,578	-	342,578
<b>Charitable activities</b>			
Management of the Church Centre	94,595	-	94,595
Raising funds	83,015	-	83,015
Investment income	45	-	45
<b>Total</b>	<u>520,233</u>	<u>-</u>	<u>520,233</u>
<b>EXPENDITURE ON</b>			
Raising funds	12,754	-	12,754
<b>Charitable activities</b>			
Management of the Church Centre	217,569	-	217,569
Heart of the Community	88,878	-	88,878
Other	10,992	-	10,992
<b>Total</b>	<u>330,193</u>	<u>-</u>	<u>330,193</u>
<b>NET INCOME</b>	190,040	-	190,040
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	5,114,904	1,138	5,116,042
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>5,304,944</u></u>	<u><u>1,138</u></u>	<u><u>5,306,082</u></u>

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**17. TANGIBLE FIXED ASSETS**

	Freehold property £	Fixtures and fittings £	Totals £
<b>COST</b>			
At 1 January 2022	5,940,976	140,924	6,081,900
Additions	-	90,194	90,194
	<u>5,940,976</u>	<u>231,118</u>	<u>6,172,094</u>
At 31 December 2022	5,940,976	231,118	6,172,094
<b>DEPRECIATION</b>			
At 1 January 2022	85,498	63,359	148,857
Charge for year	42,761	15,310	58,071
	<u>128,259</u>	<u>78,669</u>	<u>206,928</u>
At 31 December 2022	128,259	78,669	206,928
<b>NET BOOK VALUE</b>			
At 31 December 2022	<u>5,812,717</u>	<u>152,449</u>	<u>5,965,166</u>
At 31 December 2021	<u>5,855,478</u>	<u>77,565</u>	<u>5,933,043</u>

The asset value of Freehold Property of £5,812,717 in the Balance Sheet represents the cumulative expenditure on the acquisition of the land, all construction costs and associated professional fees incurred to date less depreciation.

**18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022 £	2021 £
Trade debtors - room hire owing	31,883	12,767
Income tax recoverable	1,220	1,569
	<u>33,103</u>	<u>14,336</u>

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022	2021
	£	£
Other loans (see note 21)	69,430	267,594
Trade creditors	23,080	2,325
Accrued expenses	26,208	18,265
	<u>118,718</u>	<u>288,184</u>

**20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2022	2021
	£	£
Other loans (see note 21)	<u>611,250</u>	<u>653,935</u>

The analysis of the maturity of the CAF loan reflects the intent to repay the loan rather than the legal terms of the loan agreement. Since the year end, £47,905 capital has so far been repaid.

**21. LOANS**

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year on demand:		
Other loans - individuals	9,000	57,500
Other loans - CAF	60,430	210,094
	<u>69,430</u>	<u>267,594</u>
Amounts falling between one and two years:		
Other loans - 1-2 years - individuals	330,000	-
Other loans 1-2 years - Bristol Diocese	281,250	-
Other loans 1-2 years - CAF	-	60,685
	<u>611,250</u>	<u>60,685</u>
Amounts falling due between two and five years:		
Other loans 2-5 years - individuals	-	312,000
Other loans 2-5 years - Bristol Diocese	-	281,250
	<u>-</u>	<u>593,250</u>

**CONCESSIONARY LOANS**

Amount of concessionary loans received

	2022	2021
	£	£
Loans from individuals	<u>339,000</u>	<u>369,500</u>

ST MICHAEL'S CHURCH CENTRE LIMITED

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022

21. LOANS - continued

Amounts payable after less than 1 year	9,000	57,500
Amounts payable in more than 1 year	330,000	312,000

Loans from individuals have been provided at nil rate of interest.

22. SECURED DEBTS

The following secured debts are included within creditors:

	2022 £	2021 £
Other loans - CAF	60,430	270,779
	<u>60,430</u>	<u>270,779</u>

23. MOVEMENT IN FUNDS

	At 1.1.22 £	Net movement in funds £	Transfers between funds £	At 31.12.22 £
<b>Unrestricted funds</b>				
General fund	146,540	10,542	(12,000)	145,082
Heart of the Community Fund (designated)	(719,881)	335,059	(60,240)	(445,062)
Church Centre Property Fund (designated)	5,855,478	(42,761)	-	5,812,717
Tithe fund (designated)	1,991	(59,300)	60,240	2,931
Fabric fund (designated)	20,816	(7,260)	12,000	25,556
	<u>5,304,944</u>	<u>236,280</u>	-	<u>5,541,224</u>
<b>Restricted funds</b>				
Library fund	1,138	50	-	1,188
	<u>5,306,082</u>	<u>236,330</u>	<u>-</u>	<u>5,542,412</u>

ST MICHAEL'S CHURCH CENTRE LIMITED

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022

23. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	295,736	(285,194)	10,542
Heart of the Community Fund (designated)	361,827	(26,768)	335,059
Church Centre Property Fund (designated)	-	(42,761)	(42,761)
Tithe fund (designated)	-	(59,300)	(59,300)
Fabric fund (designated)	-	(7,260)	(7,260)
	<u>657,563</u>	<u>(421,283)</u>	<u>236,280</u>
<b>Restricted funds</b>			
Library fund	350	(300)	50
	<u>657,913</u>	<u>(421,583)</u>	<u>236,330</u>

Comparatives for movement in funds

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
<b>Unrestricted funds</b>				
General fund	147,739	10,801	(12,000)	146,540
Heart of the Community Fund (designated)	(986,291)	310,978	(44,568)	(719,881)
Church Centre Property Fund (designated)	5,897,039	(42,761)	1,200	5,855,478
Tithe fund (designated)	47,601	(88,978)	43,368	1,991
Fabric fund (designated)	8,816	-	12,000	20,816
	<u>5,114,904</u>	<u>190,040</u>	<u>-</u>	<u>5,304,944</u>
<b>Restricted funds</b>				
Library fund	1,138	-	-	1,138
	<u>5,116,042</u>	<u>190,040</u>	<u>-</u>	<u>5,306,082</u>

**ST MICHAEL'S CHURCH CENTRE LIMITED****Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022****23. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	186,464	(175,663)	10,801
Heart of the Community Fund (designated)	333,679	(22,701)	310,978
Church Centre Property Fund (designated)	-	(42,761)	(42,761)
Tithe fund (designated)	90	(89,068)	(88,978)
	<u>520,233</u>	<u>(330,193)</u>	<u>190,040</u>
<b>TOTAL FUNDS</b>	<u>520,233</u>	<u>(330,193)</u>	<u>190,040</u>

**Funds****Heart of the Community Fund (designated)**

This represents the Heart of the Community Project asset value excluding the value of the Church Centre building. The negative fund includes loans of £680,680 (2021 - £921,529) outstanding at the year end of which £60,530 (2021 - £270,779) is secured against the property.

**Church Centre Property Fund (designated)**

Representing the net book value of the Church Centre building.

**Tithe fund (designated)**

A transfer was made into this fund of £60,240 (2021 - £43,368) to represent the total amounts which have been designated to pay out as grants.

**Fabric fund (designated)**

Created to set aside a fund for current and future provisions for maintaining the fabric of the Church Centre. During the year a transfer was made into this fund of £12,000 (2021 - £12,000)

**Library fund (restricted)**

This represents funding provided specifically for the development of the community library, a joint initiative with South Gloucestershire Council.

**Comparative analysis of net assets between funds, are as follows:**

Fund balances as at 31 December 2021	Unrestricted funds £	Restricted funds £	Total funds £
Fixed assets	5,933,043	-	5,933,043
Current assets	314,020	1,138	315,158
Current liabilities	(288,184)	-	(288,184)
Non-current liabilities	(653,935)	-	(653,935)
<b>Total net assets</b>	<u>5,304,944</u>	<u>1,138</u>	<u>5,306,082</u>

**24. RELATED PARTY DISCLOSURES**

On 30th June 2014, Stoke Gifford PCC received a loan of £375,000 from the Diocese of Bristol in support of the construction of the Church Centre. This loan was at an interest rate of 0.55% over the CCLA base rate (0.25% at the start of the year, increasing throughout the year to 3.50% on 16 December 2022), and it is required to be repaid by 30th June 2024 as funds allow. On 16th July 2014, these monies were onward loaned to SMCC on the same basis as Stoke Gifford PCC received the loan from the Diocese.

At the year end, the balance outstanding was £281,250 (2021 - £281,250). Interest payments of £5,065 (2021 - £1,657) were paid by SMCC to the Diocese during the year.

During 2014, it was agreed that Stoke Gifford PCC should stand behind the Directors of St Michael's Church Centre Limited (SMCC) and offer a "letter of comfort" to CAF Bank in support of that loan of £800,000, in regard to honouring the capital and interest repayments on that loan if required. Whilst this letter of comfort does not form a legal guarantee, it does represent the commitment of the PCC to support the charitable purpose of the SMCC. At the year end, the balance outstanding was £60,530 (2021 - £270,779).

During the year, a contribution of £118,245 (2021 - £94,595) was received from Stoke Gifford PCC in recognition of the use of the Church Centre and Old School Rooms for church activities.

Contributions of £31,404 (2021: £38,329) and £62,372 (2021: £37,258) have been paid to Stoke Gifford PCC in recognition of work carried out by employees who are jointly employed by the PCC and SMCC, for administration and building maintenance of the Church Centre respectively.

**Donations from trustees and related parties**

The aggregate donations received from trustees were £43,370 (2021 - £32,720).

**Other related party transactions**

During the year grants of £1,000 (2021 - £12,100) were paid to The Brickworks. SMCC and The Brickworks had one trustee in common at the start of the year.

**ST MICHAEL'S CHURCH CENTRE LIMITED**

England & Wales - Charity number 1149601

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# Accounts

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**REGISTERED COMPANY NUMBER: 08242432 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1149601**

**Report of the Trustees and**  
**Audited Financial Statements**  
**for the Year Ended 31 December 2021**  
**for**  
**ST MICHAEL'S CHURCH CENTRE LIMITED**

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Contents of the Financial Statements  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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	<b>Page</b>
<b>Report of the Trustees</b>	1 to 5
<b>Trustees' Responsibility Statement</b>	6
<b>Report of the Independent Auditors</b>	7 to 10
<b>Statement of Financial Activities</b>	11
<b>Balance Sheet</b>	12
<b>Cash Flow Statement</b>	13
<b>Notes to the Cash Flow Statement</b>	14
<b>Notes to the Financial Statements</b>	15 to 28

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# ST MICHAEL'S CHURCH CENTRE LIMITED

## Report of the Trustees FOR THE YEAR ENDED 31 DECEMBER 2021

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The Trustees present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

### OBJECTIVES AND ACTIVITIES

#### Objectives and aims

St Michael's Church Centre Limited (SMCC) was established in October 2012, with the main charitable purpose being "to advance the Christian religion". In 2013, the SMCC became "Trustee for all purposes" (ie both Custodian and Managing Trustees) for all the assets of the Old School Rooms Trust.

The overall vision of the SMCC is to provide quality facilities, primarily for the congregation of St Michael's Church and associated church groups as well as the wider community and corporate, regional and national organisations. The trustees believe these objectives benefit the communities which we wish to serve.

#### Significant activities

The first occupational stage of the new buildings were completed in April 2015, and from that time, the new church centre has been the venue for the 10.30am family church services and the 6.30pm informal evening services. The centre has also been increasingly used to host community events as well as an expanding variety of Christian events. Practical examples of the expanding activities include hosting the Bristol-wide Bible-Study-Fellowship on a weekly basis, monthly Messy Church, and a variety of Bristol Choirs, as well as an expanding youth work within the premises. Post-COVID-19, the centre has hosted many local community events, including the South Gloucestershire Council public consultation of their redevelopment of Bristol Parkway Planning Strategy and local issues such as public consultations regarding new local developments for the South West.

#### COVID-19

Like all other community venues, the operation of the centre has been severely restricted since Covid first hit in March 2020. The success of the vaccination programme and warmer weather has resulted in customers returning back to use the facilities of the centre, including extended use of the additional meeting rooms completed in 2020.

The Trustees confirm that they have complied with their duty under the Charities Act 2011 to have due regard to the Charity Commission's guidance on Public Benefit when planning and reviewing the objectives and activities of St Michael's Church Centre Limited.

#### Grantmaking

As part of the Heart of the Community Project, it is the intention that 10% of the internally generated funds will be available for mission work both in the UK and overseas as the project progresses. Tithe funds have been set aside for charitable grants to be made during 2022.

#### Volunteers

Much of what happens at the Church Centre is driven by volunteers. It is therefore not possible to quantify the contribution of volunteers to the charity except to say that the charity would not be able to carry out many of its activities without them.

## ST MICHAEL'S CHURCH CENTRE LIMITED

### Report of the Trustees FOR THE YEAR ENDED 31 DECEMBER 2021

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#### ACHIEVEMENT AND PERFORMANCE

##### Charitable activities - review of the year excluding the impact of Covid-19

Regular church bookings include a Men's Group, a Life Group, Messy Church, Beehive, Link Group, and Saturday Breakfast. Space is provided for youth work in the form of Sunday Club, including Teen-Central, FXG and Word and other youth-work events. There is a quarterly over 65s lunch and the Centre is increasingly being used regionally and nationally to host events.

The new facilities are making an impact locally and regionally and there is a steady and noticeable increase in footfall of a range of users of the facilities, for individuals, charities and larger organisations.

The Old School Rooms provides the facilities for the Coffee Shop which is open 5 days a week and the facility is used outside opening hours for Marriage/Wedding preparation, Parenting Courses, ALPHA courses, Community Library and Student groups. The Old School Rooms provides space for a number of groups including several Uniformed Groups. Residual space is also used by a number of community groups including; Music with Mummy, Men's Group, Stokes Volunteer Bureau, Keep Fit (dance class) and Link Club (senior citizens). The Old School Rooms is also used for commercial purposes, wedding receptions and birthday parties. The Trustees of the St Michael's Church Centre Ltd are delighted with the increase in usage for Christian and community events that has been seen during 2021.

##### Fundraising

The primary source of incoming funds is the sacrificial donations (both regular and one-off) from individual members of St Michael's Church congregation. The next most significant source of income is the revenue generated by the hiring out of the facilities to St Michael's Church PCC for use by the church, and then the income generated by the hiring of the facilities to a range of users from the general public. These funds allow the continuing development of the new centre facilities as well as the day-to-day operation of the facility by an increasing range of non-church users.

#### FINANCIAL REVIEW

##### Principal funding sources

Ongoing activities are substantially funded by letting income and investment income. During the period there was significant additional funding of the Heart of the Community Project from donations and related gift aid totalling £331,612 (2020 - £642,486). During the year a contribution of £94,595 (2020 - £94,595) was made by Stoke Gifford PCC to the Church Centre as payment for the church use of the buildings. This has enabled the Trustees to progress the development of the SMCC facilities and provide additional space for the whole range of church and community activities.

##### Reserves policy

At the year end, there were total reserves of £5,306,082 (2020 - £5,116,042) of which £1,138 (2020 - £1,138) was held in restricted funds and £5,158,404 (2020 - £4,967,165) in designated funds.

It is the intention that general reserves will be at least 3 months' annual operating expenditure of running the Church Centre, which currently equates to £54,392 based on 2021 operating expenditure.

At the year end free reserves were £146,540 (2020 - £147,739).

A fund of £5,855,478 (2020 - £5,897,039) represents the net book value of the Church Centre building and can only be realised by the disposal of the fixed asset.

##### Funds in deficit

The Heart of the Community Fund shows a deficit of £719,881 (2020 - £986,291) as a result of loans of £921,529 (2020 - £1,121,522) drawn down of which £270,779 (2020 - £409,897) is secured against the property. The deficit will be eliminated as funds are raised to pay off the loans.

## ST MICHAEL'S CHURCH CENTRE LIMITED

### Report of the Trustees FOR THE YEAR ENDED 31 DECEMBER 2021

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#### FINANCIAL REVIEW

##### COVID-19

The trustees have considered the impact that the COVID-19 pandemic has had and will continue to have on the charitable company's current and future financial position. The main impact of COVID-19 occurred in 2020, and 2021 saw the easing of those restrictions.

The trustees consider that the charitable company will continue as a going concern for a period of at least 18 months from the date on which these financial statements are approved for the following reasons:

- The Trustees of the charity considers that it holds sufficient reserves (as detailed on page 2) to be sustained for the foreseeable future.
- The charity's key funders (being the CAF Bank, the Diocese of Bristol and the soft-loan lenders) have verbally confirmed their continued support of their funding for the charity.

The trustees therefore consider it appropriate to adopt the going concern basis of preparation of the accounts, as detailed in note 1 to the financial statements.

#### FUTURE PLANS

The intention is that SMCC will continue to grow, develop and flourish in the growth of the community. It is the intention of the Trustees to continue to apply surplus funds into the on-going development of the Centre for the benefit of all church user-groups and the wider community.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governing document

The charity is governed by its Memorandum and Articles of Association adopted on 5 October 2012, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

During 2013, a Scheme was set up with the Charity Commission under the Charities Act 2011 to discharge the Bristol Diocesan Board of Finance Limited as custodian trustee of the assets of the Old School Rooms Trust (OSRT) and appoint St Michael's Church Centre Limited (SMCC) as "Trustee for all purposes". The Scheme also provided for the transfer of title to the land previously held by the OSRT to the SMCC as custodian trustee.

The Board of the SMCC meet regularly throughout the year to review the activities of the charitable company.

##### Recruitment and appointment of new trustees

The Memorandum and Articles state that there must be at least three members at all times. Not more than three trustees may be appointed by resolution of the PCC. The PCC may remove any trustee it has appointed and may fill any vacancy arising amongst the three trustees it is entitled to appoint.

All other trustees shall be appointed by resolution of the Trustees. Trustees are elected to serve for a period of three years at a time.

##### Induction and training of new trustees

Trustees receive a short induction which includes review of the previous minutes, an update from an existing trustee and are required to review the publication 'The Essential Trustee' issued by the Charity Commission.

##### Staff remuneration

All staff who work for the SMCC are also jointly employed by St Michael's Church PCC. The costs of those staff are on the payroll of St Michael's PCC but shared by both charities and are re-charged by a management charge agreed annually between the trustees of the two charities.

All St Michael's Church PCC employees are remunerated by reference to a standard salary-band matrix, which is comparative to other large churches within the Bristol area.

## ST MICHAEL'S CHURCH CENTRE LIMITED

### Report of the Trustees FOR THE YEAR ENDED 31 DECEMBER 2021

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#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Related parties

None of the trustees receive remuneration or other benefit from their work with the charity. In the current year no other related party transactions took place with the trustees.

St Michael's Church PCC is a related party of St Michael's Church Centre (SMCC). SMCC is responsible for the construction and operation of the St Michael's Church Centre. The Centre is the continuing expression of the vision of St Michael's Church of "Living to make a difference, by being a Christian heart at the centre of the community". The SMCC and St Michael's Church PCC have two trustees in common. In order to deliver the Centre, SMCC took out low-interest loans from individuals, the Bristol Diocese (via St Michael's Church PCC), and CAF Bank. CAF Bank requested, (and the PCC of St Michael's supplied) a "letter of comfort" to signify their support of the SMCC operations.

At a PCC Meeting held on 14th July 2014 it was resolved that: "the Directors of St Michael's Church Centre Limited be supported to undertake a loan of up to £800,000 from CAF Bank (including the initial loan of £150,000) and that the St Michael's Church PCC should stand behind the Directors of St Michael's Church Centre Limited and offer a "letter of comfort" to CAF Bank in support of that loan, in regard to honouring the capital and interest repayments on that loan if required. The total value of these loans outstanding at the year end was £270,779.

Interest payments on all loans are the liability of SMCC, and are paid from SMCC funds.

##### Risk management

The major risks to which the charity and each trustee is exposed have been reviewed and, where appropriate, systems and procedures have been established to manage those risks.

The Trustees have introduced a risk management process. This involves identifying the types of risks the charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of managing or mitigating the risks. The main risk to the SMCC is the discontinuation of regular and one-off donations from members of the St Michael's congregation for the completion of the new facilities and the repayment of the long-term loans. However, the Trustees regularly review cash-flow projections at the Trustees Board meetings, and are satisfied that, based on the last 5 years track record and experience, the SMCC remains financially healthy and solvent for the foreseeable future.

The other risks which occur within the day-to-day operation of the Church Centre are reviewed regularly by the appointed management responsible for the care of children, adults and Health and Safety within the PCC and the SMCC.

#### REFERENCE AND ADMINISTRATIVE DETAILS

##### Registered Company number

08242432 (England and Wales)

##### Registered Charity number

1149601

##### Registered office

St Michael's Church Office  
The Old School Rooms  
The Green, North Road  
Stoke Gifford  
Bristol  
BS34 8PD

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Report of the Trustees  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**Trustees**

J Spens Chair of Trustees  
C Bradley Treasurer  
I Osborne (resigned 4.5.22)  
S Denning  
L Hitchin  
C Sweetnam  
R J Farrell (appointed 17.1.22)  
D R Pilch (appointed 4.5.22)

**Auditors**

Haines Watts Bristol Limited  
Chartered Accountants and Statutory Auditors  
Bath House  
6 - 8 Bath Street  
Bristol  
BS1 6HL

**Bankers**

Lloyds Bank  
61 Gloucester Road  
Patchway  
Bristol  
BS34 5JH

**Web addresses**

[www.stmichaelsbristol.org](http://www.stmichaelsbristol.org)

**AUDITORS**

The auditors, Haines Watts Bristol Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 6 September 2022 and signed on its behalf by:

J Spens - Trustee

## **ST MICHAEL'S CHURCH CENTRE LIMITED**

### **Trustees' Responsibility Statement FOR THE YEAR ENDED 31 DECEMBER 2021**

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The trustees (who are also the directors of St Michael's Church Centre Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP 2019(FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

## **Report of the Independent Auditors to the Members of St Michael's Church Centre Limited**

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### **Opinion**

We have audited the financial statements of St Michael's Church Centre Limited (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

## **Report of the Independent Auditors to the Members of St Michael's Church Centre Limited**

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### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

### **Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks applicable to the charitable company and the sector in which it operates. We determined that the following laws and regulations were most significant: The Companies Act 2006, UK GAAP, The Charities Act 2011 and the Charities SORP.

We obtained an understanding of how the charitable company is complying with those legal and regulatory frameworks and made enquiries to the management of known or suspected instances of fraud and non-compliance with laws and regulations. We corroborated our enquiries through our review of board minutes, other relevant meeting minutes and review of correspondence with regulatory bodies.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the audit team included:

- Identifying and assessing the controls management has in place to prevent and detect fraud;
- Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- Challenging assumptions and judgments made by management in its significant accounting estimates and judgments;
- Identifying and testing journal entries, in particular journal entries posted with unusual account combinations; and
- Assessing the extent of compliance with the relevant laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Members of  
St Michael's Church Centre Limited**

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**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Matthew Bracher BSc FCA (Senior Statutory Auditor)  
for and on behalf of Haines Watts Bristol Limited  
Chartered Accountants and Statutory Auditors  
Bath House  
6 - 8 Bath Street  
Bristol  
BS1 6HL

6 September 2022

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	Unrestricted funds £	Restricted fund £	2021 Total funds £	2020 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	342,578	-	342,578	652,909
<b>Charitable activities</b>					
Management of the Church Centre		94,595	-	94,595	94,595
Raising funds	3	83,015	-	83,015	54,778
Investment income	4	45	-	45	744
<b>Total</b>		<b>520,233</b>	<b>-</b>	<b>520,233</b>	<b>803,026</b>
<b>EXPENDITURE ON</b>					
Raising funds	6	12,754	-	12,754	6,249
<b>Charitable activities</b>					
Management of the Church Centre	7	217,569	-	217,569	258,595
Heart of the Community		88,878	-	88,878	84,910
Other	11	10,992	-	10,992	17,091
<b>Total</b>		<b>330,193</b>	<b>-</b>	<b>330,193</b>	<b>366,845</b>
<b>NET INCOME</b>		<b>190,040</b>	<b>-</b>	<b>190,040</b>	<b>436,181</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>5,114,904</b>	<b>1,138</b>	<b>5,116,042</b>	<b>4,679,861</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>5,304,944</b>	<b>1,138</b>	<b>5,306,082</b>	<b>5,116,042</b>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

ST MICHAEL'S CHURCH CENTRE LIMITED (REGISTERED NUMBER: 08242432)

**Balance Sheet**  
**31 DECEMBER 2021**

	Notes	Unrestricted funds £	Restricted fund £	2021 Total funds £	2020 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	17	5,933,043	-	5,933,043	5,983,903
<b>CURRENT ASSETS</b>					
Debtors	18	13,198	1,138	14,336	3,038
Cash at bank		300,822	-	300,822	348,902
		<u>314,020</u>	<u>1,138</u>	<u>315,158</u>	<u>351,940</u>
<b>CREDITORS</b>					
Amounts falling due within one year	19	(288,184)	-	(288,184)	(196,202)
		<u>25,836</u>	<u>1,138</u>	<u>26,974</u>	<u>155,738</u>
<b>NET CURRENT ASSETS</b>					
		<u>25,836</u>	<u>1,138</u>	<u>26,974</u>	<u>155,738</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>5,958,879</u>	<u>1,138</u>	<u>5,960,017</u>	<u>6,139,641</u>
<b>CREDITORS</b>					
Amounts falling due after more than one year	20	(653,935)	-	(653,935)	(1,023,599)
		<u>5,304,944</u>	<u>1,138</u>	<u>5,306,082</u>	<u>5,116,042</u>
<b>NET ASSETS</b>					
		<u>5,304,944</u>	<u>1,138</u>	<u>5,306,082</u>	<u>5,116,042</u>
<b>FUNDS</b>					
Unrestricted funds	23			5,304,944	5,114,904
Restricted funds				1,138	1,138
				<u>5,306,082</u>	<u>5,116,042</u>
<b>TOTAL FUNDS</b>					
				<u>5,306,082</u>	<u>5,116,042</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 6 September 2022 and were signed on its behalf by:

C Bradley - Trustee

J Spens - Trustee

The notes form part of these financial statements

**ST MICHAEL'S CHURCH CENTRE LIMITED****Cash Flow Statement  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<b>164,560</b>	617,383
Interest paid		<b>(11,492)</b>	(16,740)
		<hr/>	<hr/>
Net cash provided by operating activities		<b>153,068</b>	600,643
		<hr/>	<hr/>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		<b>(1,200)</b>	(453,538)
Interest received		<b>45</b>	744
		<hr/>	<hr/>
Net cash used in investing activities		<b>(1,155)</b>	(452,794)
		<hr/>	<hr/>
<b>Cash flows from financing activities</b>			
Loan repayments in year		<b>(199,993)</b>	(262,600)
		<hr/>	<hr/>
Net cash used in financing activities		<b>(199,993)</b>	(262,600)
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(48,080)</b>	(114,751)
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>348,902</b>	463,653
		<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>300,822</b>	348,902
		<hr/> <hr/>	<hr/> <hr/>

The notes form part of these financial statements

ST MICHAEL'S CHURCH CENTRE LIMITED

Notes to the Cash Flow Statement  
FOR THE YEAR ENDED 31 DECEMBER 2021

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	<b>190,040</b>	436,181
<b>Adjustments for:</b>		
Depreciation charges	52,060	59,706
Interest received	(45)	(744)
Interest paid	11,492	16,740
(Increase)/decrease in debtors	(11,298)	30,558
(Decrease)/increase in creditors	(77,689)	74,942
	<u>164,560</u>	<u>617,383</u>

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.21	Cash flow	At 31.12.21
	£	£	£
<b>Net cash</b>			
Cash at bank	348,902	(48,080)	300,822
	<u>348,902</u>	<u>(48,080)</u>	<u>300,822</u>
<b>Debt</b>			
Debts falling due within 1 year	(97,923)	(169,671)	(267,594)
Debts falling due after 1 year	(1,023,599)	369,664	(653,935)
	<u>(1,121,522)</u>	<u>199,993</u>	<u>(921,529)</u>
<b>Total</b>	<u>(772,620)</u>	<u>151,913</u>	<u>(620,707)</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The charity is a company, incorporated in England and Wales, limited by guarantee having no share capital and, in accordance with the Memorandum of Association, every member is liable to contribute £1 towards the costs of dissolution and liabilities incurred by the charitable company in the event of the company being wound up. The address of the registered office is given in the charity information on pages 4 to 5 of these financial statements.

The financial statements are prepared in sterling which is the functional currency of the charitable company and are rounded to the nearest £.

At the end of the year, the charitable company had net current assets of £26,974 (2020 - £155,738) and creditors falling due after one year of £653,935 (2020 - £1,023,599) of which £60,685 is repayable between one and two years.

Projections prepared on behalf of the Trustees indicate that whilst sufficient cash will be generated to fund external borrowings, the assumptions on which the projections are based are subject to the uncertainty of whether they will be realised and achieved. These uncertainties therefore have a potential impact on the future ability of the charitable company to remain a going concern. Whilst there is no impact on the current set of the financial statements Trustees believe it is appropriate to bring this to the attention to the readers of these financial statements.

The financial statements have been prepared on a going concern basis after consideration by the Trustees of the potential impact of COVID-19.

The Trustees have tested their cash flow analysis to take into account the impact on the charitable company of possible scenarios brought on by the impact of COVID-19, alongside the measures that they can take to mitigate the impact. The trustees have considered the impact of this issue on the charity's current and future financial position. The charity holds general reserves of £146,540, and a cash balance of £300,822. The trustees consider that the charity has sufficient cash reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

**Income**

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The value of services provided by volunteers has not been included.

**Voluntary income**

Donations are recognised when received and gift aid is recognised on an accruals basis in line with the donation. Grants are also recognised on a receivable basis. Pledges are not recognised until they are received.

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

1. ACCOUNTING POLICIES - continued

**Income**

**Investment income**

Investment income is recognised on an accruals basis and represents income from deposit funds, short and long term investments.

**Rental income**

Rental income and the provision of refreshments to hirers, is recognised within Other Trading Activities and is accounted for in the period to which the event takes place.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

**Raising funds**

Costs of generating voluntary income are recognised on an accruals basis in the period to which they relate.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings - 5 years straight line (equipment), 15 years straight line (kitchen)  
Freehold property (excluding land) - 50 years straight line (fit-out), 200 years straight line (construction)

All fixed assets are initially recorded at cost. The cost of construction of the Church Centre, including surveying and engineering costs, has been capitalised. During the year the construction of the building was completed. Depreciation has been charged for the full year based on the respective rates of the constituent parts of the build.

**Taxation**

The charity is exempt from tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds form part of the unrestricted funds and have been identified as being for particular purposes by the trustees.

Restricted funds 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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

1. ACCOUNTING POLICIES - continued

**Debtors**

Debtors are measured on initial recognition at settlement amount after any amounts advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

**Creditors**

The charity has creditors which are measured at settlement amounts.

**Cash and short term investments**

Cash at bank is held to meet short-term cash commitments as they fall due rather than for investment purposes and includes all cash equivalents held in the form of short-term highly liquid investments. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

**Donated goods, services and facilities**

Donated goods, services or facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated goods, services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**Financial instruments**

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost. Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

**Basic financial liabilities**

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Financial liabilities are derecognised when, and only when, the charity's contractual obligations are discharged, cancelled, or they expire.

**Concessionary loans**

Concessionary loans include those payable to third parties which are interest free or below market interest rates and are made to advance charitable purposes. The charity has applied S34 of FRS102 with regards to the valuation of loans to public benefit entities so that discounted present value and an associated interest charge are not recognised. All loans are measured at cost.

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**2. DONATIONS AND LEGACIES**

	<b>2021</b>	2020
	<b>£</b>	£
Donations	<b>268,872</b>	518,108
Gift aid	<b>64,486</b>	124,378
Grants	<b>9,220</b>	10,423
	<u><b>342,578</b></u>	<u>652,909</u>

Grants received, included in the above, are as follows:

	<b>2021</b>	2020
	<b>£</b>	£
HMRC Job Retention Scheme	<b>9,220</b>	10,423
	<u><b>9,220</b></u>	<u>10,423</u>

**3. RAISING FUNDS**

	<b>2021</b>	2020
	<b>£</b>	£
Fundraising events	<b>2,421</b>	481
Room hire	<b>59,985</b>	45,564
Refreshments and other services	<b>17,057</b>	8,222
Other income	<b>3,552</b>	511
	<u><b>83,015</b></u>	<u>54,778</u>

**4. INVESTMENT INCOME**

	<b>2021</b>	2020
	<b>£</b>	£
Deposit account interest	<b>45</b>	744
	<u><b>45</b></u>	<u>744</u>

ST MICHAEL'S CHURCH CENTRE LIMITED

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2021 £	2020 £
Contribution for Church use	Management of the Church Centre	<u>94,595</u>	<u>94,595</u>

6. RAISING FUNDS

Other trading activities

	2021 £	2020 £
Bad debts	-	(354)
Cost of fundraising events	408	281
Costs of refreshments and other services	<u>12,346</u>	<u>6,322</u>
	<u>12,754</u>	<u>6,249</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £	Grant funding of activities (see note 9) £	Support costs (see note 10) £	Totals £
Management of the Church Centre	213,729	-	3,840	217,569
Heart of the Community	-	88,878	-	88,878
	<u>213,729</u>	<u>88,878</u>	<u>3,840</u>	<u>306,447</u>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021 £	2020 £
Rates and water	1,644	1,253
Insurance	6,808	8,804
Light and heat	26,265	17,139
Contribution to PCC for cleaner and caretaker	294	1,061
Contribution to PCC for administrator	38,329	49,486
Contribution to PCC for facilities & hospitality staff	36,964	64,458
Discipleship Year Costs	1,400	2,100
Repairs and maintenance	30,620	29,958
Cleaning materials and windows	12,416	9,531
Licences	159	158
Sundries	6,270	10,762
Depreciation	52,060	59,706
Interest payable and similar charges	500	219
	<u>213,729</u>	<u>254,635</u>

ST MICHAEL'S CHURCH CENTRE LIMITED

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021

9. GRANTS PAYABLE

	2021	2020
	£	£
Heart of the Community	<b>88,878</b>	84,910

The total grants paid to institutions during the year was as follows:

	2021	2020
	£	£
Axe Valley Christian Trust	7,000	-
The Brickworks	12,100	10,560
Bridges for Communities	2,000	-
CMS - Rocks Family	5,000	7,000
The Epaphras Trust	5,000	-
The Parish of Filwood Church	-	20,000
The Hive Community Centre	-	8,600
inHope Bristol	13,000	-
Moldova Mission	17,778	3,750
Network Counselling	5,000	10,000
Peace and Hope Trust	2,000	-
SIITA Nest	5,000	-
St James Church, Mangotsfield	-	10,000
Univida	5,000	15,000
	<b>78,878</b>	84,910

The total grants paid to individuals during the year was as follows:

	2021	2020
	£	£
Sarah Sutton - Clwb Coffi	<b>10,000</b>	-

In accordance with the expressed desire to tithe at least 10 per cent of donations to the the HOTC project £43,368 (2020 - £63,838) has been set aside in the tithe designated fund to be available for grant funding and £88,878 was expended during the year (2020: £84,910).

ST MICHAEL'S CHURCH CENTRE LIMITED

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021

10. SUPPORT COSTS

	Governance costs
	£
Management of the Church Centre	<b>3,840</b>
	<u><u>          </u></u>

Support costs, included in the above, are as follows:

**Governance costs**

	2021	2020
	Management of the Church Centre	Total activities
	£	£
Auditors' remuneration	2,255	2,375
Auditors' remuneration for non audit work	1,585	1,585
	<u>          </u>	<u>          </u>
	<b>3,840</b>	<b>3,960</b>
	<u><u>          </u></u>	<u><u>          </u></u>

11. OTHER

	2021	2020
	£	£
Church Centre project costs	-	570
Interest payable and similar charges	10,992	16,521
	<u>          </u>	<u>          </u>
	<b>10,992</b>	17,091
	<u><u>          </u></u>	<u><u>          </u></u>

12. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation - owned assets	52,060	59,706
	<u>          </u>	<u>          </u>

ST MICHAEL'S CHURCH CENTRE LIMITED

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021

13. AUDITORS' REMUNERATION

	2021	2020
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	<u>2,255</u>	<u>2,375</u>
Accounts preparation	<u>1,585</u>	<u>1,585</u>
Total fees payable	<u>3,840</u>	<u>3,960</u>

14. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

15. STAFF COSTS

Staff costs of £75,587 (2020- £115,005) were incurred by Stoke Gifford PCC for staff who are jointly employed by the PCC and SMCC Ltd. The contributions that have been made by SMCC Ltd are included in charitable activities expenditure.

16. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	652,909	-	652,909
<b>Charitable activities</b>			
Management of the Church Centre	94,595	-	94,595
Raising funds	54,778	-	54,778
Investment income	744	-	744
<b>Total</b>	<u>803,026</u>	<u>-</u>	<u>803,026</u>
<b>EXPENDITURE ON</b>			
Raising funds	6,249	-	6,249
<b>Charitable activities</b>			
Management of the Church Centre	258,595	-	258,595
Heart of the Community	84,910	-	84,910
Other	17,091	-	17,091

ST MICHAEL'S CHURCH CENTRE LIMITED

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021

16. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted fund £	Total funds £
<b>Total</b>	366,845	-	366,845
<b>NET INCOME</b>	436,181	-	436,181
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	4,678,723	1,138	4,679,861
<b>TOTAL FUNDS CARRIED FORWARD</b>	5,114,904	1,138	5,116,042

17. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Totals £
<b>COST</b>			
At 1 January 2021	5,939,776	140,924	6,080,700
Additions	1,200	-	1,200
At 31 December 2021	5,940,976	140,924	6,081,900
<b>DEPRECIATION</b>			
At 1 January 2021	42,737	54,060	96,797
Charge for year	42,761	9,299	52,060
At 31 December 2021	85,498	63,359	148,857
<b>NET BOOK VALUE</b>			
At 31 December 2021	5,855,478	77,565	5,933,043
At 31 December 2020	5,897,039	86,864	5,983,903

The asset value of Freehold Property of £5,855,478 in the Balance Sheet represents the cumulative expenditure on the acquisition of the land, all construction costs and associated professional fees incurred to date less depreciation.

ST MICHAEL'S CHURCH CENTRE LIMITED

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors - room hire owing	12,767	412
Other debtors	-	1,317
Prepayments	-	88
Income tax recoverable	1,569	1,221
	<u>14,336</u>	<u>3,038</u>

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Other loans (see note 21)	267,594	97,923
Trade creditors	2,325	673
Accrued expenses	18,265	97,606
	<u>288,184</u>	<u>196,202</u>

20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Other loans (see note 21)	<u>653,935</u>	<u>1,023,599</u>

In the current year, the analysis of the maturity of the CAF loan reflects the intent to repay the loan rather than the legal terms of the loan agreement. Since the year end, more than £139,000 capital has been repaid.

21. LOANS

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year on demand:		
Other loans - individuals	57,500	57,500
Other loans - CAF	210,094	40,423
	<u>267,594</u>	<u>97,923</u>
Amounts falling between one and two years:		
Other loans 1-2 years - CAF	<u>60,685</u>	<u>41,486</u>
Amounts falling due between two and five years:		
Other loans 2-5 years - individuals	312,000	326,000
Other loans 2-5 years - Bristol Diocese	281,250	328,125
Other loans 2-5 years - CAF	-	131,124
	<u>593,250</u>	<u>785,249</u>

ST MICHAEL'S CHURCH CENTRE LIMITED

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021

21. LOANS - continued

	2021 £	2020 £
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans more 5yrs - CAF	-	196,864

**CONCESSIONARY LOANS**

Amount of concessionary loans received	2021 £	2020 £
Loans from individuals	<u>369,500</u>	<u>383,500</u>
Amounts payable after less than 1 year	57,500	57,500
Amounts payable in more than 1 year	312,000	326,000

Loans from individuals have been provided at nil rate of interest.

22. SECURED DEBTS

The following secured debts are included within creditors:

	2021 £	2020 £
Other loans - CAF	270,779	409,897
	<u>270,779</u>	<u>409,897</u>

23. MOVEMENT IN FUNDS

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
<b>Unrestricted funds</b>				
General fund	147,739	10,801	(12,000)	146,540
Heart of the Community Fund (designated)	(986,291)	310,978	(44,568)	(719,881)
Church Centre Property Fund (designated)	5,897,039	(42,761)	1,200	5,855,478
Tithe fund (designated)	47,601	(88,978)	43,368	1,991
Fabric fund (designated)	8,816	-	12,000	20,816
	<u>5,114,904</u>	<u>190,040</u>	-	<u>5,304,944</u>
<b>Restricted funds</b>				
Library fund	1,138	-	-	1,138
<b>TOTAL FUNDS</b>	<u>5,116,042</u>	<u>190,040</u>	<u>-</u>	<u>5,306,082</u>

ST MICHAEL'S CHURCH CENTRE LIMITED

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021

23. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	186,464	(175,663)	10,801
Heart of the Community Fund (designated)	333,679	(22,701)	310,978
Church Centre Property Fund (designated)	-	(42,761)	(42,761)
Tithe fund (designated)	90	(89,068)	(88,978)
	<u>520,233</u>	<u>(330,193)</u>	<u>190,040</u>
<b>TOTAL FUNDS</b>	<u>520,233</u>	<u>(330,193)</u>	<u>190,040</u>

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
<b>Unrestricted funds</b>				
General fund	178,628	(23,461)	(7,428)	147,739
Heart of the Community Fund (designated)	(1,145,232)	604,508	(445,567)	(986,291)
Church Centre Property Fund (designated)	5,556,619	(42,737)	383,157	5,897,039
Tithe fund (designated)	68,708	(84,945)	63,838	47,601
Fabric fund (designated)	20,000	(17,184)	6,000	8,816
	<u>4,678,723</u>	<u>436,181</u>	<u>-</u>	<u>5,114,904</u>
<b>Restricted funds</b>				
Library fund	1,138	-	-	1,138
	<u>1,138</u>	<u>-</u>	<u>-</u>	<u>1,138</u>
<b>TOTAL FUNDS</b>	<u>4,679,861</u>	<u>436,181</u>	<u>-</u>	<u>5,116,042</u>

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**23. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	161,547	(185,008)	(23,461)
Heart of the Community Fund (designated)	641,479	(36,971)	604,508
Church Centre Property Fund (designated)	-	(42,737)	(42,737)
Tithe fund (designated)	-	(84,945)	(84,945)
Fabric fund (designated)	-	(17,184)	(17,184)
	<u>803,026</u>	<u>(366,845)</u>	<u>436,181</u>
<b>TOTAL FUNDS</b>	<u>803,026</u>	<u>(366,845)</u>	<u>436,181</u>

**Funds**

**Heart of the Community Fund (designated)**

This represents the Heart of the Community Project asset value excluding the value of the Church Centre building.

The negative fund includes loans of £921,529 (2020 - £1,121,522) outstanding at the year end of which £270,779 (2020- £409,897) is secured against the property.

**Church Centre Property Fund (designated)**

Representing the net book value of the Church Centre building.

**Tithe fund (designated)**

A transfer was made into this fund of £43,368 (2020 - £63,838) to represent the total amounts which have been designated to pay out as grants.

**Fabric fund (designated)**

Created to set aside a fund for current and future provisions for maintaining the fabric of the Church Centre. During the year a transfer was made into this fund of £12,000 (2020 - £6,000)

**Library fund (restricted)**

This represents funding provided specifically for the development of the community library, a joint initiative with South Gloucestershire Council.

**Comparative analysis of net assets between funds, are as follows:**

Fund balances as at 31 December 2020	Unrestricted funds £	Restricted funds £	Total funds £
Fixed assets	5,983,903	-	5,983,903
Current assets	350,802	1,138	351,940
Current liabilities	(196,202)	-	(196,202)
Non-current liabilities	<u>(1,023,599)</u>	<u>-</u>	<u>(1,023,599)</u>

## ST MICHAEL'S CHURCH CENTRE LIMITED

### Notes to the Financial Statements - continued FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 23. MOVEMENT IN FUNDS - continued

##### Funds - continued

Total net assets	<u>5,114,904</u>	<u>1,138</u>	<u>5,116,042</u>
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#### 24. CAPITAL COMMITMENTS

At the year end, the trustees had agreed to accept the quotation of £88,000 for the installation of retractable seating in the auditorium.

#### 25. RELATED PARTY DISCLOSURES

On 30th June 2014, Stoke Gifford PCC received a loan of £375,000 from the Diocese of Bristol in support of the construction of the Church Centre. This loan was at an interest rate of 0.55% over the CCLA base rate (currently 0.10%), and it is required to be repaid by 30th June 2024 as funds allow. On 16th July 2014, these monies were onward loaned to SMCC on the same basis as Stoke Gifford PCC received the loan from the Diocese. On 15th May 2015, Stoke Gifford PCC received an additional Diocesan loan of £250,000 to be repaid over a 5 year period, at an interest rate based on the average interest rate declared by the CBF Deposit Fund, plus 1% over that base, incrementing by ½% each year from 2016 until 3% over base in 2018. The £250,000 loan was fully repaid by the end of May 2020.

At the year end, the balance outstanding was £281,250 (2020 - £328,125). Interest payments of £1,657 (2020 - £3,755) were paid by SMCC to the Diocese during the year.

During 2014, it was agreed that Stoke Gifford PCC should stand behind the Directors of St Michael's Church Centre Limited (SMCC) and offer a "letter of comfort" to CAF Bank in support of that loan of £800,000, in regard to honouring the capital and interest repayments on that loan if required. Whilst this letter of comfort does not form a legal guarantee, it does represent the commitment of the PCC to support the charitable purpose of the SMCC. At the year end, the balance outstanding was £270,779 (2020 - £409,897).

During the year, a contribution of £94,595 (2020 - £94,595) was received from Stoke Gifford PCC in recognition of the use of the Church Centre and Old School Rooms for church activities.

Contributions of £37,258 (2020: £49,486) and £38,329 (2020 £65,519) have been paid to Stoke Gifford PCC in recognition of work carried out by employees who are jointly employed by the PCC and SMCC, for administration and building maintenance of the Church Centre respectively.

##### **Donations from trustees and related parties**

The aggregate donations received from trustees were £32,720 (2020 - £89,715).

##### **Other related party transactions**

During the year grants of £12,100 (2020 - £10,560) were paid to The Brickworks. SMCC and The Brickworks have one trustee in common.

**ST MICHAEL'S CHURCH CENTRE LIMITED**

England & Wales - Charity number 1149601

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# Accounts

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**REGISTERED COMPANY NUMBER: 08242432 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1149601**

**Report of the Trustees and**  
**Audited Financial Statements**  
**for the Year Ended 31 December 2020**  
**for**  
**ST MICHAEL'S CHURCH CENTRE LIMITED**

**ST MICHAEL'S CHURCH CENTRE LIMITED**

**Contents of the Financial Statements  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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	<b>Page</b>
<b>Report of the Trustees</b>	1 to 5
<b>Trustees' Responsibility Statement</b>	6
<b>Report of the Independent Auditors</b>	7 to 9
<b>Statement of Financial Activities</b>	10
<b>Balance Sheet</b>	11
<b>Cash Flow Statement</b>	12
<b>Notes to the Cash Flow Statement</b>	13
<b>Notes to the Financial Statements</b>	14 to 28

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# ST MICHAEL'S CHURCH CENTRE LIMITED

## Report of the Trustees FOR THE YEAR ENDED 31 DECEMBER 2020

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The Trustees present their report with the financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

### OBJECTIVES AND ACTIVITIES

#### Objectives and aims

St Michael's Church Centre Limited (SMCC) was established in October 2012, with the main charitable purpose being "to advance the Christian religion". In 2013, the SMCC became "Trustee for all purposes" (ie both Custodian and Managing Trustees) for all the assets of the Old School Rooms Trust.

The overall vision of the SMCC is to provide quality facilities, primarily for the congregation of St Michael's Church and associated church groups as well as the wider community and corporate, regional and national organisations. The trustees believe these objectives benefit the communities which we wish to serve.

#### Significant activities

The first occupational stage of the new buildings were completed in April 2015, and from that time, the new church centre has been the venue for the 10.30am family church services and the 6.30pm informal evening services. The centre has also been increasingly used to host community events as well as an expanding variety of Christian events. Practical examples of the expanding activities include hosting the Bristol-wide Bible-Study-Fellowship on a weekly basis, monthly Messy Church, Bristol Brass Band and a variety of Bristol Choirs, as well as an expanding youth work within the premises. Pre-COVID-19, the centre has hosted many local community events, including the South Gloucestershire Council public consultation of their 10 year Regional Planning Strategy and local issues such as public consultations regarding new local developments for the South West.

#### COVID-19

Like all other community venues, the operation of the centre has been severely restricted since March 2020. Early 2021 has seen the continuation of the restrictions, but the success of the vaccination programme and warmer weather bodes well for a re-opening of the facilities for all users in late Spring 2021.

The Coffee Shop, which is situated within the Old School Rooms but administered by St Michael's Church, continued to offer welcome refreshment and a meeting place for members of the local community until the government restrictions in Spring and Autumn 2020 and plans to reopen to welcome back adults and children, the elderly, local residents and office workers.

The Trustees confirm that they have complied with their duty under the Charities Act 2011 to have due regard to the Charity Commission's guidance on Public Benefit when planning and reviewing the objectives and activities of St Michael's Church Centre Limited.

#### Grantmaking

As part of the Heart of the Community Project, it is the intention that 10% of the internally generated funds will be available for mission work both in the UK and overseas as the project progresses. New tithe funds have been set aside for charitable grants to be made during 2020.

#### Volunteers

Much of what happens at the Church Centre is driven by volunteers. It is therefore not possible to quantify the contribution of volunteers to the charity except to say that the charity would not be able to carry out many of its activities without them.

**Report of the Trustees  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**ACHIEVEMENT AND PERFORMANCE**

**Charitable activities - review of the year excluding the impact of Covid-19**

Regular church bookings include a Men's Group, a Life Group, Messy Church, Beehive, Link Group, and Saturday Breakfast. Space is provided for youth work in the form of Sunday Club, including Teen-Central, FXG and Word and other youth-work events. There is a quarterly over 65s lunch and the Centre is increasingly being used regionally and nationally to host events.

The new facilities are making an impact locally and regionally and there is a steady and noticeable increase in footfall of a range of users of the facilities, for individuals, charities and larger organisations. During 2020, sufficient new funds were raised which enabled the completion of the constructional elements of the Church Centre, including 5 new meeting rooms and a fully-equipped kitchen to serve the new user of the Centre.

The Old School Rooms provides the facilities for the Coffee Shop which is open 6 days a week and the facility is used outside opening hours for Marriage/Wedding preparation, Parenting Courses, ALPHA courses, Community Library and Student groups. The Old School Rooms provides space for a number of groups including several Uniformed Groups. Residual space is also used by a number of community groups including; Music with Mummy, Men's Group, Stokes Volunteer Bureau, Keep Fit (dance class) and Link Club (senior citizens). The Old School Rooms is also used for commercial purposes, wedding receptions and birthday parties. The Trustees of the St Michael's Church Centre Ltd are delighted with the increase in usage for Christian and community events that has been seen during the early part of 2020.

**Fundraising**

The primary source of incoming funds is the sacrificial donations (both regular and one-off) from individual members of St Michael's Church congregation. The next most significant source of income is the revenue generated by the hiring out of the facilities to St Michael's Church PCC for use by the church, and then the income generated by the hiring of the facilities to a range of users from the general public. These funds allow the continuing development of the new centre facilities as well as the day-to-day operation of the facility by an increasing range of non-church users.

**FINANCIAL REVIEW**

**Principal funding sources**

Ongoing activities are substantially funded by letting income and investment income. During the period there was significant additional funding of the Heart of the Community Project from donations, related gift aid and grants totalling £652,909 (2019 - £509,506). During the year a contribution of £94,595 (2019 - £92,445) was made by Stoke Gifford PCC to the Church Centre as payment for the church use of the buildings. This has enabled the Trustees to progress the development of the SMC facilities and provide additional space for the whole range of church and community activities.

**Reserves policy**

At the year end, there were total reserves of £5,116,042 (2019 - £4,679,861) of which £1,138 (2019 - £1,138) was held in restricted funds and £4,967,165 (2019 - £4,500,095) in designated funds.

It is the intention that general reserves will be at least 3 months' annual operating expenditure of running the Church Centre, which currently equates to £53,846 based on 2020 operating expenditure.

At the year end free reserves were £147,739 (2019 - £178,628).

A fund of £5,897,039 (2019 - £5,556,619) represents the net book value of the Church Centre building and can only be realised by the disposal of the fixed asset.

**Funds in deficit**

The Heart of the Community Fund shows a deficit of £986,291 (2019 - £1,145,232) as a result of loans of £1,121,522 (2019 - £1,384,122) drawn down of which £409,897 (2019 - £448,497) is secured against the property. The deficit will be eliminated as funds are raised to pay off the loans.

**Report of the Trustees  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**FINANCIAL REVIEW**

**COVID-19**

The trustees have considered the impact that the COVID-19 pandemic has had and will continue to have on the charitable company's current and future financial position. The main impact of COVID-19 has been the restrictions on using the facilities by (i) the church congregations and other ministries (children, youth and over-65's etc) (ii) the community users, (iii) other charity and (iv) corporate users of the facilities. External income has reduced by approximately 70% (which equates to about £126,000). The SMCC has benefitted from a reduction in direct costs and the receipt of the Coronavirus Job Retention Scheme, both of which have reduced the negative impact on the financial operation of the Centre. The Trustees have also negotiated a 6 month Capital Repayment holiday with CAF from January 2021 until June 2021.

The trustees consider that the charitable company will continue as a going concern for a period of at least 18 months from the date on which these financial statements are approved for the following reasons:

- The Trustees of the charity considers that it holds sufficient reserves (as detailed on page 2) to be sustained for the foreseeable future.
- The charity's key funders (being the CAF Bank, the Diocese of Bristol and the soft-loan lenders) have verbally confirmed their continued support of their funding for the charity.

The trustees therefore consider it appropriate to adopt the going concern basis of preparation of the accounts, as detailed in note 1 to the financial statements.

**FUTURE PLANS**

The intention is that SMCC will continue to grow, develop and flourish in the growth of the community. It is the intention of the Trustees to continue to apply surplus funds into the on-going development of the Centre for the benefit of all church user-groups and the wider community.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is governed by its Memorandum and Articles of Association adopted on 5 October 2012, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

During 2013, a Scheme was set up with the Charity Commission under the Charities Act 2011 to discharge the Bristol Diocesan Board of Finance Limited as custodian trustee of the assets of the Old School Rooms Trust (OSRT) and appoint St Michael's Church Centre Limited (SMCC) as "Trustee for all purposes". The Scheme also provided for the transfer of title to the land previously held by the OSRT to the SMCC as custodian trustee.

The Board of the SMCC meet regularly throughout the year to review the activities of the charitable company.

**Recruitment and appointment of new trustees**

The Memorandum and Articles state that there must be at least three members at all times. Not more than three trustees may be appointed by resolution of the PCC. The PCC may remove any trustee it has appointed and may fill any vacancy arising amongst the three trustees it is entitled to appoint.

All other trustees shall be appointed by resolution of the Trustees. Trustees are elected to serve for a period of three years at a time.

**Organisational structure**

During 2019, the charity absorbed all the remaining assets of the Old School Rooms Trust (OSRT), and has become the Custodian and Managing Trustee for all purpose of all the OSRT assets. The OSRT was wound-down and deleted as a charity in October 2019.

## ST MICHAEL'S CHURCH CENTRE LIMITED

### Report of the Trustees FOR THE YEAR ENDED 31 DECEMBER 2020

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#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Induction and training of new trustees

Trustees receive a short induction which includes review of the previous minutes, an update from an existing trustee and are required to review the publication 'The Essential Trustee' issued by the Charity Commission.

##### Key management remuneration

All staff who work for the PCC and the SMCC are jointly employed by St Michael's Church Centre and St Michael's Church PCC. The costs of those staff are on the payroll of St Michael's PCC but shared by both charities and are re-charged by a management charge agreed annually between the trustees of the two charities.

All St Michael's Church PCC employees are remunerated by reference to a standard salary-band matrix, which is comparative to other large churches within the Bristol area.

##### Related parties

None of the trustees receive remuneration or other benefit from their work with the charity. In the current year no other related party transactions took place with the trustees.

St Michael's Church PCC is a related party of St Michael's Church Centre (SMCC). SMCC is responsible for the construction and operation of the St Michael's Church Centre. The Centre is the continuing expression of the vision of St Michael's Church of "Living to make a difference, by being a Christian heart at the centre of the community". The SMCC and St Michael's Church PCC have two trustees in common. In order to deliver the Centre, SMCC took out low-interest loans from individuals, the Bristol Diocese (via St Michael's Church PCC), and CAF Bank. CAF Bank requested, (and the PCC of St Michael's supplied) a "letter of comfort" to signify their support of the SMCC operations.

At a PCC Meeting held on 14th July 2014 it was resolved that: "the Directors of St Michael's Church Centre Limited be supported to undertake a loan of up to £800,000 from CAF Bank (including the initial loan of £150,000) and that the St Michael's Church PCC should stand behind the Directors of St Michael's Church Centre Limited and offer a "letter of comfort" to CAF Bank in support of that loan, in regard to honouring the capital and interest repayments on that loan if required. The total value of these loans outstanding at the year end was £409,897.

Interest payments on all loans are the liability of SMCC, and are paid from SMCC funds.

##### Risk management

The major risks to which the charity and each trustee is exposed have been reviewed and, where appropriate, systems and procedures have been established to manage those risks.

The Trustees have introduced a risk management process. This involves identifying the types of risks the charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of managing or mitigating the risks. The main risk to the SMCC is the discontinuation of regular and one-off donations from members of the St Michael's congregation for the completion of the new facilities and the repayment of the long-term loans. However, the Trustees regularly review cash-flow projections at the Trustees Board meetings, and are satisfied that, based on the last 5 years track record and experience, the SMCC remains financially healthy and solvent for the foreseeable future.

The other risks which occur within the day-to-day operation of the Church Centre are reviewed regularly by the appointed management responsible for the care of children, adults and Health and Safety within the PCC and the SMCC.

#### REFERENCE AND ADMINISTRATIVE DETAILS

##### Registered Company number

08242432 (England and Wales)

# ST MICHAEL'S CHURCH CENTRE LIMITED

## Report of the Trustees FOR THE YEAR ENDED 31 DECEMBER 2020

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### Registered Charity number

1149601

### Registered office

St Michael's Church Office  
The Old School Rooms  
The Green, North Road  
Stoke Gifford  
Bristol  
BS34 8PD

### Trustees

J Spens Chair of Trustees  
C Bradley Treasurer  
I Osborne  
C M Rogers (resigned 30.9.20)  
S Denning  
L Hitchin  
C Sweetnam (appointed 12.10.20)

### Auditors

Haines Watts Bristol Limited  
Chartered Accountants and Statutory Auditors  
Bath House  
6-8 Bath Street  
Bristol  
BS1 6HL

### Bankers

Lloyds Bank  
61 Gloucester Road  
Patchway  
Bristol  
BS34 5JH

### Web addresses

[www.stmichaelsbristol.org](http://www.stmichaelsbristol.org)

### AUDITORS

The auditors, Haines Watts Bristol Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 30 April 2021 and signed on its behalf by:

J Spens - Trustee

## **ST MICHAEL'S CHURCH CENTRE LIMITED**

### **Trustees' Responsibility Statement FOR THE YEAR ENDED 31 DECEMBER 2020**

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The trustees (who are also the directors of St Michael's Church Centre Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP 2019(FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

## **Report of the Independent Auditors to the Members of St Michael's Church Centre Limited**

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### **Opinion**

We have audited the financial statements of St Michael's Church Centre Limited (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

However, not all future events or conditions can be predicted. The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the charity's operations and activities. The trustees' view on the impact of COVID-19 is disclosed in the Trustees' Report.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Report of the Independent Auditors to the Members of St Michael's Church Centre Limited**

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### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

### **Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## **Report of the Independent Auditors to the Members of St Michael's Church Centre Limited**

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### **Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud, are detailed below:

- A review of significant unusual transactions outside the charitable company's normal activities
- Substantive testing on journal entries for any signs of management override of controls
- Detailed review of accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Matthew Bracher BSc FCA (Senior Statutory Auditor)  
for and on behalf of Haines Watts Bristol Limited  
Chartered Accountants and Statutory Auditors  
Bath House  
6-8 Bath Street  
Bristol  
BS1 6HL

30 April 2021

ST MICHAEL'S CHURCH CENTRE LIMITED

**Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	Unrestricted funds £	Restricted fund £	2020 Total funds £	2019 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	652,909	-	652,909	509,506
<b>Charitable activities</b>					
Management of the Church Centre	5	94,595	-	94,595	92,445
Raising funds	3	54,778	-	54,778	180,866
Investment income	4	744	-	744	2,554
<b>Total</b>		<b>803,026</b>	<b>-</b>	<b>803,026</b>	<b>785,371</b>
<b>EXPENDITURE ON</b>					
Raising funds	6	6,249	-	6,249	44,214
<b>Charitable activities</b>					
Management of the Church Centre	7	258,595	-	258,595	215,893
Heart of the Community		84,910	-	84,910	100,422
Other	11	17,091	-	17,091	27,868
<b>Total</b>		<b>366,845</b>	<b>-</b>	<b>366,845</b>	<b>388,397</b>
<b>NET INCOME</b>		<b>436,181</b>	<b>-</b>	<b>436,181</b>	<b>396,974</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>4,678,723</b>	<b>1,138</b>	<b>4,679,861</b>	<b>4,282,887</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>5,114,904</b>	<b>1,138</b>	<b>5,116,042</b>	<b>4,679,861</b>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

ST MICHAEL'S CHURCH CENTRE LIMITED (REGISTERED NUMBER: 08242432)

**Balance Sheet**  
**31 DECEMBER 2020**

	Notes	Unrestricted funds £	Restricted fund £	2020 Total funds £	2019 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	17	5,983,903	-	5,983,903	5,590,071
<b>CURRENT ASSETS</b>					
Debtors	18	3,038	-	3,038	33,596
Cash at bank		347,764	1,138	348,902	463,653
		<u>350,802</u>	<u>1,138</u>	<u>351,940</u>	<u>497,249</u>
<b>CREDITORS</b>					
Amounts falling due within one year	19	(196,202)	-	(196,202)	(77,518)
		<u>154,600</u>	<u>1,138</u>	<u>155,738</u>	<u>419,731</u>
<b>NET CURRENT ASSETS</b>					
		<u>154,600</u>	<u>1,138</u>	<u>155,738</u>	<u>419,731</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>6,138,503</u>	<u>1,138</u>	<u>6,139,641</u>	<u>6,009,802</u>
<b>CREDITORS</b>					
Amounts falling due after more than one year	20	(1,023,599)	-	(1,023,599)	(1,329,941)
		<u>5,114,904</u>	<u>1,138</u>	<u>5,116,042</u>	<u>4,679,861</u>
<b>NET ASSETS</b>					
		<u>5,114,904</u>	<u>1,138</u>	<u>5,116,042</u>	<u>4,679,861</u>
<b>FUNDS</b>					
Unrestricted funds	23			5,114,904	4,678,723
Restricted funds				1,138	1,138
				<u>5,116,042</u>	<u>4,679,861</u>
<b>TOTAL FUNDS</b>					
				<u>5,116,042</u>	<u>4,679,861</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 30 April 2021 and were signed on its behalf by:

C Bradley - Trustee

J Spens - Trustee

The notes form part of these financial statements

ST MICHAEL'S CHURCH CENTRE LIMITED

**Cash Flow Statement**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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	Notes	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	617,383	415,806
Interest paid		(16,740)	(28,189)
Net cash provided by operating activities		<u>600,643</u>	<u>387,617</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(453,538)	(194,895)
Interest received		744	2,554
Sale of current asset investments		-	30,024
Net cash used in investing activities		<u>(452,794)</u>	<u>(162,317)</u>
<b>Cash flows from financing activities</b>			
Loan repayments in year		(262,600)	(156,290)
Net cash used in financing activities		<u>(262,600)</u>	<u>(156,290)</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
		<u>(114,751)</u>	<u>69,010</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>463,653</u>	<u>394,643</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>348,902</u></u>	<u><u>463,653</u></u>

The notes form part of these financial statements

ST MICHAEL'S CHURCH CENTRE LIMITED

Notes to the Cash Flow Statement  
FOR THE YEAR ENDED 31 DECEMBER 2020

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020	2019
	£	£
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	<b>436,181</b>	396,974
<b>Adjustments for:</b>		
Depreciation charges	59,706	13,130
Interest received	(744)	(2,554)
Interest paid	16,740	28,189
Decrease/(increase) in debtors	30,558	(18,008)
Increase/(decrease) in creditors	74,942	(1,925)
<b>Net cash provided by operations</b>	<b>617,383</b>	415,806

2. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.20	Cash flow	At 31.12.20
	£	£	£
<b>Net cash</b>			
Cash at bank	463,653	(114,751)	348,902
	<u>463,653</u>	<u>(114,751)</u>	<u>348,902</u>
<b>Debt</b>			
Debts falling due within 1 year	(54,181)	(43,742)	(97,923)
Debts falling due after 1 year	(1,329,941)	306,342	(1,023,599)
	<u>(1,384,122)</u>	<u>262,600</u>	<u>(1,121,522)</u>
<b>Total</b>	<b>(920,469)</b>	<b>147,849</b>	<b>(772,620)</b>

The notes form part of these financial statements

**Notes to the Financial Statements  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The charity is a company, incorporated in England and Wales, limited by guarantee having no share capital and, in accordance with the Memorandum of Association, every member is liable to contribute £1 towards the costs of dissolution and liabilities incurred by the charitable company in the event of the company being wound up. The address of the registered office is given in the charity information on pages 4 to 5 of these financial statements.

The financial statements are prepared in sterling which is the functional currency of the charitable company and are rounded to the nearest £.

At the end of the year, the charitable company had net current assets of £213,238 and creditors falling due after one year of £1,081,099 of which £98,986 is repayable between one and two years.

Projections prepared on behalf of the Trustees indicate that whilst sufficient cash will be generated to fund external borrowings, the assumptions on which the projections are based are subject to the uncertainty of whether they will be realised and achieved. These uncertainties therefore have a potential impact on the future ability of the charitable company to remain a going concern. Whilst there is no impact on the current set of the financial statements Trustees believe it is appropriate to bring this to the attention to the readers of these financial statements.

The financial statements have been prepared on a going concern basis after consideration by the Trustees of the potential impact of COVID-19.

The Trustees have tested their cash flow analysis to take into account the impact on the charitable company of possible scenarios brought on by the impact of COVID-19, alongside the measures that they can take to mitigate the impact. The trustees have considered the impact of this issue on the charity's current and future financial position. The charity holds general reserves of £147,739, and a cash balance of £348,902. The trustees consider that the charity has sufficient cash reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

**Income**

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The value of services provided by volunteers has not been included.

**Voluntary income**

Donations are recognised when received and gift aid is recognised on an accruals basis in line with the donation. Grants are also recognised on a receivable basis. Pledges are not recognised until they are received.

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

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020

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1. ACCOUNTING POLICIES - continued

**Income**

**Investment income**

Investment income is recognised on an accruals basis and represents income from deposit funds, short and long term investments.

**Rental income**

Rental income and the provision of refreshments to hirers, is recognised within Other Trading Activities and is accounted for in the period to which the event takes place.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

**Raising funds**

Costs of generating voluntary income are recognised on an accruals basis in the period to which they relate.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings - 5 years straight line (equipment), 15 years straight line (kitchen)  
Freehold property (excluding land) - 50 years straight line (fit-out), 200 years straight line (construction)

All fixed assets are initially recorded at cost. The cost of construction of the Church Centre, including surveying and engineering costs, has been capitalised. During the year the construction of the building was completed. Depreciation has been charged for the full year based on the respective rates of the constituent parts of the build.

**Taxation**

The charity is exempt from tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds form part of the unrestricted funds and have been identified as being for particular purposes by the trustees.

Restricted funds 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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020

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1. ACCOUNTING POLICIES - continued

**Debtors**

Debtors are measured on initial recognition at settlement amount after any amounts advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

**Creditors**

The charity has creditors which are measured at settlement amounts.

**Cash and short term investments**

Cash at bank is held to meet short-term cash commitments as they fall due rather than for investment purposes and includes all cash equivalents held in the form of short-term highly liquid investments. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

**Donated goods, services and facilities**

Donated goods, services or facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated goods, services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**Financial instruments**

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Basic financial assets**

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost. Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

**Basic financial liabilities**

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Financial liabilities are derecognised when, and only when, the charity's contractual obligations are discharged, cancelled, or they expire.

**Concessionary loans**

Concessionary loans include those payable to third parties which are interest free or below market interest rates and are made to advance charitable purposes. The charity has applied S34 of FRS102 with regards to the valuation of loans to public benefit entities so that discounted present value and an associated interest charge are not recognised. All loans are measured at cost.

ST MICHAEL'S CHURCH CENTRE LIMITED

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020

2. DONATIONS AND LEGACIES

	2020	2019
	£	£
Donations	518,108	484,485
Gift aid	124,378	24,771
Grants	10,423	250
	<u>652,909</u>	<u>509,506</u>

Grants received, included in the above, are as follows:

	2020	2019
	£	£
South Gloucestershire Council	-	250
HMRC Job Retention Scheme	10,423	-
	<u>10,423</u>	<u>250</u>

3. RAISING FUNDS

	2020	2019
	£	£
Fundraising events	481	14,273
Room hire	45,564	107,380
Refreshments and other services	8,222	53,748
Other income	511	5,465
	<u>54,778</u>	<u>180,866</u>

4. INVESTMENT INCOME

	2020	2019
	£	£
Deposit account interest	744	2,542
CBF Deposit funds interest	-	12
	<u>744</u>	<u>2,554</u>

ST MICHAEL'S CHURCH CENTRE LIMITED

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020

5. INCOME FROM CHARITABLE ACTIVITIES

	2020	2019
Activity	£	£
Contribution for Church use Management of the Church Centre	<b>94,595</b>	92,445

6. RAISING FUNDS

Other trading activities

	2020	2019
	£	£
Bad debts	<b>(354)</b>	(229)
Cost of fundraising events	<b>281</b>	6,659
Costs of refreshments and other services	<b>6,322</b>	37,784
	<b>6,249</b>	44,214

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8)	Grant funding of activities (see note 9)	Support costs (see note 10)	Totals
	£	£	£	£
Management of the Church Centre	<b>254,635</b>	-	<b>3,960</b>	<b>258,595</b>
Heart of the Community	-	<b>84,910</b>	-	<b>84,910</b>
	<b>254,635</b>	<b>84,910</b>	<b>3,960</b>	<b>343,505</b>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2020	2019
	£	£
Rates and water	<b>1,253</b>	3,675
Insurance	<b>8,804</b>	7,600
Light and heat	<b>17,139</b>	19,004
Contribution to PCC for cleaner and caretaker	<b>1,061</b>	1,521
Contribution to PCC for administrator	<b>49,486</b>	49,380
Contribution to PCC for facilities & hospitality staff	<b>64,458</b>	58,083
Discipleship Year Costs	<b>2,100</b>	-
Repairs and maintenance	<b>29,958</b>	28,003
Cleaning materials and windows	<b>9,531</b>	18,791
Licences	<b>158</b>	290
Other professional fees	-	3,390
Sundries	<b>10,762</b>	9,705
Depreciation	<b>59,706</b>	13,130
Interest payable and similar charges	<b>219</b>	321
	<b>254,635</b>	212,893

## ST MICHAEL'S CHURCH CENTRE LIMITED

### Notes to the Financial Statements - continued FOR THE YEAR ENDED 31 DECEMBER 2020

#### 9. GRANTS PAYABLE

	2020	2019
	£	£
Heart of the Community	<u>84,910</u>	<u>100,422</u>
The total grants paid to institutions during the year was as follows:		
	2020	2019
	£	£
Univida	15,000	20,000
CMS Rocks	7,000	13,000
Moldova Mission	3,750	4,922
The Brickworks	10,560	10,000
SIITA Nest	-	7,500
Crisis Centre	-	20,000
Christ Church Downend	-	20,000
Clwb Coffi Ltd	-	5,000
Network Counselling	10,000	-
The Parish of Filwood Church	20,000	-
The Hive Community Centre	8,600	-
St James Church, Mangotsfield	10,000	-
	<u>84,910</u>	<u>100,422</u>

Grants payable to individuals in the previous year have been reclassified to institutions to reflect the nature of the grants.

In accordance with the expressed desire to tithe 10 per cent of donations to the the HOTC project £63,838 (2019 - £52,621) has been set aside in the tithe designated fund to be available for grant funding and £84,910 was expended during the year.

#### 10. SUPPORT COSTS

	Governance costs
	£
Management of the Church Centre	<u>3,960</u>

ST MICHAEL'S CHURCH CENTRE LIMITED

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020

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10. SUPPORT COSTS - continued

Support costs, included in the above, are as follows:

**Governance costs**

	2020 Management of the Church Centre £	2019 Total activities £
Auditors' remuneration	2,375	1,800
Auditors' remuneration for non audit work	1,585	1,200
	<u>3,960</u>	<u>3,000</u>

11. OTHER

	2020 £	2019 £
Church Centre project costs	570	-
Interest payable and similar charges	16,521	27,868
	<u>17,091</u>	<u>27,868</u>

12. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2020 £	2019 £
Depreciation - owned assets	59,706	13,130

13. AUDITORS' REMUNERATION

	2020 £	2019 £
Fees payable to the charity's auditors for the audit of the charity's financial statements	2,375	1,800
Accounts preparation	1,585	1,200
Total fees payable	<u>3,960</u>	<u>3,000</u>

**Notes to the Financial Statements - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**14. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the year ended 31 December 2019.

**15. STAFF COSTS**

Staff costs of £115,005 (2019 - £108,984) were incurred by Stoke Gifford PCC for staff who are jointly employed by the PCC and SMCC Ltd. The contributions that have been made by SMCC Ltd are included in charitable activities expenditure.

During 2020, the total employee benefits paid to the charity's key management personnel who are jointly employed by St Michael's PCC and the charity was £17,686 (2019 - £17,288). Employers NIC to key management personnel totalled £2,141 (2019 - £2,090) and pension contributions were paid totalling £931 (2019 - £913).

**16. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	509,256	250	509,506
<b>Charitable activities</b>			
Management of the Church Centre	92,445	-	92,445
Raising funds	180,866	-	180,866
Investment income	2,554	-	2,554
<b>Total</b>	<u>785,121</u>	<u>250</u>	<u>785,371</u>
<b>EXPENDITURE ON</b>			
Raising funds	44,214	-	44,214
<b>Charitable activities</b>			
Management of the Church Centre	215,758	135	215,893
Heart of the Community	100,422	-	100,422
Other	27,868	-	27,868
<b>Total</b>	<u>388,262</u>	<u>135</u>	<u>388,397</u>
<b>NET INCOME</b>	<u>396,859</u>	<u>115</u>	<u>396,974</u>

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020

## 16. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted fund £	Total funds £
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	4,281,864	1,023	4,282,887
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>4,678,723</u>	<u>1,138</u>	<u>4,679,861</u>

## 17. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Totals £
<b>COST</b>			
At 1 January 2020	5,556,619	70,543	5,627,162
Additions	397,002	56,536	453,538
Reclassification	(13,845)	13,845	-
At 31 December 2020	<u>5,939,776</u>	<u>140,924</u>	<u>6,080,700</u>
<b>DEPRECIATION</b>			
At 1 January 2020	-	37,091	37,091
Charge for year	42,737	16,969	59,706
At 31 December 2020	<u>42,737</u>	<u>54,060</u>	<u>96,797</u>
<b>NET BOOK VALUE</b>			
At 31 December 2020	<u>5,897,039</u>	<u>86,864</u>	<u>5,983,903</u>
At 31 December 2019	<u>5,556,619</u>	<u>33,452</u>	<u>5,590,071</u>

The asset value of Freehold Property of £5,897,039 in the Balance Sheet represents the cumulative expenditure on the acquisition of the land, all construction costs and associated professional fees incurred to date less depreciation.

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020**18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020	2019
	£	£
Trade debtors	412	27,590
Other debtors	1,317	288
Prepayments	88	3,792
Income tax recoverable	1,221	1,926
	<u>3,038</u>	<u>33,596</u>

**19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020	2019
	£	£
Other loans (see note 21)	97,923	54,181
Trade creditors	673	9,935
Accrued expenses	97,606	13,402
	<u>196,202</u>	<u>77,518</u>

**20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2020	2019
	£	£
Other loans (see note 21)	<u>1,023,599</u>	<u>1,329,941</u>

**21. LOANS**

An analysis of the maturity of loans is given below:

	2020	2019
	£	£
Amounts falling due within one year on demand:		
Other loans - individuals	57,500	-
Other loans - Bristol Diocese	-	15,625
Other loans - CAF	40,423	38,556
	<u>97,923</u>	<u>54,181</u>
Amounts falling between one and two years:		
Other loans - 1-2 years - individuals	-	81,000
Other loans 1-2 years - CAF	41,486	40,423
	<u>41,486</u>	<u>121,423</u>

ST MICHAEL'S CHURCH CENTRE LIMITED

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020

21. LOANS - continued

	2020 £	2019 £
Amounts falling due between two and five years:		
Other loans 2-5 years - individuals	326,000	48,000
Other loans 2-5 years - Bristol Diocese	328,125	-
Other loans 2-5 years - CAF	131,124	127,762
	<u>785,249</u>	<u>175,762</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans more 5yrs - CAF	196,864	241,756
Repayable otherwise than by instalments:		
Other loans more 5yrs - individuals	-	416,000
Other loans more 5yrs - Bristol Diocese	-	375,000
	<u>-</u>	<u>791,000</u>

CONCESSIONARY LOANS

Amount of concessionary loans received

	2020 £	2019 £
Loans from individuals	<u>383,500</u>	<u>545,000</u>
Amounts payable after less than 1 year	-	-
Amounts payable in more than 1 year	383,500	545,000

Loans from individuals have been provided at nil rate of interest.

22. SECURED DEBTS

The following secured debts are included within creditors:

	2020 £	2019 £
Other loans - CAF	<u>409,897</u>	<u>448,497</u>
	<u>409,897</u>	<u>448,497</u>

ST MICHAEL'S CHURCH CENTRE LIMITED

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020

23. MOVEMENT IN FUNDS

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
<b>Unrestricted funds</b>				
General fund	178,628	(23,461)	(7,428)	147,739
Heart of the Community Fund (designated)	(1,145,232)	604,508	(445,567)	(986,291)
Church Centre Property Fund (designated)	5,556,619	(42,737)	383,157	5,897,039
Tithe fund (designated)	68,708	(84,945)	63,838	47,601
Fabric fund (designated)	20,000	(17,184)	6,000	8,816
	<u>4,678,723</u>	<u>436,181</u>	<u>-</u>	<u>5,114,904</u>
<b>Restricted funds</b>				
Library fund	1,138	-	-	1,138
	<u>1,138</u>	<u>-</u>	<u>-</u>	<u>1,138</u>
<b>TOTAL FUNDS</b>	<u><u>4,679,861</u></u>	<u><u>436,181</u></u>	<u><u>-</u></u>	<u><u>5,116,042</u></u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	161,547	(185,008)	(23,461)
Heart of the Community Fund (designated)	641,479	(36,971)	604,508
Church Centre Property Fund (designated)	-	(42,737)	(42,737)
Tithe fund (designated)	-	(84,945)	(84,945)
Fabric fund (designated)	-	(17,184)	(17,184)
	<u>803,026</u>	<u>(366,845)</u>	<u>436,181</u>
<b>TOTAL FUNDS</b>	<u><u>803,026</u></u>	<u><u>(366,845)</u></u>	<u><u>436,181</u></u>

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 DECEMBER 2020

## 23. MOVEMENT IN FUNDS - continued

## Comparatives for movement in funds

	At 1.1.19 £	Net movement in funds £	Transfers between funds £	At 31.12.19 £
<b>Unrestricted funds</b>				
General fund	165,934	32,694	(20,000)	178,628
Heart of the Community Fund (designated)	(1,389,770)	464,637	(220,099)	(1,145,232)
Church Centre Property Fund (designated)	5,389,141	-	167,478	5,556,619
Tithe fund (designated)	116,559	(100,472)	52,621	68,708
Fabric fund (designated)	-	-	20,000	20,000
	<u>4,281,864</u>	<u>396,859</u>	<u>-</u>	<u>4,678,723</u>
<b>Restricted funds</b>				
Library fund	1,023	115	-	1,138
	<u>1,023</u>	<u>115</u>	<u>-</u>	<u>1,138</u>
<b>TOTAL FUNDS</b>	<u>4,282,887</u>	<u>396,974</u>	<u>-</u>	<u>4,679,861</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	271,461	(238,767)	32,694
Heart of the Community Fund (designated)	513,660	(49,023)	464,637
Tithe fund (designated)	-	(100,472)	(100,472)
	<u>785,121</u>	<u>(388,262)</u>	<u>396,859</u>
<b>Restricted funds</b>			
Library fund	250	(135)	115
	<u>250</u>	<u>(135)</u>	<u>115</u>
<b>TOTAL FUNDS</b>	<u>785,371</u>	<u>(388,397)</u>	<u>396,974</u>

**Funds****Heart of the Community Fund (designated)**

This represents the Heart of the Community Project asset value excluding the value of the Church Centre building.

The negative fund includes loans of £1,121,522 (2019 - £1,384,122) outstanding at the year end of which £409,897 (2019 - £448,497) is secured against the property.

**Notes to the Financial Statements - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**23. MOVEMENT IN FUNDS - continued****Funds - continued****Church Centre Property Fund (designated)**

Representing the net book value of the Church Centre building.

A transfer of £383,157 (2019 - £167,478) was made from the Heart of the Community Fund to the Church Centre Building Fund to reflect the expenditure on the build.

**Tithe fund (designated)**

A transfer was made into this fund of £63,838 (2019 - £52,621) to represent the total amounts which have been designated to pay out as grants.

**Fabric fund (designated)**

Created to set aside a fund for current and future provisions for maintaining the fabric of the Church Centre. During the year a transfer was made into this fund of £6,000 (2019 - £12,000)

**Library fund (restricted)**

This represents funding provided specifically for the development of the community library, a joint initiative with South Gloucestershire Council.

**Comparative analysis of net assets between funds, are as follows:**

Fund balances as at 31 December 2019	Unrestricted funds £	Restricted funds £	Total funds £
Fixed assets	5,590,071	-	5,590,071
Current assets	496,111	1,138	497,249
Current liabilities	(77,518)	-	(77,518)
Non-current liabilities	(1,329,941)	-	(1,329,941)
<b>Total net assets</b>	<u>4,678,723</u>	<u>1,138</u>	<u>4,679,861</u>

**24. RELATED PARTY DISCLOSURES**

On 30th June 2014, Stoke Gifford PCC received a loan of £375,000 from the Diocese of Bristol in support of the construction of the Church Centre. This loan was at an interest rate of 0.55% over the CCLA base rate (currently 0.10%), and it is required to be repaid by 30th June 2024 as funds allow. On 16th July 2014, these monies were onward loaned to SMCC on the same basis as Stoke Gifford PCC received the loan from the Diocese. On 15th May 2015, Stoke Gifford PCC received an additional Diocesan loan of £250,000 to be repaid over a 5 year period, at an interest rate based on the average interest rate declared by the CBF Deposit Fund, plus 1% over that base, incrementing by ½% each year from 2016 until 3% over base in 2018. The £250,000 loan was fully repaid by the end of May 2020. At the year end, the balance outstanding was £328,125 (2019 - £390,625).

**24. RELATED PARTY DISCLOSURES - continued**

During 2014, it was agreed that Stoke Gifford PCC should stand behind the Directors of St Michael's Church Centre Limited (SMCC) and offer a "letter of comfort" to CAF Bank in support of that loan of £800,000, in regard to honouring the capital and interest repayments on that loan if required. Whilst this letter of comfort does not form a legal guarantee, it does represent the commitment of the PCC to support the charitable purpose of the SMCC. At the year end, the balance outstanding was £409,897 (2019 - £448,497).

During the year, a contribution of £94,595 (2019 - £92,445) was received from Stoke Gifford PCC in recognition of the use of the Church Centre and Old School Rooms for church activities.

Contributions of £49,486 (2019: £49,380) and £65,519 (2019: £59,604) have been paid to Stoke Gifford PCC in recognition of work carried out by employees who are jointly employed by the PCC and SMCC, for administration and building maintenance of the Church Centre respectively.

**Donations from trustees and related parties**

The aggregate donations received from trustees were £89,715 (2019 - £41,710).

**Other related party transactions**

During the year grants of £10,560 (2019 - £10,000) were paid to The Brickworks. SMCC and The Brickworks have one trustee in common.