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

England & Wales · Charity number 1152502

Details

Other names	THE PCC OF ST MICHAEL AND ALL ANGELS, BRIGHTON
Status	Registered
Legal form	Previously excepted
Registered	2013-06-19
Register	View on the Charity Commission register

Contact

Address	Saint Michael And All Angels Church The Parish Office Saint Michael's Place Brighton BN1 3FU
Phone	01273822284
Email	saintmichaelbrighton@gmail.com
Website	www.saintmichaelsbrighton.org

Activities

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

Activities: The primary objective of S. Michael's PCC is the promotion of the Gospel of our Lord Jesus Christ according to the doctrines and the practices of the Church of England. The PCC has the responsibility of co-operating with the Assistant Priest, in promoting in the ecclesiastical parish the worship, mission of the Church and pastoral care.

Downloaded from opencharities.uk/ew/1152502

Classification

- **How:** Makes Grants To Organisations, Provides Buildings/facilities/open Space, Provides Services
- **What:** General Charitable Purposes, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Religious Activities, Arts/culture/heritage/science, Environment/conservation/heritage, Human Rights/religious Or Racial Harmony/equality Or Diversity
- **Who:** Children/young People, Elderly/old People, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Brighton And Hove
- East Sussex

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£66,332	£69,352	-	-
2023-12-31	£89,683	£87,081	-	-
2022-12-31	£68,333	£65,080	-	-
2021-12-31	£62,722	£63,409	-	-
2020-12-31	£68,123	£55,812	-	-

Trustees

Name	Role	Appointed
Rev John Blackburne	Chair	2023-11-29
ADAM GILES CRISPIN LE CLERCQ		2015-07-28
ANDREW ROBERT collin		2015-07-28
IAN MICHAEL EMMANUEL SMITH		2013-06-18
Raymond Charles Steers		2018-04-29
Rev Kevin Luke HUMPHRYS		2020-10-18
SIMON ANTHONY TARQUIN THOMPSON		2015-07-28
Simon Geoffrey Marlow		2020-10-18

Downloaded from opencharities.uk/ew/1152502

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MICHAEL AND ALL AN

England & Wales - Charity number 1152502

Accounts

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST DECEMBER 2024

FOR

THE PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL & ALL ANGELS' CHURCH, BRIGHTON

Registered Charity Number: 1152502



UHY Hacker Young
168 Church Road
Hove
East Sussex
BN3 2DL

CONTENTS

	Page No.
Report of the Trustees	3 to 4
Financial Report	5 to 15

Independent Examiner:	Peter Tuffin UHY Hacker Young (S.E. Limited) 168 Church Road Hove East Sussex BN3 2DL
Bankers:	Metrobank One Southampton Row London WC1B 5HA

INTRODUCTION

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present the charity's financial report for the year ended 31st December 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice ('SORP') applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2015).

This report is an addendum to the 'Report to the Trustees for the Year end 2024' which was presented at the Saint Michael and All Angels Annual Parochial Church Meeting on 25th May 2025 and was signed off at the Parochial Church Committee on 7th July 2025. This document details the audited accounts from UHY Hacker Young that were provided after the meeting.

Financial Report

Summary

In previous years we have reported that our finances have suffered since the pandemic, the interregnum period between July 2021 and November 2023 and the cost of living crisis. However 2025 has been exacerbated by a significant reduction in our planned giving particularly during the second half of 2024 with a number former parishioners withdrawing standing orders or ending their participation in the Parish Giving Scheme. However, letting of the Church Hall has increased significantly and is above pre-pandemic levels. Expenditure remains a challenge and though it has reduced year on year, it remains our focus.

Figure 1 below shows income and expenditure from the past 5 years.

Figure 1

Financial Year	Income	Expenditure	Surplus	Investment Returns	Overall Net Position
2020	£68,123	£55,812	£12,311	£29,627	£41,938
2021	£62,722	£63,409	-£687	£40,805	£40,118
2022	£68,333	£65,080	£3,253	-£40,530	-£37,277
2023	£89,683	£87,081	£2,602	£18,099	£20,701
2024	£66,332	£69,352	-£3,020	£12,632	£9,612
5 Year Average	**£71,039**	**£68,147**	**£2,892**	**£12,127**	**£15,018**

Net Position

Overall the accounts show we remain in a net surplus position however this is driven by our investment returns within the restricted and endowment funds, without these returns we ran a deficit of **£3,020** for the year. General Income which derives from donations, Gift Aid, legacies and trading decreased by 26.0% year on year to **£66,332.** Similarly, expenditure was **£69,352**, a decrease of 20.4% year on year as there were no significant building costs or storm damage to the church.

We are very grateful that church members, the Friends of St Michael's and our community have supported us so generously throughout the year. With our continued regular giving, Friends' membership renewals, additional donations and Gift Aid(which resulted in £4,945 reclaimed from HMRC compared to £5,088 in

2023). **Our deepest gratitude go out to everyone who supported us in 2024 !**

Investment return performance for 2024 was positive, these investments are managed by the Diocese of Chichester. In 2024 we saw gains of £12,632. The impact of this uplift is that our overall financial position is a net surplus of £9,612.

Other notable headlines from the 2024 accounts include:

1. Donations and legacies which include Standing Orders, Parish Giving Scheme, Social Committee, Open Collections and Gift Aid reclaimed for 2024 was £31,191 compared to £42,838 in 2023, a £11,647 reduction. This was driven by a reduction of planned giving in the second half of the year and no stewardship campaign in 2024 compared to 2023.

2. Trading Activities increased for the year to £19,474 mainly due to Church Hire(Including Hall) and Music Concerts which increased to £13,533 for 2024 compared to £8,895 in 2024. This was due to increased letting of the hall including the two elections(General and Sussex Police and Crime Commissioner).

3. Trust income is down to £13,030 in 2024 compared to £29,923 in 2023 this is mainly due to fewer church repair claims requiring the Restricted Funds support. Note that significant repairs to the roof and flèche above the Bodley Chancel were undertaken in March 2023.

4. We are very grateful for the continued support from **The Robertson Hall Trust (Reg Charity no. 1073473)** who continue to make an invaluable contribution towards the Parish Administrator's salary. Their grant support in 2024 totalled £6,000, a £1,000 increase from 2023.

5. Utility Costs increased from £6,172 in 2023 to £9,184 in 2024 this was mainly driven by the closure of contracts from 2023 with SSE and a disputed final Direct Debit from EDF. The closure of these contracts attributed £3,346 to our utility costs otherwise running costs for 2024 have remained stable.

6. Clergy costs/Parish Share have reduced for 2024 as we have not paid our parish share in the second half of 2024 due to the instability of our finances.

Reserves policy

In line with Church of England Diocesan policy, it is our policy to maintain a balance on the general unrestricted fund which equates to at least three months' worth of running costs, as contingency against any unforeseen situations. Given that our general unrestricted fund has a negative surplus or deficit of £11,597 we do not currently hold any reserves at present and there is a requirement to build these reserves from any net surplus income in future. Based on annual expenditure of just under £70,000 per year we should be holding reserves in the region of £17,500.

Registed Office:
St Michael's Parish Office
St Michael's Place
Brighton
East Sussex BN1 3FU

Oct 14, 2025

Approved by order of the board of trustees on .....and signed on its behalf by:

John Blackburne
……..

Fr John Blackburne(**Vicar / PCC Chair)**

PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL AND ALL ANGELS, BRIGHTON

Registered Charity no. 1152502

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
For the year ended 31 December 2024

I report on the accounts for the year ended 31st December 2024 which are set out on pages 13-22

Respective responsibilities of the Trustees and Independent Examiner

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

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;

  follow the procedures laid down in the General Directions given by the Charity Commissioners section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement
My examination was carried out in accordance with the General Directions given by the Charity Commission.

An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the management committee concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in a full audit, and consequently I do not express an audit opinion on the accounts.

Independent Examiner's Statement
In connection with my examination, no matter have come to my attention:

which give me reasonable cause to believe that in any material respect the requirements

- to keep accounting records in accordance with s.130 of the 2011 Act; or
- to prepare accounts which accord with these accounting records have not been met; or

2 to which in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Peter Tuffin
UHY Hacker Young (S.E.) Ltd
Chartered Accountants
Independent Examiner

Date: .....

PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL AND ALL ANGELS, BRIGHTON

Registered Charity no. 1152502

Statement of Financial Activities

For the year ended 31 December 2024

	Unrestricted Fund	Restricted Fund/s	Endowed Fund/s	Total Funds 2024	*Total Funds 2023*	*Notes*
	£	**£**	**£**	**£**	*£*	
Income and endowments from:						
Donations and legacies	31,191	-	-	**31,191**	*42,838*	
Charitable activities	1,162	-	-	**1,162**	*393*	
Other trading activities	19,474		-	**19,474**	*15,276*	
Investments	1,475	-	-	**1,475**	*1,253*	
Trust Income	4,453	8,577	-	**13,030**	*29,923*	
Total income	**57,755**	**8,577**	**-**	**66,332**	*89,683*	*2*
Expenditure on:						
Raising funds	-	-	-	**-**	-	
Charitable activities	59,218	-	-	**59,218**	*80,874*	
Other Trading activities	10,134	-	-	**10,134**	*6,207*	
Total expenditure	**69,352**	**-**	**-**	**69,352**	*87,081*	*3*
Net gains (or losses) on investments		**1,044**	**11,588**	**12,632**	*18,099*	
Net Income	**(11,597)**	**9,621**	**11,588**	**9,612**	*20,701*	
Transfer between funds	**-**	**-**	**-**	**-**	**-**	*6*
	(11,597)	9,621	11,588	9,612	20,701	
Reconciliation of funds:						
Net movement in funds	**(11,597)**	**9,621**	**11,588**	**9,612**	*20,701*	
Total funds brought forward	(21,427)	103,705	399,759	**482,037**	461,336	
	(33,024)	**113,326**	**411,347**	**491,649**	482,037	*11*

PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL AND ALL ANGELS, BRIGHTON

Registered Charity no. 1152502

Statement of Financial Position

As at 31 December 2024

	Total Funds 2024	*Total Funds 2023*	*Notes*
	£	*£*	
Tangible assets	**325**	*433*	
Investments	**414,012**	*404,416*	
Total fixed assets	**414,338**	*404,849*	*7*
Debtors	**79,310**	*69,820*	*9*
Cash at bank and in hand	**3,278**	*12,221*	*12*
	82,588	*82,041*	
Creditors: Amounts falling due within one year	(5,276)	*(4,853)*	*10*
	77,312	*77,188*	*8*
Total assets less current liabilities	**491,650**	*482,037*	
Creditors: Amounts falling due after more than one year	**-**	-	
	491,649	*482,037*	
The funds of the charity:			
Unrestricted income funds	**(33,024)**	*(21,427)*	
Restricted funds	**113,326**	*103,705*	
Endowment funds	**411,347**	*399,759*	
	524,673	503,464	
Total charity funds	**491,649**	**482,037**	11

The Reverend John Blackburne

Vicar and Chair of Trustees

John Blackburne

Date Oct 14, 2025

PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL AND ALL ANGELS, BRIGHTON

Registered Charity no. 1152502

Notes to the financial report

For the year ended 31 December 2024

1 Accounting policies

a Accounting convention

The financial statements have been prepared under the Church Accounting Regulations 2006 in accordance with applicable accounting standards and the current (2015) Statement Of Recommended Practice, Accounting and Reporting by Charities SORP (FRS 102).

The financial statements have been prepared under the historical cost convention as modified by the inclusion of investments at market value. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their affiliation to another body, nor those which are informal gatherings of church members.

b Funds accounting

Funds held by the PCC are:

Unrestricted funds - general funds which can be used for PCC ordinary purposes

Restricted funds - a) income from trusts or endowments which may be expended only on those restructed objects provided in the terms of the trust or bequest; b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaing unspent at the end of the year is carried forward as a balance on that fund.

Endowment funds - funds the capital of which must be maintained; only income arising from the investment of the endowment may be used, either as restricted or unrestricted funds, depending on the purpose set out in the terms of the original endowment

All income and endowments are accounted for without deduction for any costs of receivability, are recognised when there is evidence of entitlement, receipt is probable, and the amount can be measured reliably.

Donations and legacies

Collections are recognised when received.

Gift aid recovered is recognised when the income to which it is attached is recognised.

Grants and legacies are recognised when the formal offer in writing of the funding, is received by the PCC.

Charitable activities

Rents from property are recognised in accordance with the rental agreements, when receipt is probable.

Other charitable activities includes fund raising and breakfast and café income

Other trading activities

Other trading activities includes bank and CBF deposit interest.

Investment income

Dividends are accounted for when due and payable. Interest entitlements are accounted for as they accrue.

All other income

All other income is recognised in accordance with the above overall policy.

Gains and losses on investments

Realised gains are recognised when the investments are sold
Unrealised gains and losses are accounted for on revaluation at 31 December 2024.

d Expenditure

Expenditure is accounted for on an accruals basis and accounted for gross.

Grants

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

Church Activities

The diocesan parish contribution is accounted for on an annual basis, reflecting the allocation set by our Deanery. Any parish contribution unpaid at 31 December 2024 is provided for in these accounts as an operational (though not a legal) liability and is shown as a creditor in the balance sheet.

e Fixed Assets

Tangible fixed assets

Depreciation

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

Fixtures and fittings	25% on cost

f Current Assets

Amounts owing to the PCC at 31 December 2024 in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectible.

Short-term deposits include cash held on deposit either with the CBF Church of England Funds, or at the bank.

2 Analysis of income and endowments

	Unrestricted Fund	Restricted Fund/s	Endowed Fund/s	Total Funds 2024	*Total Funds 2023*	*Notes*
		£	£	**£**	*£*	
Planned giving (excl. tax refunds)	12,150			**12,150**	*19,557*	
Loose cash collections	355			**355**	*1,103*	
Other donations	13,740			**13,740**	*17,090*	
Gift Aid recoverable	4,945			**4,945**	*5,088*	
	31,191			**31,191**	**42,838**	
Fees for weddings & funerals	1,162			**1,162**	*393*	
Charitable activities	**1,162**			**1,162**	*393*	
Fund Raising events income	2,509			**2,509**	6,381	
Church hall and other rental income	13,533			**13,533**	8,895	
Walsingham Pilgrimage	3,433			**3,433**	-	
Trading activities	**19,474**			**19,474**	*15,276*	
Bank & CBF deposit interest	**1,475**			**1,475**	*1,253*	
Investments	**1,475**			**1,475**	*1,253*	
Trust Income	4,453	8,577		**13,030**	*29,923*	
Government Grants						
Grants	**4,453**	**8,577**		**13,030**	**29,923**	
Total income and endowments on all funds	**57,755**	**8,577**		**66,332**	*89,683*	

3 Analysis of expenditure on:

	Unrestricted Fund	Restricted Fund/s	Endowed Fund/s	Total Funds 2024	*Total Funds 2023*	*Notes*
		£	£	£	£	
Investment management costs	-	-	-	-	-	
Cost of raising funds						
Missionary and charitable giving	150			**150**	*75*	
Ministry:						
Diocesan parish share	7,300			**7,300**	*13,308*	
Other clergy costs & housing	249			**249**	*1,587*	
Staff	17,205			**17,205**	*16,285*	*4*
Miscellaneous church service costs	1,100			**1,100**	*859*	
Parish Office costs	2,246			**2,246**	*723*	
Church Utility bills	9,184			**9,184**	*6,172*	
Subscriptions	170			**170**	-	
Friends of St Michael's	1,728			**1,728**	*6,589*	
Church Music	189			**189**	*178*	
Church running	3,493			**3,493**	3,717	
Church maintenance and repair	5,197			**5,197**	*18,369*	
Insurance	8,470			**8,470**	*8,207*	
Professional fees	-			**-**	*1,910*	
Advertising	27			**27**	-	
Governance	2,400			**2,400**	*2,400*	*5*
Depreciation	108			**108**	*145*	
Cost of charitable activities	**59,218**			**59,218**	*80,524*	
Cost of trading activities	10,134			**10,134**	*6,207*	
Cost of trading activities	**10,134**			**10,134**	*6,207*	
Total expenditure	**69,352**			**69,352**	*86,731*	

4 Staff costs

	Unrestricted Fund/s	Restricted Fund/s	Endowed Fund/s	Total Funds 2024	*Total Funds 2023*	*Notes*
	£		£	**£**	*£*	
a Remuneration						
Wages and salaries	17,205			**17,205**	*16,285*	
	17,205			**17,205**	**16,285**	

5 Governance

-

	Unrestricted Funds	Restricted Fund/s	Endowed Fund/s	Total Funds 2024	*Total Funds 2023*	*Notes*
	£	£	£	**£**	*£*	
Professional fees					*1,910*	
Independent examination	500				*500*	
Accounts production	1,900				*1,900*	
	2,400				*4,310*	

	Unrestricted Funds	Restricted	Endowed Fund/s	Total Funds 2024	*Total Funds 2023*	*Notes*
6 Analysis of transfers between funds						
Fund transfer movements					-	

7 Fixed Assets

a Investments

	Unrestricted Fund/s	Restricted Fund/s	Endowed Fund/s	Total Funds 2024	*Notes*
	£	£	£	**£**	
Market value 1 January 2024		45,617	358,799	**404,416**	
Disposals at carrying value					
Purchases at cost					
Net gains and revaluation		1,044	8,552	**9,596**	
Market value 31 December 2024		**46,662**	**367,351**	**414,012**	

There is no investment asset outside the UK
Fixed asset investment refers to the holdings of CCLA Diocesan investment.

Tangible fixed assets

	Fixture and fittings	Total assets	*Notes*
	£	**£**	
Cost or valuation			
At 1 January 2024	2,228	**2,228**	
Additions	-	**-**	
Disposals	-	**-**	
Revaluation	-	**-**	
At 31 December 2024	**2,228**	**2,228**	
Depreciation			
At 1 January 2024	1,795	**1,795**	
Additions	108	**108**	
Disposals	-	**-**	
Revaluation	-	**-**	
At 31 December 2024	**1,903**	**1,903**	
Net book amounts			
At 31 December 2024	**325**	**325**	
At 31 December 2023	*433*	*433*	

8 Analysis of net assets by fund

	Unrestricted Funds	Restricted Fund/s	Endowed Fund/s	Total Funds 2024	*Total Funds 2023*	*Notes*
	£	£	£	**£**	*£*	
Fixed assets for church use	325	-	-	**325**	*433*	
Investment fixed assets	-	46,662	367,351	**414,012**	*404,416*	
Current assets (except cash)	2,826	70,646	5,838	**79,310**	*69,820*	*9*
Cash at bank and on deposit	3,278			**3,278**	*12,221*	*12*
Current liabilities	(5,276)			**(5,276)**	*(4,853)*	*10*
Non-current liabilities						
	1,153	**117,308**	**373,189**	**491,650**	**482,037**	

9 Debtors

	Unrestricted Funds	Restricted Fund/s	Endowed Fund/s	Total Funds 2024	*Total Funds 2023*	*Notes*
	£	£	£	**£**	*£*	
Prepayments and accrued income						
Other debtors	2,826	70,646	5,838	**79,310**	*69,820*	
	2,826	**70,646**	**5,838**	**79,310**	*69,820*	

Included in other debtors is the RBS Friends of St Michael bank account

10 Creditors: amounts falling due within one year

	Unrestricted Funds	Fund/s	Endowed Fund/s	Total Funds 2024	*Total Funds 2023*	*Notes*
	£	£	£	**£**	*£*	
Other creditors	476			**476**	*729*	
Accruals & deferred income	4,800			**4,800**	*4,124*	
	5,276	**-**	**-**	**5,276**	*4,853*	

Included in other creditors are PAYE and NI due to HMRC

11 Statement of funds

	Balances b/fwd 1 Jan 2024	Income	Expenditure	Transfers, other gains and losses	Balances c/fwd 31 Dec 2024
	£		£	£	£
Restricted Fund	103,705	8,577		1,044	*113,326*
Endowment Fund	399,759			11,588	*411,347*
Total of all restricted funds	**503,464**	**8,577**		**12,632**	**524,673**
General fund	(21,427)	57,755	(69,352)		*(33,024)*
Total of all unrestricted funds	**(21,427)**	**57,755**	**(69,352)**		*(33,024)*
Total funds	**482,037**	**66,332**	**(69,352)**	**12,632**	**491,649**

12 Analysis of bank and cash equivalents

	Total Funds 2024	Total Funds 2023
	£	£
Bank	3,278	12,221
Notice deposits (less than 3 months)		
	3,278	**12,221**

13 Related parties and transactions

During the year to 31 December 2024, the charity made payments totalling £11,497 to Simon Thompson, a trustee, for his services as a Parish Administrator and payments to Adam Le Clercq, a trustee, totalling £5,298 for his services as Music Director.

During the year to 31 December 2024, expenses totalling £1,897 were reimbursed to five trustees in respect of Sacristy costs, church music events, general expenses and repairs & maintenance.

Signature: John Blackburne (Oct 14, 2025 23:46:44 GMT+1)

Email: vicarstmichaelsbrighton@outlook.com

2024 St Michael and all angels audited accouts and report

Final Audit Report 2025-10-14

Created:	2025-10-14
By:	TIMOTHY BEDEAU (dormice4_alums@icloud.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAA_jp9fl0W_aMP39Xx65udlsPsh89FGtjx

"2024 St Michael and all angels audited accouts and report" History

Document created by TIMOTHY BEDEAU (dormice4_alums@icloud.com)
2025-10-14 - 3:46:01 PM GMT

Document emailed to vicarstmichaelsbrighton@outlook.com for signature
2025-10-14 - 3:48:25 PM GMT

Email viewed by vicarstmichaelsbrighton@outlook.com
2025-10-14 - 10:38:55 PM GMT

Signer vicarstmichaelsbrighton@outlook.com entered name at signing as John Blackburne
2025-10-14 - 10:46:42 PM GMT

Document e-signed by John Blackburne (vicarstmichaelsbrighton@outlook.com)
Signature Date: 2025-10-14 - 10:46:44 PM GMT - Time Source: server

Agreement completed.
2025-10-14 - 10:46:44 PM GMT

Adobe Acrobat Sign

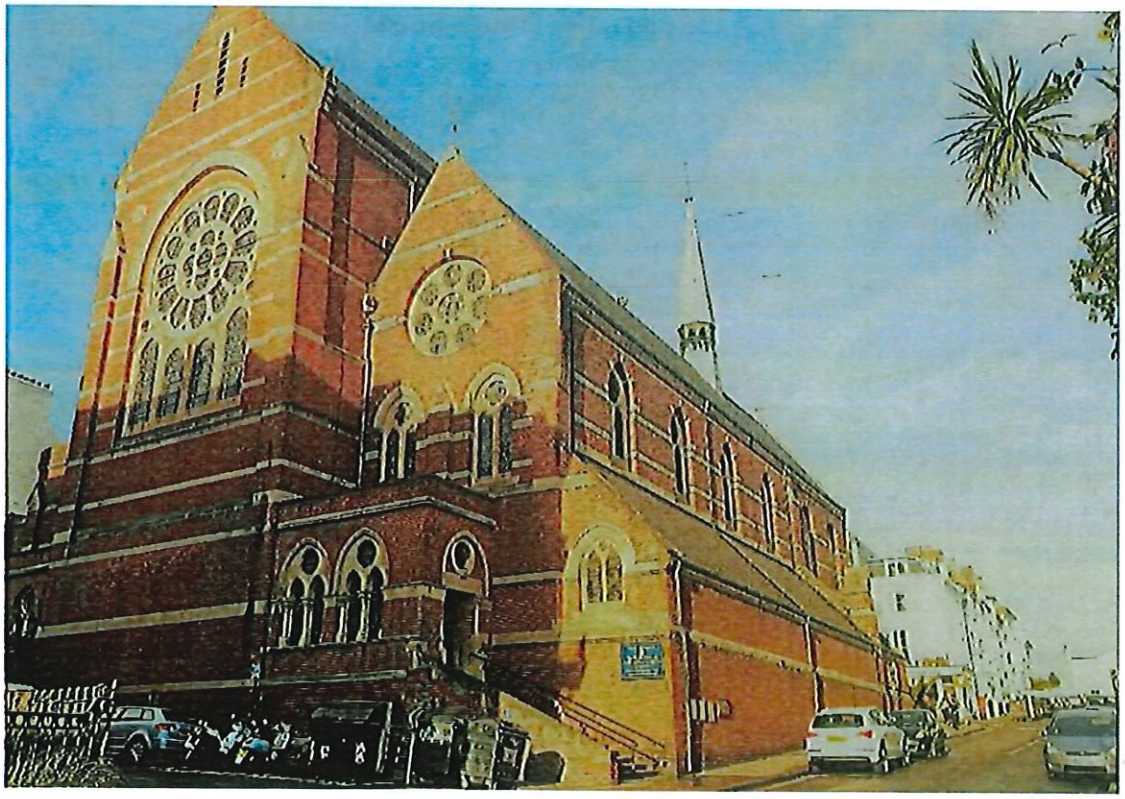
THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MICHAEL AND ALL AN

England & Wales - Charity number 1152502

Accounts

REPORT OF THE TRUSTEES
AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023
FOR
THE PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL & ALL ANGELS' CHURCH, BRIGHTON

Registered Charity Number: 1152502



UHY Hacker Young
168 Church Road
Hove
East Sussex
BN3 2DL

CONTENTS

	Page No.
Report of the Trustees	3 to 11
Independent Examiner's Report	12
Statement of Financial Activities	13
Statement of Financial Position	14
Notes to the Financial Report	15 to 22

Independent Examiner:	Peter Tuffin UHY Hacker Young (S.E. Limited) 168 Church Road Hove East Sussex BN3 2DL
Bankers:	Metrobank One Southampton Row London WC1B 5HA

INTRODUCTION

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the charity's financial statements for the year ended 31st December 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice ('SORP') applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2015).

ADMINISTRATIVE INFORMATION

St Michael & All Angels' Church is located in Victoria Road, Brighton. It is an autonomous Church of England parish within the Diocese of Chichester. All correspondence should be addressed to the Parish Office.

The Parochial Church Council (PCC) is a registered charity, No. 1152502, registered with the Charity Commission within the meaning of the Charities Act 1993.

The Advowson of the Benefice is held by the Society for the Maintenance of the Faith. The PCC has passed a Resolution with regard to the five guiding principles of the House of Bishops and is a member of The Society of Saint Wilfrid and Saint Hilda.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

St Michael's PCC's primary objective is the promotion of the Gospel of our Lord Jesus Christ according to the doctrines and the practices of the Church of England. It is responsible for co-operating with the incumbent in promoting, in the ecclesiastical parish, the worship, the mission of the Church, pastoral care and community outreach.

The PCC is also responsible for a wide range of matters affecting the parish, including:

- Caring for, maintaining, preserving and taking out adequate insurance cover for, the fabric, goods and artefacts/relics of the church.
- Consulting with the incumbent on matters of general concern and importance to the parish, and co-operating with him in promoting the mission of the church.
- Complying with all relevant health, safety and disability legislation.
- Safeguarding vulnerable people who visit the church.
- Ensuring the stewardship of funds and for the accounting and reporting of the parish finances.

Membership of the PCC is determined under the Church Representation Rules and consists of *ex-officio* members, (the Incumbent and Assistant Curates, when in post; churchwardens and members of the Deanery Synod), up to nine elected members of the laity who are elected by rotation at the Annual Parochial Church Meeting (APCM) and co-opted members. Systems are in place to ensure that members are aware of their responsibilities as PCC members and charity trustees, and equipped to fulfil their roles.

During 2023, the following individuals served as members of the PCC:

Incumbent:	The Reverend John Blackburne *(from 29th November 2023)*
Associate Vicar:	The Reverend Kevin Humphrys
Churchwardens:	Andrew Peel - *Acting Chair (until 28th November 2023)*
	Tom Cosgrove
Deanery Synod Rep:	Vacant
Elected Members:	Simon Thompson – *(PCC Co-Treasurer)*
	Adam Le Clercq
	Andrew Collin
	Simon Marlow
	Ian Smith
	Ray Steers
	Michael Timmons
	Hannah Kessock-Philip
	Samantha Goodbody

REVIEW OF THE YEAR

Ministry

In recent years, including most of 2023, parish life has been affected greatly by the absence of a parish priest. The churchwardens, supported by Fr Kevin Humphrys, our Associate Vicar, worked hard to ensure that parish life continued as normally as possible in these challenging circumstances, but there are inevitable consequences of not having a priest with his 'feet on the ground' in the parish - nurturing the existing congregation, addressing people's spiritual needs and guiding wider parish growth.

We have also continued to hold a weekday Mass at 11 a.m. on Fridays, presided at mainly by Fr. Steven Foster whose support has been immense. Fr. John Joyce has also assisted on many occasions to maintain this weekday Mass. Fr. Steven and Fr. John have also presided on Sundays in the absence of Fr. Kevin.

However, we were pleased to welcome our new Vicar, The Revd John Blackburne, who was installed by The Bishop of Chichester at St Michael's on 29th November 2023.

Father John writes:

Having arrived in the parish in mid-November, my institution and induction to the benefice as Vicar took place at a joyful service on the 29th November 2023. Since then, I have been getting to know the parish and local environment, meeting with neighbouring clergy from St Nicholas and from our associate churches in the Wagner Group, which now comprise our own parish, St Batholomew, St Martin, St Paul Brighton, and St Barnabas Hove.

I have reacquainted myself with a fellow student from St Augustine's Theological College, who is now the Rural Dean, Rev Emma Ham-Riche, and got to know the parishes and clergy of the Deanery via the Deanery Synod. I have begun to develop a good working relationship with the Friends of St Michael's and enjoyed meeting them at a recent annual event. I have also been introduced to the local care home, The Pines, and have arranged regular visits to the home to support the staff and residents. As part of our wider outreach, I have visited St Paul's Church of England Primary School and had a very constructive discussion with the head teacher, Michelle Lord, about how we might support their work in the future.

I have also been in touch with our local councillor, Alison Thomson, regarding some of the local social issues which affect our parish and how we might increase our profile locally. I have been very lucky in the support I have had from the Diocese of Chichester since I arrived, for practical issues surrounding the vicarage, especially from Clergy Property Services, and Theresa Tippling, as well as more strategic issues such as governance, and stewardship of the parish, from the Generous Giving Team, Rev Andrew Smith. In all this I have been glad of the support of our own local clergy especially that of Fr Kevin Humphrys, our Associate Priest, with whom I am delighted to share the ministry at St Michael's, as well as Fr Steven Foster and Fr John Joyce, all of whom have made me welcome and provided me with a much needed source of wisdom and support since I arrived.

I would have been unable to do any of this without the support of the churchwardens, Andrew Peel and Tom Cosgrove, and the PCC to whom I owe a debt of gratitude since before I was appointed until now. I am particularly grateful to Adam LeClercq who transforms our worship each week with his music, our wonderful serving team led by Ian Smith and the limitless talents of our parish administrator, Simon Thompson. With their help we celebrated a wonderful Advent and Christmas and I look forward to working with everyone in the coming year.

For the coming year we commend ourselves to the care of St Michael and All the Angels and to Our Lady of Walsingham in the hope that she will continue to intercede for us.

Special services

One funeral took place in 2023.

Children and young people

Our work with children and young people continues to grow and strengthen, and includes:

- **'Treasure Seekers':** Thanks to the support of volunteers, the children meet in the hall during Sunday Mass, and regularly contribute to the Liturgy on Sundays. At Christmas 2023, we held a Crib Service which saw 105 attending.
- **Little Angels Play Group:** The playgroup is run by Nicole Le Clercq every Wednesday in term-time from 9.30 to - 11am and is open to all babies and children up to 5 years old. The suggested donation per family is £2 which goes towards updating toys and craft supplies. The session starts with free playtime and crafting activities, followed by snack-time together, then tidy-up time before finishing with a story and some singing. Numbers vary, but we have a core group of between 5 and 20 babies and children of all ages who attend each week. The children and parents / grandparents have made friendships through coming and enjoy catching up each week, and sometimes bring friends along too. Our Facebook page is updated regularly and shared to parents groups locally.

Safeguarding

Ian Smith, our Safeguarding Officer, writes:

All PCC members, clergy and those in a position of responsibility have undergone the required level of National Safeguarding Training, as provided by the Diocese of Chichester. For example, PCC members are obliged to sit and pass the 'Basic Awareness' and 'Foundations' courses, whereas other senior leaders have to sit and pass the highest level, the 'Leadership' safeguarding course.

If you require support in relation to any safeguarding issue, please contact me via my email address: stmichael.safeguarding@gmail.com or the Diocesan Safeguarding Team on: safeguarding@chichester.anglican.org

Fabric, maintenance and building projects

1. Quinquennial Inspection and Report

- In May 2023, Mr James Ford, the diocesan-appointed architect for St. Michael's church, carried out a comprehensive inspection of the building accompanied by Tom Cosgrove, churchwarden. Graham Buxton, general building and roof repair contractor, attended for part of the meeting. James's formal report produced for the Trustees was also sent to the Archdeacon of Brighton, and the Diocesan Advisory Committee (for building-related issues).
- The main conclusion of the inspection was that the building is sound, and that the Trustees had fulfilled their obligations as far as available funding had permitted. The regular day-to-day maintenance of the building, particularly roofs, and rainwater goods, had prevented deterioration.
- His recommendations were to continue ongoing day to day repair and decoration. The repair of slow leakage of water into the Lady Chapel was to be investigated, and refurbishment of the interior carried out once this had been solved. The appearance of spalling of the stone and brickwork in the Bodley church was discussed, and the architect will advise how this might be ameliorated. There were noted several areas which would require attention in a five to ten year period, and for which significant funding would be required. These included:
    - Relaying of slates on north aisle roof.
    - Replacement and repair to stonework of the high level south clerestory windows in the Burges Nave.
    - Replacement and repair to the exterior windows and surrounds of the sacristy, and replacement of polycarbonate shields with powder coated wire screens.
    - Installation of a new and effective heating system.

2. Repair of storm damage - roof and flèche above Bodley chancel

- Storm Eunice which struck in February 2020 dislodged slates to the roof, and tore away the lead covering to the bell flèche. There was a delay to the start of the repairs into the current period whilst insurance funding was secured, so the repairs weren't completed until March 2023. While the scaffolding was in place the opportunity was taken to bring down the bronze 'Sebastopol' bell, as its housing had rotted beyond repair, and it was the safest option. The pigeon netting was also secured around the flèche.

3. Electrical Testing

- In preparation for the quinquennial inspection, a complete electrical safety survey was undertaken in April 2023, and following some remedial work, the installation was certificated as meeting all current guidelines. Similarly, testing of the main lightning conductor was undertaken.

Social events

We celebrated the Coronation of King Charles III with a three-course lunch in the Bodley Church for over a hundred people, and held a parish lunch for Harvest in October. In November we held a very well-attended Winter Fair and organised the bar for the series of Nocturne Concerts in 2023.

The choir

All at St Michael's are grateful to the Organist and Director of Music, Adam Le Clercq, and the choir, for their contribution, perseverance and commitment, and for leading the worship music at services in 2023.

We are also thankful to the visiting singers who assisted the choir during our Holy Week and Christmas services.

Music and Art at St Michael's

St Michael's Church, foremost a place of worship, also has a versatility in that the building lends itself very well to a range of different music and arts-based events – working equally well as an exhibition space and as a venue for the performing arts. We held a variety of such events during 2023 which brought in vital income and attracted new audiences.

Visitors always comment on how struck they are by the church's beauty and how the setting is such an integral part of the whole St Michael's experience.

The Friends of St Michael's

2023 saw a wide range of activities organised by the Friends and supported well by members, their friends and the wider community.

Icicles Party, 27th January: the annual post-Christmas event has become a firm feature in many a diary. This year was a wonderful chance for members and their guests to start the new year with a bang. Many thanks to all who helped, whether with food, decorations or welcoming guests on the door.

Local author, Jane Lythell, read extracts from her latest book and spoke of her background in the media at the well-attended Literary Lunch on 16th June. Members and many others enjoyed both good food and the wonderful atmosphere of a full nave of the Burges church. Jane gave a fascinating explanation of her method of writing and insight into her preparation and process pre-publication.

Next, the Friends were given a treat by local resident Gary McCann of Narrative Space. 'My Designs for Opera' was a barnstorming talk on 14th July about how he became an opera designer and insights into his thinking behind his designs. It was particularly touching that Gary told how former Friends chair John Cox was a great help and mentor for him.

The Friends' dinner was held on 15th September with excellent attendance. Though the dinner has become a feature of the local social calendar, it has become more difficult to maintain standards at an affordable price so a review will be undertaken in 2024.

Another first for the Friends of St Michael's was a talk jointly sponsored with the Regency Society on 11th October. Former Curator of Cardiff Castle, Matthew Williams, gave an illustrated talk entitled 'William Burges Gothic Revival Genius'. A very full house was given an erudite and amusing life story of the man who built St Michael's 'new church'.

As has happened in past years, we are grateful to Simon Thompson for leading another series of Christmas wreath-making classes enjoyed by all who were involved.

Membership remained steady and the bank account healthy with some £49,000 ready to be used to help continue to maintain the fabric and fixtures of our very special building.

On a slightly sad note, Chris Dawes, Chair of the Friends indicated that, after some ten years, he would step down in 2024. We are hugely grateful to Chris for leading a dedicated team of volunteers so ably through some difficult times and providing guidance so that really interesting and wide-ranging programmes of events have been delivered for all to enjoy. He has always kept focus on the purposes – to contribute to the maintenance of the building and to the provide a forum for the local community to be involved.

Electoral Roll

In 2023, there were 90 people on the Electoral Roll, of whom approximately one third reside in the Parish.

Church attendance

Average weekly attendance at Saint Michael's is 41 adults and five children (this figure also includes those attending Friday Mass).

PCC Report

The PCC met 3 times in 2023, with matters discussed including fabric and financial matters, the vacancy, the appointment and purchase of the Vicarage by the Diocese of Chichester; in addition to regular standing agenda items such as Safeguarding and Health and Safety and Deanery Synod. We were also pleased to welcome the Archdeacon, The Venerable Martin Lloyd-Williams, to our 8th June PCC meeting.

Deanery Synod

Deanery Synod acts as an intermediary between the Parochial Church Councils of each parish in a Deanery and the Synod of the Diocese. It consists of all clergy licensed to a benefice within the deanery, plus lay members elected by their PCC. Brighton Deanery Synod met 4 times in 2023. Meetings begin with prayers followed by Deanery business, a financial report, the Rural Dean's updates and guest speakers, before closing with prayers. We currently have three vacancies on the Deanery Synod.

'Public Benefit' reporting

The PCC is a charity, and 'the advancement of religion' is a charitable purpose under the Charities Act 2011. The PCC is aware of the Charity Commission's guidance on public benefit in relation to the advancement of religion and has regard to it in the administration of St Michael and All Angels' Church.

The PCC holds the view that, in promoting the work of the Church of England in the City of Brighton and Hove, the church helps to promote the whole mission of the Church - pastoral, evangelistic, social and ecumenical. Furthermore, in doing so, it provides a benefit to the public by promoting Christian values, and by providing facilities for public worship, as well as opportunities for pastoral care, community use and outreach, and spiritual and moral development, both for its members and for anyone who wishes to benefit from what St Michael's offers.

Specific examples of St Michael's impact include:

- Enabling the people of Brighton and Hove to be part of a church family and community - providing opportunities for worship and social engagement and so benefiting their spiritual and emotional health and well-being.
- The provision of pastoral and prayer support and a 'listening ear' to those who are distressed or in difficulty. Pastoral visits provide support and help to reduce isolation and distress.
- The provision of free activities for children (including Treasure Seekers' Sunday School and the Little Angels' weekly play-group) supports parents and provides opportunities for children to learn, socialise and enjoy themselves.

- The provision of opportunities for volunteering (e.g. as PCC members, servers, meeters-and-greeters, Saturday Breakfast team members, Friends' committee members etc.) and to learn new skills, become part of a community and meet new people.
- Saturday's Community Breakfasts - a form of direct, compassionate support to the city's street homeless, as well as providing a hot meal to local residents, passers-by and church visitors. (N.B. The Saturday Breakfasts' project remained closed during 2023, owing to a lack of volunteers, post-Covid).
- Providing and maintaining the heritage asset that is St Michael's - a Grade I-listed building noted for its William Morris stained glass and pre-Raphaelite art. The residents of Brighton and Hove and other visitors are able to explore, enjoy and appreciate St Michael's, either informally whilst attending church services or formally via a range of exhibitions, talks, dinners, concerts and guided tours.
- Providing a temporary venue for a local doctor's surgery and a polling station, as well as a venue for filming and a meeting place for local groups and charities – often without charge or at a special concessionary rate.
- Providing donations to local charities and good causes, including to Macmillan Cancer Relief, Bowel Cancer UK and the local Ukrainian community.
- Providing an inclusive church and sanctuary within the City of Brighton and Hove that warmly welcomes everyone, including families and young people.

The PCC is of the view that this report, taken as a whole, provides evidence that the church furthered its charitable purposes for the public benefit in 2023.

Financial Review

- **The bigger picture**

Like most churches, our finances have suffered in recent years as a result of the pandemic, but the impact has been exacerbated by our being in vacancy between July 2021 and November 2023 and the cost-of-living crisis. The smaller congregations mean that we have seen far fewer gifts via 'plate' collections and wall-safe donations, our planned giving income has flatlined, and much of our 'earned' income from church rentals, hall lettings, concerts and Brighton Festival & Fringe events is only now returning to pre-pandemic levels.

We are very proud that, despite these myriad challenges, and what might arguably have been the most challenging five-year period in St Michael's 162-year history, we have managed to 'keep our heads above water' and remain sustainable. To underline this, and provide some broader, historic context to our financial performance, Figure 1. Shows the income, expenditure and 'net' averages over the last five years:

Figure 1: Financial Year	Income	Expenditure	Surplus	Investment returns	Overall net position
2019	£92,953	£104,831	-£11,878	£47,946	£36,068
2020	£68,123	£55,812	£12,311	£29,627	£41,938
2021	£62,722	£63,409	-£687	£40,805	£40,118
2022	£68,333	£65,080	£3,253	-£40,530	-£37,277
2023	£89,683	£87,081	£2,602	£18,099	£20,701
5-yr Averages	£76,363	£75,243	£1,120	£19,189	£20,310

- **Net position**

We are pleased to report that these accounts show that we were able to 'balance the books' in 2023. General income – i.e., that which derives mainly from donations, Gift Aid, legacies, endowments, grants and trading - totalled **£89,683** (31.2% higher than 2022's figure of £68,333). This increase was largely down to an insurance claim for storm damage repairs, which offset expenditure on the same. Similarly, expenditure was **£87,081** (an increase of 33.8% over 2022's figure of £65,080). The surplus on the general fund (i.e. our day-to-day finances) was therefore £2,602.

We are very grateful that church members, the Friends of St Michael's and our community have supported us so generously throughout the year. With their continued regular giving, Friends' membership renewals, additional donations and Gift Aid (which resulted in £5,080 reclaimed from HMRC (£8,132 in 2022). Our heartfelt thanks go out to everyone who supported us in 2023 and made this possible.

Our finances have been further bolstered by the performance of our investments, which are managed by the Diocese of Chichester. Whereas these performed very poorly in the previous year - mainly as a result of market volatility triggered by the war in Ukraine, rising inflation and higher interest rates (so realising a loss of £40,530) - in 2023 we saw gains of £18,099. The impact of this uplift is that our overall financial position is a 'net' position of £20,701.

Other notable 'headlines' from 2023's accounts are that:

- Combined Donations and Legacy Income decreased by 6.6%, to £42,838 (2022: £45,891).
- Grants: we continued to received support from The Robertson Hall Trust (Reg Charity no. 1073473) who make an invaluable, much appreciated contribution towards the Parish Administrator's salary. Their grant support in 2023 totalled £5,000.
- Trading income was down slightly, by 6.6%, from £16,354 (2022) to £15,276. This revenue derives from hall lettings' income and other asset rentals (£8,895) and income of £6,381 from fundraising events and activities, such as the Coronation Lunch, Christmas Fair and several gigs and concerts.
- In a year in which many people's finances continued to be under pressure, we saw planned giving (excluding Gift Aid) remain fairly static. Income was £19,557 (£19,653 in 2022) thanks to the 25 congregation members who support us regularly and generously, either via a standing order, the Parish Giving Scheme (https://www.parishgiving.org.uk/donors/setting-up-your-gift/) or our Stewardship account (see: https://www.stewardship.org.uk/partners/20398527).
- Other donation income totalled £17,090 (2022: £12,193). This comprised revenue of £12,370 from the Friends of St Michaels'; £1,340 from Simon Thompson's Christmas Wreath-making workshops and £3,264 from non-Gift Aid donations.
- Parish Share: To reflect the absence of direct priest costs (e.g. for stipend, pension and housing) during the vacancy, which covered 11 months (January to November) of 2023, we made Parish Share payments to the Diocese totalling £13,308 (2022: £14,340) over the course of the year.
- Our financial position has been somewhat protected in recent years owing to the three-year fixed deals we had for gas and electricity. Unfortunately, these ended in November, and we had to enter new, much more expensive deals for the church and the hall. As a result, our utilities' costs are expected to increase by up to 60%.

- **Reserves policy**

It is PCC policy to maintain a balance on the general unrestricted fund (in practical terms, our Metrobank current account) that equates to at least three months' worth of running costs, as contingency against unforeseen situations. Our 'Free Reserves' level as of 31st December 2023 stood at circa £12,221 (2022:

£13,420). With annual expenditure over the last five years averaging £75,243 (see Figure 1, above), average monthly pro rata expenditure is £6,270, so our cash balance equates to roughly 2 months' expenditure, somewhat below our target level.

- **'Going concern' statement**

The PCC is aware that it has responsibility for assessing the charity's ability to continue as a going concern. As such, and having considered all of the information available to them, the trustees are happy to state that this is indeed the case, given that our total combined assets figures stands at £482,037 (2022: £461,336).

- **Risk assessment**

The PCC examines major risks that the church faces each year and has systems in place to monitor and control them to mitigate any impact that they may have on St Michael's.

Registered Charity number
1152502

Registered office
St Michael's Parish Office
St Michael's Place
Brighton
East Sussex BN1 3FU

Approved by order of the board of trustees on 5/6/24 and signed on its behalf by:

.....

Fr John Blackburne
Vicar / PCC Chair

PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL AND ALL ANGELS, BRIGHTON

Registered Charity no. 1152502

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
For the year ended 31 December 2023

I report on the accounts for the year ended 31st December 2023 which are set out on pages 13-22

Respective responsibilities of the Trustees and Independent Examiner

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

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commissioners section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

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

An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the management committee concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in a full audit, and consequently I do not express an audit opinion on the accounts.

Independent Examiner's Statement

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

1 which give me reasonable cause to believe that in any material respect the requirements

- to keep accounting records in accordance with s.130 of the 2011 Act; or
- to prepare accounts which accord with these accounting records have not been met; or

2 to which in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

UHY Hacker Young (S.E.) Ltd
Chartered Accountants
Independent Examiner

Date: 29/5/2024

PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL AND ALL ANGELS, BRIGHTON

Registered Charity no. 1152502

Statement of Financial Activities

For the year ended 31 December 2023

	Unrestricted Fund	Restricted Fund/s	Endowed Fund/s	Total Funds 2023	*Total Funds 2022*	*Notes*
	£	£	£	£	*£*	
Income and endowments from:						
Donations and legacies	42,838	-	-	42,838	*45,891*	
Charitable activities	393	-	-	393	*990*	
Other trading activities	15,276		-	15,276	*16,354*	
Investments	1,253	-	-	1,253	*765*	
Trust Income	-	29,923	-	29,923	*4,333*	
Other receipts	-	-	-	-	*0*	
Total Income	**59,760**	**29,923**	**-**	**89,683**	*68,333*	*2*
Expenditure on:						
Raising funds	-	-	-	-	*0*	
Charitable activities	72,339	8,535	-	80,874	*60,881*	
Other Trading activities	6,207	-	-	6,207	*4,199*	
Total expenditure	**78,546**	**8,535**	**-**	**87,081**	*65,080*	*3*
Net gains (or losses) on investments		3,923	14,176	18,099	*(40,530)*	
Net Income	**(18,786)**	**25,311**	**14,176**	**20,701**	*(37,277)*	
Transfer between funds	-	-	-	-	**0**	*6*
	(18,786)	25,311	14,176	20,701	(37,277)	
Reconciliation of funds:						
Net movement in funds	**(18,786)**	**25,311**	**14,176**	**20,701**	*(37,277)*	
Total funds brought forward	(2,641)	78,394	385,583	461,336	498,613	
	(21,427)	**103,705**	**399,759**	**482,037**	461,336	*11*

PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL AND ALL ANGELS, BRIGHTON

Registered Charity no. 1152502

Statement of Financial Position

As at 31 December 2023

	Total Funds 2023	*Total Funds 2022*	*Notes*
	£	£	
Tangible assets	433	-	
Investments	404,416	*371,181*	
Total fixed assets	404,849	*371,181*	*7*
Debtors	69,820	*81,196*	
Investments		-	
Cash at bank and in hand	12,221	*13,420*	*12*
Total current assets	82,041	*94,616*	
Creditors: Amounts falling due within one year	(4,853)	*(4,461)*	*10*
	77,188	*90,155*	*8*
Total assets less current liabilities	482,037	*461,336*	
Creditors: Amounts falling due after more than one year	-	-	
	482,037	*461,336*	
The funds of the charity:			
Unrestricted income funds	(21,427)	*(2,641)*	
Restricted funds	103,705	*78,394*	
Endowment funds	399,759	*385,583*	
Total restricted funds	503,464	463,977	
Total charity funds	482,037	461,336	11

The Reverend John Blackburne

Vicar and Chair of Trustees

.....

Date 5/6/24

PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL AND ALL ANGELS, BRIGHTON

Registered Charity no. 1152502

Notes to the financial report

For the year ended 31 December 2023

1 Accounting policies

a Accounting convention

The financial statements have been prepared under the Church Accounting Regulations 2006 in accordance with applicable accounting standards and the current (2015) Statement Of Recommended Practice, Accounting and Reporting by Charities SORP (FRS 102).

The financial statements have been prepared under the historical cost convention as modified by the inclusion of investments at market value. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their affiliation to another body, nor those which are informal gatherings of church members.

b Funds accounting

Funds held by the PCC are:

Unrestricted funds - general funds which can be used for PCC ordinary purposes

Restricted funds - a) income from trusts or endowments which may be expended only on those restructed objects provided in the terms of the trust or bequest; b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaing unspent at the end of the year is carried forward as a balance on that fund.

Endowment funds - funds the capital of which must be maintained; only income arising from the investment of the endowment may be used, either as restricted or unrestricted funds, depending on the purpose set out in the terms of the original endowment

All income and endowments are accounted for without deduction for any costs of receivability, are recognised when there is evidence of entitlement, receipt is probable, and the amount can be measured reliably.

Donations and legacies

Collections are recognised when received.

Gift aid recovered is recognised when the income to which it is attached is recognised.

Grants and legacies are recognised when the formal offer in writing of the funding, is received by the PCC.

Charitable activities

Rents from property are recognised in accordance with the rental agreements, when receipt is probable.

Other charitable activities includes fund raising and breakfast and café income

Other trading activities

Other trading activities includes bank and CBF deposit interest.

Investment income

Dividends are accounted for when due and payable. Interest entitlements are accounted for as they accrue.

All other income

All other income is recognised in accordance with the above overall policy.

Gains and losses on investments

Realised gains are recognised when the investments are sold
Unrealised gains and losses are accounted for on revaluation at 31 December 2023.

d Expenditure

Expenditure is accounted for on an accruals basis and accounted for gross.

Grants

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

Church Activities

The diocesan parish contribution is accounted for on an annual basis, reflecting the allocation set by our Deanery. Any parish contribution unpaid at 31 December 2023 is provided for in these accounts as an operational (though not a legal) liability and is shown as a creditor in the balance sheet.

e Fixed Assets

Tangible fixed assets

Depreciation

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

Fixtures and fittings	25% on cost

f Current Assets

Amounts owing to the PCC at 31 December 2023 in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectible.

Short-term deposits include cash held on deposit either with the CBF Church of England Funds, or at the bank.

2 Analysis of income and endowments

	Unrestricted Fund	Restricted Fund/s	Endowed Fund/s	Total Funds 2023	*Total Funds 2022*	*Notes*
	£	£	£	£	£	
Planned giving (excl. tax refunds)	19,557			19,557	*19,653*	
Loose cash collections	1,103			1,103	*913*	
Other donations	17,090			17,090	*12,193*	
Gift Aid recoverable	5,088			5,088	*8,132*	
Legacies					*5,000*	
	42,838			**42,838**	**45,891**	
Fees for weddings & funerals	393			393	*990*	
Charitable activities	**393**			**393**	*990*	
Fund Raising events income	6,381			6,381	*5,035*	
Church hall and other rental income	8,895			8,895	*11,319*	
Breakfast and café income						
Trading activities	**15,276**			**15,276**	*16,354*	
Bank & CBF deposit interest	1,253			1,253	*765*	
CBF Investment fund dividend						
Other investment fund dividend						
Rent from letting of investment property						
Investments	**1,253**			**1,253**	*765*	
Trust Income		29,923		29,923	*4,333*	
Government Grants						
Grants		**29,923**		**29,923**	**4,333**	
Total income and endowments on all funds	**59,760**	**29,923**		**89,683**	*68,333*	

3 Analysis of expenditure on:

	Unrestricted Fund	Restricted Fund/s	Endowed Fund/s	Total Funds 2023	*Total Funds 2022*	*Notes*
	£	£	£	£	£	
Investment management costs						
Cost of raising funds						
Missionary and charitable giving	75			75		
Ministry:						
Diocesan parish share	13,308			13,308	*14,340*	
Other clergy costs & housing	1,587			1,587	*90*	
Staff	16,285			16,285	*14,238*	*4*
Miscellaneous church service costs	859			859	*392*	
Parish Office costs	723			723	*1,233*	
Church Utility bills	6,172			6,172	*6,738*	
Friends of St Michael's	6,589			6,589	*3,610*	
Church Music	178			178	*297*	
Church running	3,717			3,717	3,792	
Subscriptions	350			350	*130*	
Church maintenance and repair	9,834	8,535		18,369	*6,665*	
Insurance	8,207			8,207	*6,488*	
Professional fees	1,910			1,910		
Governance	2,400			2,400	*2,868*	*5*
Depreciation	145			145		
Cost of charitable activities	**72,339**	**8,535**		**80,874**	*60,881*	
Cost of trading activities	6,207			6,207	*4,199*	
Cost of trading activities	**6,207**			**6,207**	*4,199*	
Total expenditure	**78,546**	**8,535**		**87,081**	*65,080*	

4 Staff costs

	Unrestricted Fund	Restricted Fund/s	Endowed Fund/s	Total Funds 2023	*Total Funds 2022*	*Notes*
	£		£	£	£	
a Remuneration						
Wages and salaries				16,285	*14,238*	
Pastoral assistants						
				16,285	**14,238**	

5 Governance

	Unrestricted Funds	Restricted Fund/s	Endowed Fund/s	Total Funds 2023	*Total Funds 2022*	*Notes*
	£	£	£	£	£	
Professional fees				1,910		
Independent examination				500	*500*	
Accounts production				1,900	*1,960*	
Payroll					*408*	
				4,310	*2,868*	

	Unrestricted Funds	Restricted Fund/s	Endowed Fund/s	Total Funds 2023	*Total Funds 2022*	*Notes*
6 Analysis of transfers between funds						
Fund transfer movements					-	

7 Fixed Assets

a Investments

	Unrestricted Fund	Restricted Fund/s	Endowed Fund/s	Total Funds 2023	Notes
	£	£	£	£	
Market value 1 January 2023		41,695	329,486	371,181	
Disposals at carrying value					
Purchases at cost					
Net gains and revaluation		3,923	29,312	33,235	
Market value 31 December 2023		**45,618**	**358,798**	**404,416**	

There is no investment asset outside the UK
Fixed asset investment refers to the holdings of CCLA Diocesan investment.

Tangible fixed assets

	Fixture and fittings	Total assets	Notes
	£	£	
Cost or valuation			
At 1 January 2023	1,650	1,650	
Additions	578	578	
Disposals	-	-	
Revaluation	-	-	
At 31 December 2023	**2,228**	**2,228**	
Depreciation			
At 1 January 2023	1,650	1,650	
Additions	145	-	
Disposals	-	-	
Revaluation	-	-	
At 31 December 2023	**1,795**	**1,650**	
Net book amounts			
At 31 December 2023	**433.00**	**1,650.00**	
At 31 December 2022		-	

8 Analysis of net assets by fund

	Unrestricted Funds	Restricted Fund/s	Endowed Fund/s	Total Funds 2023	*Total Funds 2022*	*Notes*
	£	£	£	£	£	
Fixed assets for church use	-	-	-	-	-	
Investment fixed assets	-	-	-	-	-	
Current assets (except cash)		67,018	2,802	69,820	*81,196*	*9*
Cash at bank and on deposit	12,221			12,221	*13,420*	*12*
Current liabilities	4,853			4,853	*(4,461)*	*10*
Non-current liabilities						
	17,074	**67,018**	**2,802**	**86,894**	**90,155**	

9 Debtors

	Unrestricted Funds	Restricted Fund/s	Endowed Fund/s	Total Funds 2023	*Total Funds 2022*	*Notes*
	£	£	£	£	£	
Prepayments and accrued income						
Other debtors	-	67,018	2,802	69,820	*81,196*	
		67,018	**2,802**	**69,820**	*81,196*	

Included in other debtors is the RBS Friends of St Michael bank account

10 Creditors: amounts falling due within one year

	Unrestricted Funds	Restricted Fund/s	Endowed Fund/s	Total Funds 2023	*Total Funds 2022*	*Notes*
	£	£	£	£	£	
Other creditors	729			729	*2,061*	
Accruals & deferred income	4,124			4,124	*2,400*	
	4,853	-	-	**4,853**	*4,461*	

Included in other creditors are PAYE and NI due to HMRC

11 Statement of funds

	Balances b/fwd 1 Jan 2023	Income	Expenditure	Transfers, other gains and losses	Balances c/fwd 31 Dec 2023
	£		£	£	£
Restricted Fund	78,394	29,923	(8,535)	3,923	*103,705*
Endowment Fund	385,583			14,176	*399,759*
Total of all restricted funds	**463,977**	**29,923**	**(8,535)**	**18,099**	**503,464**
General fund	(2,641)	59,760	(78,546)		*(21,427)*
Total of all unrestricted funds	**(2,641)**	**59,760**	**(78,546)**		*(21,427)*
Total funds	**461,336**	**89,683**	**(87,081)**	**18,099**	**482,037**

12 Analysis of bank and cash equivalents

	Total Funds 2023	Total Funds 2022
	£	£
Bank	12,221	13,420
Notice deposits (less than 3 months)		
	12,221	**13,420**

13 Related parties and transactions

There were no related party transactions for the year ended 31 December 2023.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MICHAEL AND ALL AN

England & Wales - Charity number 1152502

Accounts

Signed

TRUSTEES' REPORT
AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022
FOR
THE PAROCHIAL CHURCH COUNCIL OF
SAINT MICHAEL & ALL ANGELS' CHURCH, BRIGHTON

Registered Charity Number: 1152502



UHY Hacker Young
168 Church Road
Hove
East Sussex
BN3 2DL

CONTENTS

	Page No.
Report of the Trustees	3 to 10
Independent Examiner's Report	11
Statement of Financial Activities	12
Statement of Financial Position	13
Notes to the Financial Report	14 to 21

Independent Examiner:	Peter Tuffin UHY Hacker Young (S.E. Limited) 168 Church Road Hove East Sussex BN3 2DL
Bankers:	Metrobank One Southampton Row London WC1B 5HA

INTRODUCTION

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the charity's financial statements for the year ended 31st December 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice ('SORP') applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2015).

ADMINISTRATIVE INFORMATION

St Michael & All Angels' Church is located in Victoria Road, Brighton. It is an autonomous Church of England parish within the Diocese of Chichester. All correspondence should be addressed to the Parish Office.

The Parochial Church Council (PCC) is a registered charity, No. 1152502, registered with the Charity Commission within the meaning of the Charities Act 1993.

The Advowson of the Benefice is held by the Society for the Maintenance of the Faith. The PCC has passed a Resolution with regard to the five guiding principles of the House of Bishops and is a member of The Society of Saint Wilfrid and Saint Hilda.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

St Michael's PCC's primary objective is the promotion of the Gospel of our Lord Jesus Christ according to the doctrines and the practices of the Church of England. It is responsible for co-operating with the incumbent in promoting, in the ecclesiastical parish, the worship, the mission of the Church, pastoral care and community outreach.

The PCC is also responsible for a wide range of matters affecting the parish, including:

- Caring for, maintaining, preserving and taking out adequate insurance cover for, the fabric, goods and artefacts/relics of the church.
- Consulting with the incumbent on matters of general concern and importance to the parish, and co-operating with him in promoting the mission of the church.
- Complying with all relevant health, safety and disability legislation.
- Safeguarding vulnerable people who visit the church.
- Ensuring the stewardship of funds and for the accounting and reporting of the parish finances.

Membership of the PCC is determined under the Church Representation Rules and consists of *ex-officio* members, (the Incumbent and Assistant Curates, when in post; churchwardens and members of the Deanery Synod), up to nine elected members of the laity who are elected by rotation at the Annual Parochial Church Meeting (APCM) and co-opted members. Systems are in place to ensure that members are aware of their responsibilities as PCC members and charity trustees, and equipped to fulfil their roles.

During 2022, the following individuals served as members of the PCC:

Incumbent:	*Vacant*
Associate Vicar:	The Reverend Kevin Humphrys
Churchwardens:	Andrew Peel - *Acting Chair from Oct 2020* Tom Cosgrove
Deanery Synod Rep:	Graham Buche* - until October 2022
Elected Members:	Simon Thompson - *PCC Treasurer* Adam Le Clercq Andrew Collin Simon Marlow Ian Smith Ray Steers Michael Timmons Hannah Kessock-Philip

* We would like to pay tribute to Graham Buche who passed away suddenly in October 2022, and acknowledge his exceptional service and contribution to St Michael's over the last 20+ years – as a former churchwarden, a longstanding PCC member, Deanery Synod representative and loyal servant of this parish.

Similarly, we would also like to acknowledge the considerable contribution of John Rushworth-Potter, erstwhile PCC member, who died in April 2022. John gave 20 years to St Michael's as Sacristan and before that, 10 years as a server. In recognition of his considerable service to St Michael's sanctuary, the PCC conferred upon John the title of *Sacristan Emeritus* in June 2021.

Finally, we report with sadness the death of two long-standing members of our congregation, Bert Gardner and Win Agnew. R.I.P.

REVIEW OF THE YEAR

Ministry

Parish life has been affected greatly by the absence of a parish priest since July 2021. The churchwardens have striven to ensure that parish life has continued as effectively as possible in these circumstances, but there are consequences of not having a priest with his 'feet on the ground' in the parish, nurturing the existing congregation, guiding wider parish growth and addressing people's spiritual needs.

The trustees would particularly like to express their gratitude to Fr Kevin Humphrys, Associate Vicar, who has overseen our priestly and pastoral care, and led our Sunday services during the interregnum. We have also continued to hold a weekday Mass at 11 a.m. on Fridays, presided at mainly by Fr. Steven Foster whose support has been immense. Fr. John Joyce has also assisted on many occasions to maintain this weekday Mass. Fr. Steven and Fr. John have also presided on Sundays in the absence of Fr. Kevin.

We continue in our endeavour to recruit an incumbent, though the temporary lack of a Vicarage, due to the sale of 6 Montpelier Villas, has further delayed the recruitment process.

Special services

Four baptisms, one wedding, four funerals were held at St Michael's during the year, and 7 children made their First Holy Communion in May.

Children and young people

Our work with children and young people continues to grow and strengthen, and includes:

- **'Treasure Seekers':** Thanks to the support of volunteers, the children meet in the hall during Sunday Mass, and regularly contribute to the Liturgy on Sundays. At Christmas 2022, we held a Crib Service which saw 120 attending.

- **Little Angels Play Group:** After the hiatus caused by Covid, the Monday Under-fives playgroup - 'Little Angels' – started meeting on Wednesday mornings in term-time. Numbers attending vary, but we have a core group of regulars and average around 10 children per session. The trustees are particularly grateful to Nicole Le Clercq for her hard work in ensuring the group runs well.

Safeguarding

Ian Smith, our Safeguarding Officer and Lead Recruiter, confirms this there is nothing substantive to report in relation to 2022, and that all DBS checks and training for those who require it are up to date.

He also adds: "*Safeguarding is everybody's responsibility. Please do remember that if you are having any concerns of a safeguarding nature relating to children and vulnerable adults, feel free to talk to me. If I am not available report your concerns to Fr Kevin or the churchwardens, Andrew or Tom. Your concerns will be dealt with confidentially and promptly. Nothing is too 'trivial' to be reported*".

Fabric, maintenance and building projects

During the year there were no major building works undertaken. We have been vigilant in keeping the structure safe and weatherproof, with regular maintenance of the slate roofs, and the cast iron gutters and downspouts.

However, in February of 2022, Storm Eunice caused significant damage to the lead covering of the flèche atop the Bodley church, and dislodged several slates and ridge tiles. Emergency temporary repairs were effected, but regrettably another storm later in the year caused further damage whilst we were commissioning the substantive repair. At the close of the year, contractors began work on site to repair the lead and slates.

We also took the opportunity, with scaffolding in situ, to straighten and secure the cross on top of the flèche as this had been out of vertical for many years. (*Post report note - this work was completed in March 2023*).

Looking forward, the churchwardens and PCC began investigating the potential for upgrading of the church's heating and lighting, with a view to pursuing this major project in 2023.

Social events

Parish lunches were organised to celebrate Mothering Sunday and Harvest, and a Queen's Platinum Jubilee Lunch for 100 was held in the Bodley Church in June. The Winter Fair took place in November along with a series of Nocturne concerts.

The choir

All at St Michael's are grateful to the Organist and Director of Music, Adam Le Clercq, and the choir, for their contribution, perseverance and commitment, and for leading the worship music at services in 2022. We are also thankful to the visiting singers who assisted the choir during our Holy Week and Christmas services.

Music and Art at St Michael's

St Michael's Church, foremost a place of worship, also has a versatility in that the building lends itself very well to a range of different music and arts-based events – working equally well as an exhibition space and as a venue for the performing arts. We held a variety of such events during 2022 which brought in vital income and attracted new audiences. Visitors always comment on how struck they are by the church's beauty and how the setting is such an integral part of the whole St Michael's experience.

The Friends of St Michael's

The year began still in the shadow of COVID restrictions, but our Icicles Party went ahead on 28th January in the airy space of St Michael's 'old' church, and was a welcome opportunity for Friends to gather once again. On this occasion, they were also able to appreciate, with churchwarden Tom Cosgrove's assistance, the lamps which Friends' funds had helped restore.

A number of other events were held throughout the year, a pleasingly full return to a live programme, including:

- **5th May:** David Beevors, former Keeper of the Royal Pavilion, spoke on its History and Architecture.
- **17th June:** Nicola Coleby, Partnerships and Development Manager at the Royal Pavilion and former Membership Secretary of the Friends, spoke about the exhibition she had curated in Brighton's Fine Art Gallery: "The Brighton Connection: Spencer Gore and the Camden Town Group" and more broadly on Brighton's place in the development of modern artistic taste in the UK.
- **9th September:** the Friends' Annual Dinner, a celebration of 10 years since the revival of the Friends of St Michael's, albeit 2 years late owing to COVID restrictions. Sadly, the event was rather overshadowed by the death of Her Majesty Queen Elizabeth II, but Friends very much welcomed the opportunity to gather together as a community at that time, and Fr Robert Fayers, former Vicar of St Michael's and the driving force behind the re-establishment of the Friends, led attendees in an appreciation of Her Majesty.
- **14th October:** Andy Sturgeon, local resident and acclaimed garden designer, gave an interesting overview of the history of garden design and the likely future impact of global warming.
- **2nd December:** long-standing friend of the Friends and Curator of the Royal Pavilion, Dr Alexandra Loske, presented 'The Great Gig in the Sky', a fascinating insight into Turner and Constable's skies.
- **7th/8th/10th December:** Simon Thompson led his ever-popular Christmas wreath-making workshop.

The Friends ended the calendar year with £47,595 in the bank, albeit with a commitment towards significant funding for the Vestments project (up to £10,000). It was noted at the Committee meeting in May that significant capital initiatives by the Church were unlikely in the near future, given the PCC's focus on funding of day-to-day running costs and critical maintenance during the interregnum. Nonetheless, the Friends will consider funding further small projects, like the chandeliers, and aims to maintain a contingency reserve of £25-30,000.

The Friends held one formal Committee meeting during the year, on 30 May, and covered a substantial agenda including consideration of papers on a Meeting of Members and Committee Membership, a Policy Review, and the Vestments Project. Minor amendments to the Articles of Association were subsequently submitted to the PCC for approval. A further Committee meeting slipped in to early 2023. A meeting of members, as required under the Articles of Association, is planned for later in 2023.

David Sears, the Membership Secretary appointed in 2021, continued to improve the membership records and payments systems. At the start of 2023, there were 174 members.

Two issues of the Friends' magazine, *The Flyer*, were published, in January and October, and the Chair sent a Christmas message to all Friends.

The Friends maintains good relations with Friends groups at St Paul's and St Nicholas' churches, and we were particularly grateful to Brian Ogilvie (a Friend) for offering our Friends' tours of St Nicholas' Church during the Brighton Fringe Festival.

Similarly, Friends were pleased to take a stall at St Michael's Winter Fair and, earlier in the year, to be invited to the Parish's Platinum Jubilee Celebration Lunch.

Thanks to all our Friends for their ongoing support and enthusiasm.

- Chris Dawes, Chair, The Friends of St Michael's

Electoral Roll

In 2022, there were 90 people on the Electoral Roll, of whom approximately one third reside in the Parish.

Church attendance

The Statistics for Mission Return for 2022 notes the *'huge upheaval that churches have been through, and the amazing creativity and resilience that churches have displayed in continuing to offer worship and pastoral support to their congregations and parishioners during this difficult time'*. We cannot provide a meaningful average number for church attendance on Sundays in 2022, but the statistics for the month of October, as requested by the Diocese, showed total adult average attendance at 48, with those under 16 at 5 (this figure also accounts for those attending Friday Mass throughout the month).

PCC Report

The PCC met three times in 2022 with matters discussed including the interregnum, appointment and sale / purchase of the Vicarage by Diocese of Chichester; fabric and financial matters, in addition to regular standing agenda items such as Safeguarding, Health and Safety and Deanery Synod.

Deanery Synod

Deanery Synod acts as an intermediary between the Parochial Church Councils of each parish in a Deanery and the Synod of the Diocese. It consists of all clergy licensed to a benefice within the deanery, plus lay members elected by their PCC. St. Michael's had one lay member, Graham Buche, who, as we mention above, sadly died suddenly in October.

Brighton Deanery Synod met 4 times in 2022. Meetings begin with prayers followed by Deanery business, a financial report, the Rural Dean's updates and guest speakers, before closing with prayers. We currently have three vacancies on the current Deanery Synod, which runs until 2023.

'Public Benefit' reporting

The PCC is a charity, and 'the advancement of religion' is a charitable purpose under the Charities Act 2011. The PCC is aware of the Charity Commission's guidance on public benefit in relation to the advancement of religion and has regard to it in the administration of St Michael and All Angels' Church.

The PCC believes that, by promoting the work of the Church of England in the City of Brighton and Hove, the church helps to promote the whole mission of the Church - pastoral, evangelistic, social and ecumenical. Furthermore, in doing so, it provides a benefit to the public by promoting Christian values, and by providing facilities for public worship, as well as opportunities for pastoral care, community use and outreach, and spiritual and moral development, both for its members and for anyone who wishes to benefit from what St Michael's offers.

Specific examples of St Michael's impact include:

- Enabling the people of Brighton and Hove to be part of a church family and community - providing opportunities for worship and social engagement and so benefiting their spiritual and emotional health and well-being.
- The provision of pastoral and prayer support and a 'listening ear' to those who are distressed or in difficulty. Pastoral visits provide support and help to reduce isolation and distress.
- The provision of free activities for children (including Treasure Seekers' Sunday School and Little Angels' play-group) supports parents and provides opportunities for children to learn, socialise and enjoy themselves.
- The provision of opportunities for volunteering (e.g. as PCC members, servers, meeters-and-greeters, Saturday Breakfast team members, Friends' committee members etc.) and to learn new skills, become part of a community and meet new people.
- Saturday's Community Breakfasts - a form of direct, compassionate support to the city's street homeless, as well as providing a hot meal to local residents, passers-by and church visitors. (N.B. The Saturday Breakfasts' project remained closed during 2022 owing to a lack of volunteers, post-Covid).
- Providing and maintaining the heritage asset that is St Michael's - a Grade I-listed building noted for its William Morris stained glass and pre-Raphaelite art. The residents of Brighton and Hove and other visitors are able to explore, enjoy and appreciate St Michael's, either informally whilst attending church services or formally via a range of exhibitions, talks, dinners, concerts and guided tours.
- Providing a temporary venue for a local doctor's surgery, a Council polling station, a venue for filming and a meeting place for local groups and charities – often without charge or at a concessionary rate.
- Providing donations to local charities and good causes, including the £1,271.22 raised at a children's concert in April for Sussex Interpreting Services, Registered Charity No. 1081284, to support Ukrainian families who have settled in Brighton and Hove.
- Providing an inclusive church and sanctuary within the City of Brighton and Hove that warmly welcomes everyone, including families and young people.

The PCC is of the view that this report, taken as a whole, provides evidence that the church furthered its charitable purposes for the public benefit in 2022.

Financial Review

- **The longer-term impacts of COVID-19 and the interregnum**

Like most churches, our finances have suffered in recent years as a result of the pandemic, but the impact has been exacerbated by our being in vacancy since July 2021. The smaller congregations mean that we have seen far fewer gifts via 'plate' collections and wall-safe donations, and much of our 'earned' income from church rentals, hall lettings, concerts and Brighton Festival & Fringe events has been curtailed and is only now returning to pre-pandemic levels.

- **Net position**

Despite the aforementioned financial challenges, we are pleased to report that these accounts show that we were able to 'balance the books' in 2022. General income – i.e., that from donations, Gift Aid, legacies, endowments, grants and trading - totalled **£68,333** (9% higher than 2021's figure of £62,722) whereas expenditure was **£65,080** (an increase of only 2.6% over 2021's figure of £63,409) - so giving us a 'net' figure for our day-to-day finances of £3,253.

We are very grateful that church members, the Friends of St Michael's and our community have supported us so generously throughout the year. With their continued regular giving, membership renewals, additional donations and Gift Aid (which resulted in a considerable increase in tax reclaimed from HMRC – £8,132 compared to £2,232 in 2021), St Michael's has emerged relatively unscathed from another challenging period. Our heartfelt thanks go out to everyone who supported us and made this possible.

Unfortunately, the 'bigger picture', over which the PCC has limited control, is less rosy, in that our investments (which are managed by the Diocese of Chichester) performed very poorly in 2022, generating a loss of £40,530 (2020: +£40,805). In the main, this was brought about by the toxic combination of market volatility triggered by the war in Ukraine, rising inflation and higher interest rates – all of which resulted in a veritable 'bear market' and 2022 being an *annus horribilis* for many investors. The impact of this on us was an overall negative variance of £-37,277 (2021: +£40,118).

However, we can take comfort from the fact that, over the last three financial years (2019/20/21), the return on our investments and endowments has averaged £35,500 per annum. Whilst we may not return to these levels, we do anticipate improved performance – if not this year, then in 2024 and beyond.

Nevertheless, thanks to our total combined assets figures standing at £461,336 (2021: £498,613), St Michael's remains a going concern.

Other notable 'headlines' are that:

- Combined Donations and Legacy Income increased by 32%, to £45,891 (2021: £34,737). The PCC was grateful to receive one legacy, totalling £5,000, in 2022.
- Grants: we continued to received support from The Robertson Hall Trust (Reg Charity no. 1073473) who make an invaluable, much appreciated contribution towards the Parish Administrator's salary.
- Overall trading income was up by 47%, from £11,124 (2021) to £16,354, mainly as a result of increased income from hall lettings and other rental income (up 22%, from £9,266 (2021) to £11,319) and the increased number of fundraising events held at St Michael's (including the Queen's Platinum Jubilee parish lunch, harvest and parish lunches; a Christmas Fair and several concerts).
- Not surprisingly, in a year in which many people's finances were under pressure and we sadly lost some

key (and very generous) members of our congregation, we saw planned giving (excluding Gift Aid) reduce by 22.8%, from £25,472 in 2021 to £19,653 in 2022.

- The PCC has continued to keep a tight rein on costs and expenditure during the year and the upshot is that day-to-day expenditure is broadly comparable to that of 2021.
- Parish Share: To reflect the absence of direct priest costs (e.g. stipend, pension and housing) during the interregnum, we agreed with the Diocese of Chichester that we will pay a reduced Parish Share. As such, the PCC's total contribution during 2022 was £14,340 (2021: £14,751)).

- **Reserves policy**

It is PCC policy to maintain a balance on the general unrestricted fund (in practical terms, our Metrobank current account) that equates to at least three months' worth of running costs, as contingency against unforeseen situations. Our 'Free Reserves' level as of 31st December 2022 stood at circa £13,420 (2021: £13,431). With annual expenditure of £65,080, monthly pro rata expenditure is £5,423 per month, so our cash balance equates to roughly 2.5 months' expenditure, slightly below our target level.

- **'Going concern' statement**

The PCC is aware that it has responsibility for assessing the charity's ability to continue as a going concern. As such, and having considered all of the information available to them, the trustees are happy to state that this is indeed the case, given that our total combined assets figures stands at £461,336 (2021: £498,613).

- **Risk assessment**

The PCC examines major risks that the church faces each year and has systems in place to monitor and control them to mitigate any impact that they may have on St Michael's.

Registered Charity number
1152502

Registered office
St Michael's Parish Office
St Michael's Place
Brighton
East Sussex
BN1 3FU

Approved by order of the Board of Trustees on 2-6-23 and signed on its behalf by:

.....

Andrew Peel
Trustee/Churchwarden/Acting Chair

PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL AND ALL ANGELS, BRIGHTON

Registered Charity no. 1152502

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
For the year ended 31 December 2022

I report on the accounts for the year ended 31st December 2022 which are set out on pages 12-21

Respective responsibilities of the Trustees and Independent Examiner

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

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commissioners section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement
My examination was carried out in accordance with the General Directions given by the Charity Commission.

An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the management committee concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in a full audit, and consequently I do not express an audit opinion on the accounts.

Independent Examiner's Statement
In connection with my examination, no matter have come to my attention:

1 which give me reasonable cause to believe that in any material respect the requirements

- to keep accounting records in accordance with s.130 of the 2011 Act; or
- to prepare accounts which accord with these accounting records have not been met; or

2 to which in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

UHY Hacker Young (S.E.) Ltd
Chartered Accountants
Independent Examiner

Date: 21st June 2023

PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL AND ALL ANGELS, BRIGHTON

Registered Charity no. 1152502

Statement of Financial Activities

For the year ended 31 December 2022

	Unrestricted Fund	Restricted Fund/s	Endowed Fund/s	Total Funds 2022	*Total Funds 2021*	*Notes*
	£	£	£	£	£	
Income and endowments from:						
Donations and legacies	32,347	13,544	-	45,891	*35,937*	
Charitable activities	990	-	-	990	*583*	
Other trading activities	16,354		-	16,354	*9,924*	
Investments	765	-	-	765	*656*	
Grants	-	4,333	-	4,333	*15,622*	
Other receipts	-	-	-	-	-	
Total income	50,456	17,877	-	68,333	*62,722*	*2*
Expenditure on:						
Raising funds	-	-	-	-	-	
Charitable activities	57,271	3,610	-	60,881	*61,368*	
Other Trading activities	4,199	-	-	4,199	*2,041*	
Total expenditure	61,470	3,610	-	65,080	*63,409*	*3*
Net gains (or losses) on investments		(5,563)	(34,967)	(40,530)	*40,805*	
Net income	(11,014)	8,704	(34,967)	(37,277)	*40,118*	
Transfer between funds	-	-	-	-	-	*6*
	(11,014)	8,704	(34,967)	(37,277)	*40,118*	
Reconciliation of funds:						
Net movement in funds	(11,014)	8,704	(34,967)	(37,277)	*40,118*	
Total funds brought forward	8,373	69,690	420,550	498,613	458,495	
	(2,641)	78,394	385,583	461,336	498,613	*11*

PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL AND ALL ANGELS, BRIGHTON

Registered Charity no. 1152502

Statement of Financial Position

As at 31 December 2022

	Total Funds 2022	*Total Funds 2021*	*Notes*
	£	£	
Tangible assets	-	-	
Investments	371,181	*421,655*	
Total fixed assets	**371,181**	*421,655*	*7*
Debtors	81,196	*66,718*	
Investments		-	
Cash at bank and in hand	13,420	*13,431*	*12*
Total current assets	**94,616**	*80,149*	
Creditors: Amounts falling due within one year	(4,461)	*(3,191)*	*10*
	90,155	*76,958*	*8*
Total assets less current liabilities	**461,336**	*498,613*	
Creditors: Amounts falling due after more than one year	-	-	
	461,336	*498,613*	
The funds of the charity:			
Unrestricted income funds	(2,641)	*8,373*	
Restricted funds	78,394	*69,690*	
Endowment funds	385,583	*420,550*	
Total restricted funds	**463,977**	490,240	
Total charity funds	**461,336**	**498,613**	**11**

Andrew Peel

Trustee/Churchwarden/Acting Chair

.....

Date 26-6-23

1 Accounting policies

a Accounting convention

The financial statements have been prepared under the Church Accounting Regulations 2006 in accordance with applicable accounting standards and the current (2015) Statement Of Recommended Practice, Accounting and Reporting by Charities SORP (FRS 102).

The financial statements have been prepared under the historical cost convention as modified by the inclusion of investments at market value. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their affiliation to another body, nor those which are informal gatherings of church members.

b Funds accounting

Funds held by the PCC are:

Unrestricted funds - general funds which can be used for PCC ordinary purposes

Restricted funds - a) income from trusts or endowments which may be expended only on those restructed objects provided in the terms of the trust or bequest; b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaing unspent at the end of the year is carried forward as a balance on that fund.

Endowment funds - funds the capital of which must be maintained; only income arising from the investment of the endowment may be used, either as restricted or unrestricted funds, depending on the purpose set out in the terms of the original endowment

All income and endowments are accounted for without deduction for any costs of receivability, are recognised when there is evidence of entitlement, receipt is probable, and the amount can be measured reliably.

Donations and legacies
Collections are recognised when received.
Gift aid recovered is recognised when the income to which it is attached is recognised.
Grants and legacies are recognised when the formal offer in writing of the funding, is received by the PCC.

Charitable activities
Rents from property are recognised in accordance with the rental agreements, when receipt is probable.
Other charitable activities includes fund raising and breakfast and café income

Other trading activities

Other trading activities includes bank and CBF deposit interest.

Investment income
Dividends are accounted for when due and payable. Interest entitlements are accounted for as they accrue.

All other income

All other income is recognised in accordance with the above overall policy.

Gains and losses on investments

Realised gains are recognised when the investments are sold
Unrealised gains and losses are accounted for on revaluation at 31 December 2022.

d Expenditure

Expenditure is accounted for on an accruals basis and accounted for gross.

Grants

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

Church Activities

The diocesan parish contribution is accounted for on an annual basis, reflecting the allocation set by our Deanery. Any parish contribution unpaid at 31 December 2022 is provided for in these accounts as an operational (though not a legal) liability and is shown as a creditor in the balance sheet.

e Fixed Assets

Tangible fixed assets

Depreciation

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

Fixtures and fittings	25% on cost

f Current Assets

Amounts owing to the PCC at 31 December 2022 in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectible.

Short-term deposits include cash held on deposit either with the CBF Church of England Funds, or at the bank.

2 Analysis of income and endowments

	Unrestricted Fund	Restricted Fund/s	Endowed Fund/s	Total Funds 2022	*Total Funds 2021*	*Notes*
	£	£	£	£	*£*	
Planned giving (excl. tax refunds)	19,653			19,653	*25,472*	
Loose cash collections	913			913	*906*	
Other donations	3,649	8,544		12,193	*6,127*	
Gift Aid recoverable	8,132			8,132	*2,232*	
Legacies		5,000		5,000		
	32,347	**13,544**		**45,891**	**34,737**	
Fees for weddings & funerals	990			990	*583*	
Charitable activities	**990**			**990**	*583*	
Fund Raising events income	5,035			5,035	*1,858*	
Church hall and other rental income	11,319			11,319	*9,266*	
Breakfast and café income						
Trading activities	**16,354**			**16,354**	*11,124*	
Bank & CBF deposit interest	765			765	*656*	
CBF Investment fund dividend						
Other investment fund dividend						
Rent from letting of investment property						
Investments	**765**			**765**	*656*	
Grants		4,333		4,333	*15,622*	
Government Grants						
Grants		**4,333**		**4,333**	**15,622**	
Total income and endowments on all funds	**50,456**	**17,877**		**68,333**	*62,722*	

3 Analysis of expenditure on:

	Unrestricted Fund	Restricted Fund/s	Endowed Fund/s	Total Funds 2022	*Total Funds 2021*	*Notes*
	£	£	£	£	£	
Investment management costs						
Cost of raising funds						
Missionary and charitable giving					*565*	
Ministry:						
Diocesan parish share	14,340			14,340	*14,750*	
Other clergy costs & housing	90			90	*50*	
Staff	14,238			14,238	*14,008*	*4*
Miscellaneous church service costs	392			392	*566*	
Parish Office costs	1,233			1,233	*1,188*	
Church Utility bills	6,738			6,738	*4,364*	
Friends of St Michael's		3,610		3,610	*1,416*	
Advertising						
Church Music	297			297	*385*	
Church running	3,792			3,792	1,084	
Subscriptions	130			130	*222*	
Church maintenance and repair	6,665			6,665	*14,631*	
Insurance	6,488			6,488	*6,209*	
Governance	2,868			2,868	*1,930*	*5*
Cost of charitable activities	**57,271**	**3,610**		60,881	*61,368*	
Cost of trading activities	4,199			4,199	*2,041*	
Cost of trading activities	**4,199**			4,199	*2,041*	
Total expenditure	**61,470**	**3,610**		65,080	*63,409*	

4 Staff costs

	Unrestricted Fund	Restricted Fund/s	Endowed Fund/s	Total Funds 2022	*Total Funds 2021*	Notes
	£		£	£	£	
a Remuneration						
Wages and salaries	14,238			14,238	*14,008*	
Pastoral assistants						
	14,238			14,238	14,008	

5 Governance

	Unrestricted Funds	Restricted Fund/s	Endowed Fund/s	Total Funds 2022	*Total Funds 2021*	Notes
	£	£	£	£	£	
Professional fees						
Independent examination	500			500	*500*	
Accounts production	1,960			1,960	*1,430*	
Payroll	408			408		
	2,868			2,868	*1,930*	

	Unrestricted Funds	Restricted Fund/s	Endowed Fund/s	Total Funds 2022	*Total Funds 2,021*	Notes
6 Analysis of transfers between funds						
Fund transfer movements					-	

7 Fixed Assets

a Investments

	Unrestricted Fund	Restricted Fund/s	Endowed Fund/s	Total Funds 2022	*Notes*
	£	£	£	£	
Market value 1 January 2022		41,343	337,530	421,655	
Disposals at carrying value					
Purchases at cost					
Net gains and revaluation		(5,563)	(44,911)	(50,474)	
Market value 31 December 2022		**35,780**	**292,619**	**371,181**	

There is no investment asset outside the UK
Fixed asset investment refers to the holdings of
CCLA Diocesan investment.

Tangible fixed assets

	Fixture and fittings	Total assets	*Notes*
	£	£	
Cost or valuation			
At 1 January 2022	1,650	1,650	
Additions	-	-	
Disposals	-	-	
Revaluation	-	-	
At 31 December 2022	1,650	1,650	
Depreciation			
At 1 January 2022	1,650	1,650	
Additions	-	-	
Disposals	-	-	
Revaluation	-	-	
At 31 December 2022	1,650	1,650	
Net book amounts			
At 31 December 2022	-	-	
At 31 December 2021	-	-	

8 Analysis of net assets by fund

	Unrestricted Funds	Restricted Fund/s	Endowed Fund/s	Total Funds 2022	*Total Funds 2021*	*Notes*
	£	£	£	£	£	
Fixed assets for church use	-	-	-	-	-	
Investment fixed assets	-	-	-	-	-	
Current assets (except cash)	120	63,138	17,938	81,196	*66,718*	*9*
Cash at bank and on deposit	13,420			13,420	*13,431*	*12*
Current liabilities	(4,461)			(4,461)	*(3,191)*	*10*
Non-current liabilities						
	9,079	63,138	17,938	90,155	76,958	

9 Debtors

	Unrestricted Funds	Restricted Fund/s	Endowed Fund/s	Total Funds 2022	*Total Funds 2,021*	*Notes*
	£	£	£	£	£	
Prepayments and accrued income						
Other debtors	120	63,138	17,938	81,196	*66,718*	
	120	63,138	17,938	81,196	*66,718*	

Included in other debtors is the RBS Friends of St Michael bank account

10 Creditors: amounts falling due within one year

	Unrestricted Funds	Restricted Fund/s	Endowed Fund/s	Total Funds 2022	*Total Funds 2,021*	*Notes*
	£	£	£	£	£	
Other creditors	2,061			2,061	*1,131*	
Accruals & deferred income	2,400			2,400	*2,060*	
	4,461	-	-	4,461	*3,191*	

Included in other creditors are PAYE and NI due to HMRC

11 Statement of funds

	Balances b/fwd 1 Jan 2022	Income	Expenditure	Transfers, other gains and losses	Balances c/fwd 31 Dec 2022
	£		£	£	£
Restricted Fund	69,690	17,877	(3,610)	(5,563)	*78,394*
Endowment Fund	420,550			(34,967)	*385,583*
Total of all restricted funds	**490,240**	**17,877**	**(3,610)**	**(40,530)**	**463,977**
General fund	8,373	50,456	(61,470)		*(2,641)*
Total of all unrestricted funds	**8,373**	**50,456**	**(61,470)**		*(2,641)*
Total funds	**498,613**	**68,333**	**(65,080)**	**(40,530)**	**461,336**

12 Analysis of cash and cash equivalents

	Total Funds 2022	Total Funds 2021
	£	£
Cash in hand	13,420	13,431
Notice deposits (less than 3 months)		
	13,420	**13,431**

13 Related parties and transactions

There were no related party transactions for the year ended 31 December 2022.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MICHAEL AND ALL AN

England & Wales - Charity number 1152502

Accounts

REGISTERED CHARITY NUMBER: 1152502

REPORT OF THE TRUSTEES AND UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021 FOR THE PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL & ALL ANGELS CHURCH, BRIGHTON

UHY Hacker Young
168 Church Road
Hove
East Sussex
BN3 2DL

CONTENTS

	Page No.
Report of the Trustees	3 to 10
Independent Examiner's Report	11
Statement of Financial Activities	12
Balance Sheet	13
Notes to the Financial Statements	14 to 19
Detailed Statement of Financial Activities	20 to 21

Independent Examiner:	Peter Tuffin UHY Hacker Young (S.E. Limited) 168 Church Road Hove East Sussex BN3 2DL
Bankers:	Metrobank One Southampton Row London WC1B 5HA

INTRODUCTION

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the charity's financial statements for the year ended 31st December 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice ('SORP') applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2015).

ADMINISTRATIVE INFORMATION

St Michael's Church is located in Victoria Road, Brighton. It continues as an autonomous parish within the Benefice of Brighton, St Michael and All Angels and St Paul, part of the Diocese of Chichester within the Church of England. All correspondence should be addressed to the Parish Office.

The Parochial Church Council (PCC) is a registered charity, having been registered with the Charity Commission within the meaning of the Charities Act 1993. The PCC's Registered Charity Number is 1152502. The Advowson of the Benefice is held by the Society for the Maintenance of the Faith. The PCC has passed a Resolution with regard to the five guiding principles of the House of Bishops and is a member of The Society of Saint Wilfrid and Saint Hilda.

During the year, the following served as members of the PCC:

Incumbent:	*Vacant*
Assistant Priest:	The Reverend Kevin Humphrys
Churchwardens:	Andrew Peel - *Acting Chair from Oct 2020*
	Tom Cosgrove
Deanery Synod Rep:	Graham Buche
Elected Members:	Adam Le Clercq
	Andrew Collin
	Luci Heffernan - *PCC Secretary*
	Simon Marlow
	John Rushworth-Potter
	Ian Smith
	Ray Steers
	Simon Thompson - *PCC Treasurer*
	Michael Timmons

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Membership of the PCC is determined under the Church Representation Rules and consists of ex-officio members, (the Incumbent and Assistant Curates, when in post; the churchwardens and members of the Deanery Synod), plus up to 9 elected members of the laity who are elected by rotation at the Annual Parochial Church Meeting (APCM) and any co-opted member. Systems are in place to ensure that members are aware of their responsibilities as charity trustees, and equipped to fulfil their roles.

The PCC is responsible for a wide range of matters affecting the Parish, including:

- Caring for, maintaining, preserving and taking out adequate insurance cover for, the fabric, goods and artefacts/relics of the church.
- Consulting with the Incumbent on matters of general concern and importance to the Parish, and co-operating with him in promoting the mission of the church.
- Complying with all relevant health, safety and disability legislation.
- Safeguarding vulnerable people who visit the church.
- Ensuring the stewardship of funds and for the accounting and reporting of the parish finances.

OBJECTIVES AND ACTIVITIES

The primary objective of St Michael's PCC is the promotion of the Gospel of our Lord Jesus Christ according to the doctrines and the practices of the Church of England. The PCC has the responsibility of co-operating with the incumbent in promoting, in the ecclesiastical parish, the worship, the mission of the Church, pastoral care and community outreach.

REVIEW OF THE YEAR

Ministry

We would like to express our gratitude to Fr Kevin Humphrys, our Assistant Priest, who has been taking our Sunday services during the interregnum.

The pattern of Masses was inevitably affected by COVID-19, but, when Government restrictions permitted, we held our usual services. From March 2021, the Church re-opened for Sunday's main Parish Mass at 10.30am, and this continued to be live-streamed on Facebook and YouTube for those unable to attend. This proved to be an invaluable resource for the congregation when we were closed, and for the housebound and the vulnerable once we reopened. Our thanks go to Fr Kevin and Laura Humphrys for making these live-streams work, and for linking St Michael's with those worshippers unable to attend in person. From April 2021, the Friday Mass has been celebrated at 11.00am on a bi-monthly basis. We are extremely grateful to Fr Steven Foster for his commitment and ensuring this service can be held.

Special services

There were five baptisms, one wedding, one funeral, a Service for the Renewal of Vows and a Memorial Mass of Requiem during the year. We welcomed Bishop Will Hazlewood, the Bishop of Lewes, in June and Bishop Martin the following month to celebrate and preach at our Parish Mass. Bishop Will returned to Saint Michael's in September for Michaelmas, when four of Saint Michael's congregation were confirmed.

Children and young people

Our work with children and young people continues to grow and strengthen, and includes:

- **'Treasure Seekers':** The Sunday School restarted when restrictions were lifted and as ever, we are very grateful to all those who help. At Christmas 2021, we held a Crib Service (something which we were unable to do in 2020), and although numbers were down it was lovely to have the families in Church again for this service. The children regularly contribute to the Liturgy on Sundays.

- **Little Angels Play Group:** The Monday Under-fives playgroup - 'Little Angels' - recommenced to run on Monday mornings in term-time. Numbers attending vary, but we have a core group of regulars and average around 10 children per session and we are very grateful to Nicole Le Clercq, for her hard work in ensuring the group runs well.

Safeguarding
Our Safeguarding Officer, Ian Smith, confirmed that there are no Safeguarding issues to report.

Fabric, maintenance and building projects
During 2021, no major building projects were initiated. The partial Covid-related closures and the pressure on our finances meant that only work of an essential nature could be undertaken. One such example of an unavoidable repair was the need to completely replace the old parquet hall floor which 'popped' suddenly and was deemed to be beyond economic repair. The new floor cost over £5,000 and we are grateful for the donations we received from the congregation towards this cost, and to the Friends who contributed £850.

Regular inspections of basic infrastructure were undertaken with particular attention paid to the roofs and rainwater goods. Our regular maintenance assistant carried out repairs to, and replacement of slates, as necessary, particularly following periods of bad weather. No major issues were identified, but repair to gutters and downspouts to the north aisle were seen to require repair, and this process is ongoing into 2022.

Among non-essential work, the PCC priorities remain the programme of repair and refurbishment of our historic vestments, and an upgrade to the church lighting. Lack of available funds has prevented progress on these fronts, but it is hoped that with if grant-funding can be secured, these projects can be progressed in due course. We have undertaken a programme of replacing spotlights with LED fittings in order to reduce energy usage, and reduce the frequency of bulb replacement.

Issues of Health & Safety, including fire safety, were also periodically checked.

Social Committee
The impacts of Covid19 were such that the planned schedule of parish lunches and events did not come to fruition. However, we still managed to run a very well-supported Christmas Fair in November, a drinks reception on the Feast of the Assumption and a buffet lunch at Michaelmas.

The choir
All at St Michael's are grateful to the Organist and Director of Music, Adam Le Clercq, and the choir, for persevering during a challenging year, and for leading the worship music at services in 2021. We are also thankful to the visiting singers who assisted the choir during our Holy Week and Christmas services.

Music and Art at St Michael's
St Michael's Church, foremost a place of worship, also has a versatility in that the building lends itself very well to a range of different arts-based events – working equally well as an exhibition space and as a venue for the performing arts. We held a variety of such events during 2021 which brought in vital income and attracted new audiences. Visitors always comment on how struck they are by the church's beauty and how the setting is such an integral part of the whole St Michael's experience.

The Friends of St Michael's
2021 was characterised by continuing initiatives to keep the Friends stimulated with interesting events and in touch with each other, within the constraints of the varying COVID-19 regulations and guidance. Normal service could not be resumed, but the ingenuity of the Events team and generosity of speakers resulted in an interesting and successful schedule tailored to the prevailing circumstances.

Six Zoom talks were organised. Alexandra Loske completed her series of talks with 'Designing an Enchanted Palace', in conjunction with Patrick Conner, on 26th February, coinciding with the extended exhibition of

items lent by Buckingham Palace to the Royal Pavilion and Alexandra's own related exhibition in the Art Gallery.

We then moved to the 'Sue Berry series - a talk on the early development of Brighton as a resort, 1750-1815 on 26th March) and its sequel, 'A Resort Transformed 1815-1830' on 25th June, followed by a talk illuminating aspects of Country Houses of the Sussex Downs (16th July) to coincide with the publication of Sue's fascinating book on the subject. This series was divertingly interrupted by David Robson's talk on 4th June which took us on a church and pub crawl through the work of three generations of the Denman firm of architects, whose practice was based in Queen's Road, and dove-tailed with two Regency Society talks David gave. He provided plenty of inducement to explore local buildings for nourishment of one kind or another when restrictions eased!

Live events were enthusiastically resumed with Alexia Lazou's immensely popular talk on Aubrey Beardsley, postponed from March 2020, with over 100 Friends attending. This was followed by the enticing and successful Jazz Evening for members only held in the Bodley Church (24th September), the sold-out Italian evening on 26th November in the Church Hall and Simon Thompson's ever-popular wreath-making classes in the run-up to Christmas.

We were sorry to lose our Membership Secretary, Sarah Allison, during the year but delighted that David Sears offered to take over, and translate his technical expertise which had been so essential to the success of our Zoom talks into the development of a members' database.

Although the PCC was unable to give the green light to the vestments' restoration, the Friends *were* able to continue to contribute to small projects to enhance St Michael's, including: the cleaning and repair of the (prob. 18th century) lamp in the Bodley Church and three later lamps in the Burges church (£700). Friends were able to enjoy the results live at the 2022 Icicles Party. The Friends also contributed £850 towards the replacement of the community hall floor, in recognition of the fact that the Friends occasionally use the Hall for their events.

At the year-end, the Friends had £42,754.56 in the bank (with some costs pending). Membership numbers dropped significantly during the pandemic, not least because membership subscriptions were suspended. By December there were four Honorary Members and 50 Life Members. Of the 97 previous members, 40 generously left their standing orders in place and five had already paid for 2022, leaving 52 members (the great majority of whom had been members in 2019) to be chased, as well as the task of tempting new members to join.

One issue of *The Flyer* was produced and circulated (in August) and a "Keeping in Touch" letter was sent by the Chair on 28th October, followed by a Christmas Greetings note. As usual, none of this could have been achieved without the tireless work of our volunteers, whether Committee members, officers, editors or just – Friends!

Two Committee meetings were held - in the Zoom Room in May, then 'live' together again, in the Church, in October.

Electoral Roll

In 2021, there were 103 people on the Electoral Roll, of whom approximately one third reside in the Parish.

Church attendance

The Statistics for Mission Return for 2021 notes the *'huge upheaval that churches have been through, and*

the amazing creativity and resilience that churches have displayed in continuing to offer worship and pastoral support to their congregations and parishioners during this difficult time'. We cannot provide a meaningful average number for church attendance on Sundays in 2021, but the statistics we could provide for the month of October, as requested by the Diocese, showed adult attendance at 45 and those under 16 at 8 (this figure also accounts for those attending Friday Mass throughout the month). These figures do not reflect those who watched the service (either live streamed or at another time), and neither do they provide a true reflection of our 'normal' Sunday Mass congregation sizes outside a pandemic and an interrregnum.

PCC Report

The PCC met five times in 2021 (twice by Zoom) and matters discussed included the interregnum, COVID response and financial matters, in addition to matters arising regarding Health and Safety, Fabric and Deanery Synod.

Deanery Synod

Deanery Synod acts as an intermediary between the Parochial Church Councils of each parish in a Deanery and the Synod of the Diocese. It consists of all clergy licensed to a benefice within the deanery, plus lay members elected by their PCC. St. Michael and All Angels currently has one lay member, Graham Buche, and two vacancies. The current Synod runs to 2023.

Due to COVID-19 and the Government's restrictions, Brighton Deanery Synod met four times in 2021, with two via Zoom and the last two hybrid. Synod begins with prayers followed by Deanery business, a financial report, the Rural Dean's updates and guest speakers, before closing with prayers.

COVID-19 addendum

On 11 March 2020, the WHO declared COVID-19 a pandemic and the UK duly went into lockdown on 23 March 2020. The need for social-distancing meant that services could not be held and significant changes were made to every aspect of parish life including Sunday Worship, our work with young people and our community outreach.

Although Lockdown restrictions eased somewhat in 2021 and we were able to hold Friday and Sunday Masses once again, there were still some lasting impacts. For example, we did not reintroduce the chalice to Mass, instead providing the sacrament in the form of bread only. Our income continued to be supressed as a result of lower congregations, only limited 'plate' collections, fewer visitors and no revenue being received from Brighton Fringe concerts and events. Furthermore, we have yet to reopen the Saturday Breakfasts' project - our rationale being that, in order to reduce the risk of virus transmission to our customers and volunteers, this should wait until mid-2022 when we are more likely to be able to reopen safely and permanently.

'Public Benefit' reporting

The PCC is a charity, and 'the advancement of religion' is a charitable purpose under the Charities Act 2011. The PCC is aware of the Charity Commission's guidance on public benefit in relation to the advancement of religion and have regard to it in the administration of St Michael and All Angels Church.

The PCC believes that, by promoting the work of the Church of England in the City of Brighton and Hove, the church helps to promote the whole mission of the Church - pastoral, evangelistic, social and ecumenical. Furthermore, in doing so, it provides a benefit to the public by promoting Christian values, and by providing facilities for public worship, as well as opportunities for pastoral care, community use and outreach, and spiritual and moral development, both for its members and for anyone who wishes to

benefit from what St Michael's offers.

Specific examples of St Michael's impact include:

- Helping local people to be part of a community and a church family - by providing opportunities for social engagement and so benefiting their spiritual and emotional health and well-being.
- The provision of pastoral and prayer support and a 'listening ear' to those who are distressed or in difficulty. Pastoral visits, when permitted, provided support and helped to reduce isolation.
- The provision of free activities for children (e.g., Treasure Seekers' Sunday School and Little Angels' play-group) which support parents and provides opportunities for children to learn, socialise and enjoy themselves.
- The provision of opportunities for volunteering (e.g. as PCC members, servers, meeters-and-greeters, Saturday Breakfast team members, Friends' committee members etc.) and to learn new skills, become part of a community and meet new people.
- Saturday's Community Breakfasts - a form of direct, compassionate support to the city's street homeless, as well as the provision of a hot meal to local residents, passers-by and church visitors.
- Providing and maintaining the heritage asset that is St Michael's - a Grade I-listed building noted for its William Morris stained glass and pre-Raphaelite art. The residents of Brighton and Hove and other visitors are able to explore, enjoy and appreciate St Michael's, either informally whilst attending church services or formally via a range of exhibitions, talks, dinners, concerts or guided tours.
- Providing a temporary venue for a local doctor's surgery's flu booster clinic and a Council polling station, as well as a venue for filming and a meeting place for local groups and charities – often at a special concessionary rate or without charge.
- Providing donations totalling £565 to three local charities: Brighton Housing Trust, Clock Tower Sanctuary and Alzheimer's Society.

St Michael's prides itself on being an inclusive church that warmly welcomes everyone, including families and young people.

The PCC is of the view that this report, taken as a whole, provides evidence that the church furthered its charitable purposes for the public benefit in 2021.

Financial Review

- **The impact of COVID-19**

Like most churches, our income has suffered over the last two years as a direct result of the pandemic. We have received far fewer gifts via 'plate' collections and wall-safe donations as a result of having lower congregations and fewer occasional visitors, and much of our 'earned' income from Saturday breakfasts, church rentals, hall lettings, concerts and Brighton Festival & Fringe events has been curtailed.

Inevitably, we also saw some reductions in expenditure (such as on heating and lighting during the Lockdowns), and the PCC continued to pay a reduced monthly 'Parish Share' to the Diocese during our continued interregnum in 2021 to reflect our lack of priest's costs and to protect our cash reserves during this uncertain period.

- **Net position**

Despite the financial challenges we have faced as a result of the pandemic and the on-going interregnum, we are pleased to report that these accounts show that we were just about able to 'balance the books' in terms of our day-to-day finances. General income – i.e., from donations, Gift Aid, legacies, grants and trading - totalled £62,722 (7.9% lower than 2020's figure of £68,123) whereas expenditure was £63,409 (an

increase of 13.6% on 2020's figure of £55,812) - so giving us a 'net' figure of £-687.

However, our investments performed particularly well in 2021, generating income of £40,805 (2020: £29,627) which has resulted in a positive net variance of £40,118 (2020: £41,938).

Given 2021's myriad challenges and financial pressures, we are grateful that our income and investments have held up. We are very grateful that church members, the Friends and our community have supported us throughout this testing period and, with their continued giving, membership renewals, additional donations and Gift Aid claims (which resulted in a further £2,232 of recovered tax (2020: £5,303), St Michael's has emerged relatively unscathed from another very challenging year. Our heartfelt thanks go out to everyone who supported us and made this possible.

- **Income**

The main income 'headlines' are that:

- Combined Donations and Legacy Income was down 26%, to £35,937 (2020: £48,804). Notably, in a year in which many people's finances were under pressure, we saw planned giving (excluding Gift Aid) reduce by 14.5%, from £29,797 to £25,472.
- Overall trading income was up by 21.5% overall, from £8,169 to £9,924, mainly as a result of increased income from hall and room lettings - although this is still some way off the pre-pandemic levels (e.g., £24,459 in 2019 and £17,245 in 2018).
- Investment income (managed by the Diocese of Chichester) was up by 37.7%, to £40,805 (2020: £29,627). Over the last three financial years, the return on our investments and endowments has averaged £35,500.

- **Expenditure**

When the pandemic struck in March 2020, the PCC set itself the goal of minimising expenditure as far as we were able to. The upshot was that we saw a significant reduction in our outgoings, from £104,831 in 2019 to £55,812 in 2020, or 47% year-on-year. In 2021, we continued to keep a tight rein on expenditure, albeit with a slight increase (of 13.6%) to £63,409. However, much of this increase was unavoidable and down to higher spending on maintenance and repairs, including the replacement hall floor, although we were able to off-set some of these exceptional costs via grant-funding and donations.

- **Reserves policy**

It is PCC policy to maintain a balance on the general unrestricted fund that equates to at least three months' worth of running costs, as contingency against unforeseen situations. Our 'Free Reserves' level as of 31st December 2021 stood at circa £13,431 which equates to 4.7 months' expenditure.

- **'Going concern' statement**

The PCC is aware that it has responsibility for assessing the charity's ability to continue as a going concern.As such, and having considered all of the information available to them, the trustees are happy to state in this report that this is indeed the case – our key indicator of sustainability being our net income at 31 December 2021, which stood at £40,118 (2020: £41,938) and the fact that our total combined assets figures stands at £498,613 – an increase of 8.75% on last year's figure of £458,495.

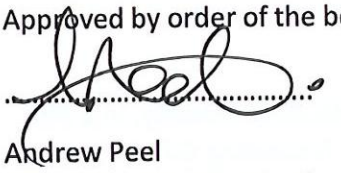
Risk assessment

The PCC examines major risks that the church faces each year and has systems in place to monitor and control them to mitigate any impact that they may have on St Michael's.

Registered Charity number
1152502

Registered office
St Michael's Parish Office
St Michael's Place
Brighton
East Sussex
BN1 3FU

Approved by order of the board of trustees on 22:05:22 and signed on its behalf by:



Andrew Peel
Trustee/Churchwarden/Acting Chair

PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL AND ALL ANGELS, BRIGHTON

Registered Charity no. 1152502

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
For the year ended 31 December 2021

I report on the accounts for the year ended 31st December 2021 which are set out on pages 12-21

Respective responsibilities of the Trustees and Independent Examiner

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

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commissioners section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

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

An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the management committee concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in a full audit, and consequently I do not express an audit opinion on the accounts.

Independent Examiner's Statement

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

1 which give me reasonable cause to believe that in any material respect the requirements

- to keep accounting records in accordance with s.130 of the 2011 Act; or
- to prepare accounts which accord with these accounting records have not been met; or

2 to which in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

UHY Hacker Young (S.E.) Ltd
Chartered Accountants
Independent Examiner

Date: 19/5/22

PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL AND ALL ANGELS, BRIGHTON

Registered Charity no. 1152502

Statement of Financial Activities

For the year ended 31 December 2021

	Unrestricted Fund	Restricted Fund/s	Endowed Fund/s	Total Funds 2021	*Total Funds 2020*	*Notes*
	£	£	£	£	£	
Income and endowments from:						
Donations and legacies	32,114	3,823	-	35,937	*48,804*	
Charitable activities	583	-	-	583	*1,688*	
Other trading activities	9,924		-	9,924	*8,169*	
Investments	656	-	-	656	*704*	
Grants	-	15,622	-	15,622	*8,758*	
Other receipts	-	-	-	-	-	
Total Income	43,277	19,445	-	62,722	*68,123*	2
Expenditure on:						
Raising funds	-	-	-	-	-	
Charitable activities	60,155	1,213	-	61,368	*54,256*	
Other Trading activities	2,041	-	-	2,041	*1,556*	
Total expenditure	62,196	1,213	-	63,409	*55,812*	3
Net gains (or losses) on investments		5,914	34,891	40,805	*29,627*	
Net Income	(18,919)	24,146	34,891	40,118	*41,938*	
Transfer between funds	-	-	-	-	-	6
	(18,919)	24,146	34,891	40,118	*41,938*	
Reconciliation of funds:						
Net movement in funds	(18,919)	24,146	34,891	40,118	*41,938*	
Total funds brought forward	27,292	45,544	385,659	458,495	416,557	
	8,373	69,690	420,550	498,613	458,495	11

PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL AND ALL ANGELS, BRIGHTON

Registered Charity no. 1152502

Statement of Financial Position

As at 31 December 2021

	Total Funds 2021	*Total Funds 2020*	*Notes*
	£	£	
Tangible assets	-	-	
Investments	421,655	*378,873*	
Total fixed assets	421,655	*378,873*	*7*
Debtors	66,718	*68,178*	
Investments		-	
Cash at bank and in hand	13,431	*14,019*	*12*
Total current assets	80,149	*82,197*	
Creditors: Amounts falling due within one year	(3,191)	*(2,575)*	*10*
	76,958	*79,622*	*8*
Total assets less current liabilities	498,613	*458,495*	
Creditors: Amounts falling due after more than one year	-	-	
	498,613	*458,495*	
The funds of the charity:			
Unrestricted income funds	8,373	*27,292*	
Restricted funds	69,690	*45,544*	
Endowment funds	420,550	*385,659*	
Total restricted funds	490,240	431,203	
Total charity funds	498,613	458,495	11

Andrew Peel

Trustee/Churchwarden/Acting Chair .....

Date 22-05-22

1 Accounting policies

a Accounting convention

The financial statements have been prepared under the Church Accounting Regulations 2006 in accordance with applicable accounting standards and the current (2015) Statement Of Recommended Practice, Accounting and Reporting by Charities SORP (FRS 102).

The financial statements have been prepared under the historical cost convention as modified by the inclusion of investments at market value. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their affiliation to another body, nor those which are informal gatherings of church members.

b Funds accounting

Funds held by the PCC are:

Unrestricted funds - general funds which can be used for PCC ordinary purposes

Restricted funds - a) income from trusts or endowments which may be expended only on those restructed objects provided in the terms of the trust or bequest; b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaing unspent at the end of the year is carried forward as a balance on that fund.

Endowment funds - funds the capital of which must be maintained; only income arising from the investment of the endowment may be used, either as restricted or unrestricted funds, depending on the purpose set out in the terms of the original endowment

All income and endowments are accounted for without deduction for any costs of receivability, are recognised when there is evidence of entitlement, receipt is probable, and the amount can be measured reliably.

Donations and legacies
Collections are recognised when received.
Gift aid recovered is recognised when the income to which it is attached is recognised.
Grants and legacies are recognised when the formal offer in writing of the funding, is received by the PCC.

Charitable activities
Rents from property are recognised in accordance with the rental agreements, when receipt is probable.
Other charitable activities includes fund raising and breakfast and café income

Other trading activities

Other trading activities includes bank and CBF deposit interest.

Investment income
Dividends are accounted for when due and payable. Interest entitlements are accounted for as they accrue.

All other income

All other income is recognised in accordance with the above overall policy.

Gains and losses on investments

Realised gains are recognised when the investments are sold
Unrealised gains and losses are accounted for on revaluation at 31 December 2021.

d Expenditure

Expenditure is accounted for on an accruals basis and accounted for gross.

Grants

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

Church Activities

The diocesan parish contribution is accounted for on an annual basis, reflecting the allocation set by our Deanery. Any parish contribution unpaid at 31 December 2021 is provided for in these accounts as an operational (though not a legal) liability and is shown as a creditor in the balance sheet.

e Fixed Assets

Tangible fixed assets

Depreciation

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

Fixtures and fittings	25% on cost

f Current Assets

Amounts owing to the PCC at 31 December 2021 in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectible.

Short-term deposits include cash held on deposit either with the CBF Church of England Funds, or at the bank.

2 Analysis of income and endowments

	Unrestricted Fund	Restricted Fund/s	Endowed Fund/s	Total Funds 2021	*Total Funds 2020*	Notes
	£	£	£	£	*£*	
Planned giving (excl. tax refunds)	25,472	-	-	25,472	*29,797*	
Loose cash collections	906		-	906	*1,140*	
Other donations	3,504	3,823	-	7,327	*12,564*	
Gift Aid recoverable	2,232	-	-	2,232	*5,303*	
Legacies	-	-	-	-	*-*	
	£32,114	£3,823	-	£35,937	*£48,804*	
Fees for weddings & funerals	583	-	-	583	*1,688*	
Charitable activities	£583	-	-	£583	*£1,688*	
Fund Raising events income	1,858	-	-	1,858	*278*	
Church hall and room hiring fees	8,066	-	-	8,066	*7,283*	
Breakfast and café income	-	-	-	-	*608*	
Trading activities	£9,924	-	-	£9,924	*8,169*	
Bank & CBF deposit interest	£656	-	-	656	*704*	
CBF Investmetn fund dividend		-	-		*-*	
Other investment fund dividend		-	-	-	*-*	
Rent from letting of investment property	-	-	-	-	*-*	
Investments	£656	-	-	£656	*704*	
Grants	-	15,622	-	15,622	*6,832*	
Government Grants	-	-	-	-	*1,926*	
Grants	-	£15,622	-	£15,622	*£8,758*	
Total income and endowments on all funds	£43,277	£19,445	-	£62,722	*£68,123*	

3 Analysis of expenditure on:

	Unrestricted Fund	Restricted Fund/s	Endowed Fund/s	Total Funds 2021	*Total Funds 2020*	*Notes*
	£	£	£	£	£	
Investment management costs	-	-	-	-	-	
Cost of raising funds	-	-	-	-	-	
Missionary and charitable giving	565	-	-	565	-	
Ministry:						
Diocesan parish share	14,750	-	-	14,750	*£13,282*	
Other clergy costs & housing	50	-	-	50	*£1,382*	
Staff	14,008	-	-	14,008	*£14,276*	*4*
Miscellaneous church service costs	566	-	-	566	*£256*	
Parish Office costs	1,188	-	-	1,188	*£2,172*	
Church Utility bills	4,364	-	-	4,364	*£4,454*	
Friends of St Michael's	203	1,213	-	1,416	*£1,015*	
Advertising	-	-	-	-		
Church Music	385	-	-	385	*£1,440*	
Church running	1,084	-	-	1,084	1,435	
Subscriptions	222	-	-	222	*£572*	
Church maintenance and repair	14,631	-	-	14,631	*£4,793*	
Insurance	6,209	-	-	6,209	*£6,281*	
Governance	1,930	-	-	1,930	*£2,898*	*5*
	-	-	-			
Cost of charitable activities	£60,155	£1,213	-	£61,368	*£54,256*	
Cost of trading activities	2,041	-	-	2,041	*£1,556*	
Cost of other trading activities	£2,041	-	-	£2,041	*£1,556*	
Total expenditure	£62,196	£1,213	-	£63,409	*£55,812*	

4 Staff costs

	Unrestricted Fund	Restricted Fund/s	Endowed Fund/s	Total Funds 2021	*Total Funds 2020*	Notes
	£		£	£	£	
a Remuneration						
Wages and salaries	14,008	-	-	14,008	*14,276*	
Pastoral assistants	-	-	-	-	-	
	£14,008	-	-	£14,008	£14,276	

5 Governance

	Unrestricted Funds	Restricted Fund/s	Endowed Fund/s	Total Funds 2021	*Total Funds 2020*	Notes
	£	£	£	£	£	
Professional fees	-	-	-	-		
Independent examination	500	-	-	500	*£500*	
Accounts production	1,430	-	-	1,430	*£2,098*	
Payroll	-	-	-	-	*£300*	
	£1,930	-	-	£1,930	*£2,898*	

6 Analysis of transfers between funds

	Unrestricted Funds	Restricted Fund/s	Endowed Fund/s	Total Funds 2021	*Total Funds 2020*	Notes
Fund transfer movements	-	-	-	-	-	
	-	-	-	-	-	

7 Fixed Assets

a Investments

	Unrestricted Fund	Restricted Fund/s	Endowed Fund/s	Total Funds 2021	Notes
	£		£	£	
Market value 1 January 2021	-	41,343	337,530	378,873	
Disposals at carrying value	-	-	-	-	
Purchases at cost	-	-	-	-	
Net gains and revaluation	-	5,914	36,868	42,782	
Market value 31 December 2021	-	£47,257	£374,398	£421,655	

There is no investment asset outside the UK
Fixed asset investment refers to the holdings of CCLA Diocesan Investment.

Tangible fixed assets

	Fixture and fittings	Total assets	Notes
	£	£	
Cost or valuation			
At 1 January 2021	1,650	1,650	
Additions	-	-	
Disposals	-	-	
Revaluation	-	-	
At 31 December 2021	1,650	1,650	
Depreciation			
At 1 January 2021	1,650	1,650	
Additions	-	-	
Disposals	-	-	
Revaluation	-	-	
At 31 December 2021	1,650	1,650	
Net book amounts			
At 31 December 2021	-	-	
At 31 December 2020	-	-	

8 Analysis of net assets by fund

	Unrestricted Funds	Restricted Fund/s	Endowed Fund/s	Total Funds 2021	*Total Funds 2020*	Notes
	£	£	£	£	£	
Fixed assets for church use	-	-	-	-	-	
Investment fixed assets	-	-	-	-	-	
Current assets (except cash)	-	58,724	7,994	66,718	*68,178*	9
Cash at bank and on deposit	13,431	-	-	13,431	*14,019*	12
Current liabilities	(3,191)	-	-	(3,191)	*(2,575)*	10
Non-current liabilities	-	-	-	-	-	
	£10,240	£58,724	£7,994	£76,958	£79,622	

9 Debtors

	Unrestricted Funds	Restricted Fund/s	Endowed Fund/s	Total Funds 2021	*Total Funds 2020*	Notes
	£	£	£	£	£	
Prepayments and accrued income	-	-	-	-	*111*	
Other debtors	-	58,724	7,994	66,718	*68,067*	
		£58,724	£7,994	£66,718	*£68,178*	

Included in other debtors is the RBS Friends of St Michael bank account

10 Creditors: amounts falling due within one year

	Unrestricted Funds	Restricted Fund/s	Endowed Fund/s	Total Funds 2021	*Total Funds 2020*	Notes
	£	£	£	£	£	
Other creditors	1,131	-	-	1,131	*215*	
Accruals & deferred income	2,060	-	-	2,060	*2,360*	
	£3,191	-	-	£3,191	*£2,575*	

Included in other creditors are PAYE and NI due to HMRC

11 Statement of funds

	Balances b/fwd 1 Jan 2021	Income	Expenditure	Transfers, other gains and losses	Balances c/fwd 31 Dec 2021
	£		£	£	£
Restricted Fund	45,544	19,445	(1,213)	5,914	*69,690*
Endowment Fund	385,659	-	-	34,891	*420,550*
Total of all restricted funds	**£431,203**	**£19,445**	**(£1,213)**	**£40,805**	**£490,240**
General fund	27,292	43,277	(62,196)	-	*8,373*
Total of all unrestricted funds	**£27,292**	**£43,277**	**(£62,196)**		*£8,373*
Total funds	**£458,495**	**£62,722**	**(£63,409)**	**£40,805**	**£498,613**

12 Analysis of cash and cash equivalents

	Total Funds 2021	Total Funds 2020
	£	£
Cash in hand	13,431	14,019
Notice deposits (less than 3 months)		
	£13,431	**£14,019**

13 Related parties and transactions

There were no related party transactions for the year ended 31 December 2021.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MICHAEL AND ALL AN

England & Wales - Charity number 1152502

Accounts

REGISTERED CHARITY NUMBER: 1152502

REPORT OF THE TRUSTEES AND UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020 FOR THE PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL & ALL ANGELS CHURCH, BRIGHTON

UHY Hacker Young
168 Church Road
Hove
East Sussex
BN3 2DL

CONTENTS

	Page No.
Report of the Trustees	3 to 10
Independent Examiner's Report	11
Statement of Financial Activities	12
Statement of Financial Position	13
Notes to the Financial Statements	14 to 21

Independent Examiner:	Peter Tuffin UHY Hacker Young (S.E. Limited) 168 Church Road Hove East Sussex BN3 2DL
Bankers:	Metrobank One Southampton Row London WC1B 5HA

INTRODUCTION

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st 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 2015).

ADMINISTRATIVE INFORMATION

St Michael's Church is located in Victoria Road, Brighton. It continues as an autonomous parish within the Benefice of Brighton, St Michael and All Angels and St Paul, part of the Diocese of Chichester within the Church of England. All correspondence should be addressed to the Parish Office.

The Parochial Church Council (PCC) is a registered charity, having been registered with the Charity Commission within the meaning of the Charities Act 1993. The PCC's Registered Charity Number is 1152502. The Advowson of the Benefice is held by the Society for the Maintenance of the Faith. The PCC has passed a Resolution with regard to the five guiding principles of the House of Bishops and is a member of The Society.

During the year, the following served as members of the PCC:

Incumbent:	The Reverend Robert Norbury	- Chair until July 2020
Assistant Curate:	The Reverend Richard Tuset	- Until September 2020
Assistant Priest:	The Reverend Kevin Humphrys	
Churchwardens:	Andrew Peel - *Vice-Chair until Oct 2020; Acting Chair from Oct 2020*	
	Tom Cosgrove	
Deanery Synod Rep:	Graham Buche	
Elected Members:	Andrew Collin	
	Shirley Derkson *until October 2020*	
	Adam Le Clercq	
	Luci Heffernan - *PCC Secretary from October 2020*	
	Simon Marlow *from October 2020*	
	Paula Norbury - *PCC Secretary until July 2020*	
	John Rushworth-Potter	
	Ian Smith	
	Ray Steers	
	Simon Thompson - *PCC Treasurer*	
	Michael Timmons *from October 2020*	

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Membership of the PCC is determined under the Church Representation Rules and consists of ex-officio members, (the Incumbent and Assistant Curates); the churchwardens and members of the Deanery Synod, plus up to 9 elected members of the laity who are elected by rotation at the Annual Parochial Church

Meeting (APCM) and any co-opted member. Systems are in place to ensure that members of the committee are aware of their responsibilities as charity trustees, and equipped to fulfil their roles.

The PCC is responsible for a wide range of matters affecting the Parish, including:

- Caring for, maintaining, preserving and taking out adequate insurance cover for the fabric, goods and artefacts/relics of the church.
- Consulting with the incumbent on matters of general concern and importance to the Parish, and co-operating with him in promoting the mission of the church.
- Complying with health, safety and disability legislation.
- Safeguarding vulnerable people who visit the church.
- Ensuring the stewardship of funds and for the accounting and reporting of the parish finances.

OBJECTIVES AND ACTIVITIES

The primary objective of St Michael's PCC is the promotion of the Gospel of our Lord Jesus Christ according to the doctrines and the practices of the Church of England. The PCC has the responsibility of co-operating with the incumbent in promoting, in the ecclesiastical parish, the worship, the mission of the Church, pastoral care and community outreach.

REVIEW OF THE YEAR

Ministry

Father Robert served as Vicar of the Benefice of St Michael & All Angels and St Paul, Brighton, thus having like responsibility also for St Paul's Church and Parish until July 2020, when he left to take up the position of Vicar of St Symphorian's, Durrington. We would like to express our gratitude to Fr Kevin Humphrys, our Assistant Priest, who has been taking our Sunday services during the interregnum.

The pattern of weekday Masses was inevitably affected by COVID-19, but, when Government restrictions permitted, we held our usual services, including the 11am Tuesday and Friday Masses and Sunday's main Parish Mass at 10.30am, live-streamed on Facebook and YouTube for those unable to attend. This proved to be an invaluable resource for the congregation when we were closed, and for the housebound and the vulnerable once we reopened. Our thanks go to Fr Kevin and Laura Humphrys for making these live-streams work, and for linking St Michael's with those worshippers unable to attend in person.

Special services

There were two baptisms, six funerals and one wedding during the year.

Children and young people

Our work with children and young people continues to grow and strengthen, and includes:

- **'Treasure Seekers':** The Sunday School continues to be well-run and we are very grateful to all those who help. This has been a particularly challenging time and yet we have continued to operate as and when restrictions allowed throughout the lockdowns. At Christmas 2020, we took the difficult decision not to hold a Crib Service because of our concerns about social distancing, as we could not be certain about how many children and parents would attend.
- **Little Angels Play Group:** The Monday Under-fives playgroup - 'Little Angels' - continues to thrive and we are very grateful to Nicole Le Clercq, in particular, for her hard work in ensuring the group runs well and for the additional help provided by Hilary Hyde-Smith. Between 15 to 20 toddlers and their parents/guardians attend each week and with the increasing numbers, we have had to review

our arrangements to ensure the sessions remain safe and enjoyable. Unfortunately, Little Angels has not been able to meet since the first lockdown in March but during the lockdown Father Richard spent a considerable amount of time live-streaming and recording sessions for both the Treasure Seekers and Little Angels.

- **St Paul's School:** School assemblies and worship continued until the lockdown restrictions came into effect.
- **DownsLink YMCA:** Fr Richard continued as a chaplain to the YMCA, providing pastoral and spiritual support to vulnerable young people under the age of 25. This support included cooking and serving a communal meal every three weeks for the staff and residents at a local supported-housing facility.

Safeguarding

The Clergy, Officers and PCC are committed to excellent safeguarding practices and the safety and well-being of all those in our community is our priority. The PCC has adopted the various national and diocesan Church of England safeguarding policies and protocols - principles which are summarised in our Safeguarding Policy Statement which is available on our website and at the back of church.

We have completed the SPQ ('Safer Quality Protects') assessment and everyone who participates in the life of St Michael's is aware that they have a role to play in promoting *a Safer Church For All.*

Ian Smith is the Safeguarding Officer and Lead Recruiter, with responsibility for safeguarding, safeguarding training and for championing safeguarding 'best practice' within St Michael's.

Fabric, maintenance and building projects

The building, fixtures, and furnishings were inspected at regular intervals throughout the year. Ongoing regular minor maintenance has ensured that there has been no deterioration of fabric during the period. We experienced some serious storm damage to the roof of the north aisle, and the hall corridor roof was damaged by scaffolders, but these matters were dealt with immediately to prevent further damage and water ingress.

Some minor works of improvement were made to shrines, sanctuary lamp suspension and fire safety, and health and safety-related issues were dealt with as they arose.

There were no improvement schemes commenced within the year because of restrictions on expenditure in light of the pandemic. However, the PCC remains committed to the schemes previously approved, these

being the progressive replacement of and improvement to the lighting throughout the church, and the programme of repairs and refurbishment of vestments, as and when funding is available. The Friends of St. Michael's confirmed their financial support for the vestment scheme on condition that the PCC is able to secure matched funding for their proportion of the cost.

The antique brass chandelier above the font was repaired and refurbished, and we are grateful to the Friends of St Michael's for meeting the cost of this.

Social Committee

Only one of the events scheduled to take place, the Pancake party and Quiz Night, on Shrove Tuesday, went ahead as planned.

The choir

Organist and Director of Music, Adam Le Clercq comments: "*Everybody at church appreciates the effort, reliability and commitment of our choir members and all that they have put into each of our sung services during 2020. We are also thankful to St Paul's Church for their singers who augmented our choir at Michaelmas and Christmas services this year.*"

Music at St Michael's

St Michael's did not hold any of its usual classical music concerts during Brighton Fringe 2020 because of its cancellation due to coronavirus.

The church as a community resource

St Michael's is an inclusive church and warmly welcomes everyone, including families and young people.

In terms of community outreach, we provide cooked breakfasts for local people in the hall every Saturday morning, though this service had to be suspended when the Lockdown was imposed in late March. This facility - which would have celebrated its 30th anniversary in May - is run entirely by volunteers and is used by a broad range of people including the street homeless, local residents, passers-by and church visitors. We are particularly proud of our established links with the First Base Day Centre, Project Antifreeze and The Clock Tower Sanctuary for young homeless people – each of which are given vouchers to enable their clients to obtain a free breakfast with us.

The community hall is also used regularly for an eclectic range of purposes including yoga groups, exercise classes, choirs, children's parties, social and community events and corporate meetings. It is an important asset for local people which also generates vital revenue for St Michael's.

The Friends of St Michael's

January was completed with a fine display of the Friends' community spirit - with 50 people wrapped up well to enjoy a cold January evening together inside the church. Little did we know that 18 months later we would still be awaiting a follow-up live gathering. Sadly, plans for 2020, including the 10th anniversary dinner in June, had to be put on ice too, as COVID-19 restrictions were implemented. Plans to take forward the vestments project in conjunction with the church, as referenced in last year's report, could not be progressed because of the PCC's restriction on all non-urgent project expenditure during the pandemic.

While the bigger projects were put on hold, the Friends did contribute in smaller ways compatible with our objectives. A £250 contribution for replacement bulbs in the chapel, with dual orientation to illuminate the

ceiling, was followed by grants to meet the costs of repair of a chandelier above the font and of a sanctuary lamp in the Bodley church. The Friends continue to work with the PCC to identify such opportunities for support in these difficult times.

The suspension of normal service also affected Friends' income, of course, which ended the year at £44,879 (with some Gift Aid outstanding), and membership, although we are very grateful to those Friends who were generous in not requesting a subscription refund. Member numbers held up at a little below 200, and we hope that the events which we organised later in the year and into 2021 will have been some recompense.

In particular, we were delighted at the initiative of Alexandra Loske to offer Zoom talks, which were warmly received, with some 50 Friends joining the presentation about Angelica Kaufmann - 'Miss Angel Comes to Britain' - on 20th November. A Christmas talk on The Moon in Literature similarly provided the

opportunity for sharing Christmas good wishes.

Two Committee meetings took place in August, via Zoom. Committee members were Tony Bailey, Chris Dawes (Chair), Roger Fine (Treasurer), Tom Cosgrove, Jane Osler, Jonathan Prichard, Simon Thompson and Gabi Tubbs. Sarah Allison was our estimable Membership Secretary.

Four issues of *The Flyer* were published (in January, April, October and December), for which we are indebted to all contributors and to Alison Minns and Tony Bailey for pulling them all together.

Electoral Roll
In 2020, there were 86 people on the Electoral Roll, of whom approximately one third reside in the Parish.

Church attendance
The Statistics for Mission Return for 2020 notes the *'huge upheaval that churches have been through, and the amazing creativity and resilience that churches have displayed in continuing to offer worship and pastoral support to their congregations and parishioners during this difficult time'*. We cannot provide a meaningful average number for church attendance on Sundays in 2020, but the statistics we could provide for the month of October, as requested by the Diocese, showed adult attendance at 39 and those under 16 at 9. These figures do not reflect those who watched the service (either live streamed or at another time), and neither do they provide a true reflection of our 'normal' Sunday Mass congregation sizes.

PCC Report
The PCC was able to meet three times during the year, with all meetings held via Zoom during the Lockdown. An extraordinary PCC meeting was held on 10th August 2020 with the Archdeacon, Martin Lloyd Williams, to hear about plans for the interregnum, parish reorganisation and Deanery strategy. The Standing Committee consists of the Vicar (until July 2020), the Churchwardens, the Treasurer and Parish Administrator, as well as Fr Kevin Humphrys, Assistant Priest (from July 2020).

Deanery Synod
Deanery Synod acts as an intermediary between the Parochial Church Councils of each parish in its Deanery and the Synod of the Diocese. It consists of all clergy licensed to a benefice within the Deanery, plus lay members elected by their Parochial Church Council. St Michael and All Angels has one lay member, Graham Buche, and two vacancies.

The current Synod runs to 2023. Due to COVID-19 and the Government's restrictions, Brighton Deanery Synod only met in Feb 2020. Synod begins with prayers followed by Deanery business, a financial report, Rural Dean's updates, guest speakers and it closes with prayers.

Pastoral Care Group
In addition to the work undertaken by Father Robert, supported by the Assistant Curates, the Pastoral Care Group has continued in its faithful and loving service to the parish. This ministry has included visiting the sick and dying in hospital, home communion visits and, before Lockdown, a weekly ministry to the residents of the Pines Care Home by the Assistant Curate, and by John Rushworth-Potter and John Hyde-Smith, to whom we are very grateful. The Pines are especially appreciative of our ongoing support and care and the residents and their families express great appreciation for all we do.

COVID-19 addendum
On 11 March 2020, the WHO declared COVID-19 a pandemic and the UK duly went into lockdown on 23 March. The need for social-distancing meant that services could not be held and significant changes were

made to every aspect of parish life including Sunday Worship, our work with young people and our approach to communications and publicity.

Significant additional work was undertaken to communicate changes in public worship and the broader life of the church including our Treasure Seekers Sunday School, school assemblies and our Little Angels sessions. We have continued to spread the word via posters, weekly mailouts, an increased Facebook presence, the creation of a YouTube Channel and through the livestreaming and recording of the Sunday Mass. Adopting this new approach to our mission and evangelism has been a steep learning-curve for St Michael's clergy and PCC, but feedback from parishioners, families and the schools has been hugely positive. At the height of the Lockdown, the Sunday Mass broadcast was reaching over 650 people and one service has had 1,500 views. The number of views for Little Angels videos on YouTube is generally over 60 and has been as high as 350.

'Public Benefit' reporting

The PCC is a charity, and the "advancement of religion" is a charitable purpose under the Charities Act 2011. The PCC is aware of the Charity Commission's guidance on public benefit in relation to the advancement of religion and have regard to it in the administration of St Michael and All Angels Church.

The PCC believes that, by promoting the work of the Church of England in the City of Brighton and Hove, the church helps to promote the whole mission of the Church - pastoral, evangelistic, social and ecumenical. Furthermore, in doing so, it provides a benefit to the public by promoting Christian values, and by providing facilities for public worship, as well as opportunities for pastoral care and spiritual and moral development, both for its members and for anyone who wishes to benefit from what St Michael's offers.

Specific examples of our impact in 2020 include:

- Helping people to be part of a community and a church family - by providing opportunities for social engagement which is good for emotional and spiritual health.
- The provision of free activities for children (e.g. Treasure Seekers' Sunday School and Little Angels' play-group) which support parents and provide opportunities for children to learn, socialise and enjoy themselves.

- The provision of pastoral and prayer support and a 'listening ear' to people who are distressed or in difficulty. Pastoral visits, when permitted, provide support and help to reduce isolation.
- Saturday's Community Breakfasts - a form of direct, compassionate support to the city's street homeless, as well as the provision of a hot meal to local residents and church visitors.
- The provision of opportunities for volunteering (e.g. as PCC members, servers, meeters-and-greeters, Saturday Breakfast team members, Friends' committee members etc.) - who learn new skills, become part of a community and meet new people.
- Enabling people to explore, enjoy and benefit from art, music and our heritage through our exhibitions, talks and concerts, as well as through our regular church services.

The PCC is of the view that this report, taken as a whole, provides evidence that the church furthered its charitable purposes for the public benefit in 2020.

Financial Review

- **The impact of COVID-19**

Like all churches, we received no 'plate' collections, no 'envelope' gifts and no wall-safe donations whilst we were closed, and much of our 'earned' income from Saturday breakfasts and lettings dried up, as did

revenue from concerts, Brighton Festival & Fringe events

Inevitably, we saw some reductions in expenditure (such as on heating and lighting during Lockdown), and the PCC took the difficult decision to reduce our monthly 'Parish Share' sum paid to the Diocese to protect our cash reserves. We also received furlough payments towards the Director of Music's salary. Nevertheless, the Parish had to continue paying a wide range of bills, even with our doors firmly bolted. In March 2020, having taken careful stock of our situation, we calculated that, if we did nothing, the likely financial impact of the pandemic would be a net loss in the region of £15,000.

To address this anticipated shortfall, the PCC launched a fundraising appeal in April which, we are pleased to say, raised this full sum from members of the congregation and other external funders. We are particularly grateful to The John Booth Foundation for its generous support.

- **Net position**

Despite the aforementioned concerns about what our year-end figures would reveal, we are pleased to report that this year's accounts show an overall positive 'net' figure, once returns from our investments have been factored in, of **£41,938** (2019: £36,068).

More significantly, perhaps, in terms of our day-to-day income and expenditure, we were able to 'balance the books' in 2020, generating more than we spent for the first time in five years. We saw income of **£68,123** (2019: £92,953) from regular gifts, ad hoc donations, grants, trading and endowments versus expenditure of **£55,812** (2019: £104,831), resulting in a surplus of **£12,311**.

Given 2020's myriad challenges and financial pressures, marked not only by COVID-19 but also by the parish entering into interregnum, this is a considerable achievement and one of which the PCC and the congregation should be extremely proud. We were very fortunate that church members, our community and the Friends supported us through this testing period and, with their continued giving, membership renewals, additional donations and Gift Aid claims (which resulted in a further £5,300 of recovered tax), St

Michael's has emerged relatively unscathed from what has been the toughest of years. Our heartfelt thanks go out to <u>everyone</u> who supported us and made this possible.

- **Income**

The main income 'headlines' are that:

- Donations and legacy income was down 20%, from £61,213 to £48,804. Notably, in a year in which many people's finances were under considerable pressure, we saw planned giving (excluding Gift Aid) reduce by only 12%, from £33,945 to £29,797.
- Not surprisingly, overall trading income was down, by 67% overall, from £24,459 to £8,169. Despite this, income from hall and room lettings was actually up on the previous year – to £7,283 vs £6,395 in 2019, an increase of just under 14%.
- Investment income (managed by the Diocese of Chichester) was down 38%, to £29,627 (£47,946 in 2019).

- **Expenditure**

When the pandemic struck in March 2020, the PCC set itself the goal of minimising expenditure as far as we were able to. The upshot was that we saw a significant reduction in our outgoings, from £104,831 in 2019 to £55,812 in 2020, or 47% year-on-year.

- **Reserves policy**

It is PCC policy to maintain a balance on the general unrestricted fund that equates to at least six months' worth of running costs, as contingency against unforeseen situations. Unfortunately, given the continued demands on our expenditure over the last 12 months, it has not been possible to maintain such a level. As such, our 'Free Reserves' level as of 31st December 2020 stood at circa £14,000, which equates to three months' expenditure.

- **'Going concern' statement**

The PCC is aware that it has responsibility for assessing the charity's ability to continue as a going concern.As such, and having appropriately considered all of the information available to them, the trustees are happy to state in this report that this is indeed the case – our key indicator of sustainability being our net income at 31 December 2020, which was £35,106.

Risk assessment

The PCC examines major risks that the church faces each year and has systems in place to monitor and controlthese risks to mitigate any impact that they may have on the church in the future.

Registered Charity number
1152502

Registered office
St Michael's Parish Office
St Michael's Place
Brighton
East Sussex
BN1 3FU

Approved by order of the board of trustees on 8th June 2021 and signed on its behalf by:

Andrew Peel
Trustee/Churchwarden/Acting Chair

PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL AND ALL ANGELS, BRIGHTON

Registered Charity no. 1152502

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
For the year ended 31 December 2020

I report on the accounts for the year ended 31st December 2020 which are set out on pages 12-21

Respective responsibilities of the Trustees and Independent Examiner

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

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commissioners section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement
My examination was carried out in accordance with the General Directions given by the Charity Commission.

An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the management committee concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in a full audit, and consequently I do not express an audit opinion on the accounts.

Independent Examiner's Statement
In connection with my examination, no matter have come to my attention:

1 which give me reasonable cause to believe that in any material respect the requirements

- to keep accounting records in accordance with s.130 of the 2011 Act; or
- to prepare accounts which accord with these accounting records have not been met; or

2 to which in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

UHY Hacker Young (S.E.) Ltd
Chartered Accountants
Independent Examiner

Date: 28 May 2021

PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL AND ALL ANGELS, BRIGHTON
Registered Charity no. 1152502
Statement of Financial Activities
For the year ended 31 December 2020

	Unrestricted Fund	Restricted Fund/s	Endowed Fund/s	Total Funds 2020	*Total Funds 2019*	*Notes*
	£	£	£	£	£	
Income and endowments from:						
Donations and legacies	47,124	1,680	-	48,804	*61,213*	
Charitable activities	1,688	-	-	1,688	-	
Other trading activities	8,169	-	-	8,169	*24,459*	
Investments	704	-	-	704	*713*	
Grants	1,926	6,832	-	8,758	*6,568*	
Other receipts	-	-	-	-	-	
Total income	59,611	8,512	-	68,123	*92,953*	*2*
Expenditure on:						
Raising funds	-	-	-	-	-	
Charitable activities	46,409	7,847	-	54,256	*100,653*	
Other Trading activities	1,556	-	-	1,556	*4,178*	
Total expenditure	47,965	7,847	-	55,812	*104,831*	*3*
Net gains (or losses) on investments	-	2,660	26,967	29,627	*47,946*	
	11,646	3,325	26,967	41,938	*36,068*	
Transfer between funds	-	-	-	-	-	*6*
Net income	11,646	3,325	26,967	41,938	*36,068*	
Reconciliation of funds:						
Net movement in funds	11,646	3,325	26,967	41,938	*36,068*	
Total funds brought forward	15,646	42,219	358,692	416,557	*380,489*	
	27,292	45,544	385,659	458,495	*416,557*	*11*

PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL AND ALL ANGELS, BRIGHTON

Registered Charity no. 1152502

Statement of Financial Position

As at 31 December 2020

	Total Funds 2020	*Total Funds 2019*	*Notes*
	£	£	
Tangible assets	-	-	
Investments	378,873	*315,469*	
Total fixed assets	**378,873**	*315,469*	*7*
Debtors	68,178	*58,976*	
Investments	-	-	
Cash at bank and in hand	14,019	*44,502*	*12*
Total current assets	**82,197**	*103,478*	
Creditors: Amounts falling due within one year	(2,575)	*(2,390)*	*10*
	79,622	*101,088*	*8*
Total assets less current liabilities	**458,495**	*416,557*	
Creditors: Amounts falling due after more than one year	-	-	
	458,495	*416,557*	
The funds of the charity:			
Unrestricted income funds	27,292	*15,646*	
Restricted funds	45,544	*42,219*	
Endowment funds	385,659	*358,692*	
Total restricted funds	**431,203**	*400,911*	
Total charity funds	**458,495**	*416,557*	12

This Annual Financial Report, for the year ended 31 December 2020, including the notes following, was Approved by the PCC and signed on its behalf by

Andrew Peel

Trustee/Churchwarden/Acting Chair .....

Date 8th June 2021

PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL AND ALL ANGELS, BRIGHTON

Registered Charity no. 1152502

Notes to the financial report

For the year ended 31 December 2020

1 Accounting policies

a Accounting convention

The financial statements have been prepared under the Church Accounting Regulations 2006 in accordance with applicable accounting standards and the current (2015) Statement Of Recommended Practice, Accounting and Reporting by Charities SORP (FRS 102).

The financial statements have been prepared under the historical cost convention as modified by the inclusion of investments at market value. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their affiliation to another body, nor those which are informal gatherings of church members.

b Funds accounting

Funds held by the PCC are:

Unrestricted funds - general funds which can be used for PCC ordinary purposes

Restricted funds - a) income from trusts or endowments which may be expended only on those restructed objects provided in the terms of the trust or bequest; b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaing unspent at the end of the year is carried forward as a balance on that fund.

Endowment funds - funds the capital of which must be maintained; only income arising from the investment of the endowment may be used, either as restricted or unrestricted funds, depending on the purpose set out in the terms of the original endowment

All income and endowments are accounted for without deduction for any costs of receivability, are recognised when there is evidence of entitlement, receipt is probable, and the amount can be measured reliably.

Donations and legacies
Collections are recognised when received.
Gift aid recovered is recognised when the income to which it is attached is recognised.
Grants and legacies are recognised when the formal offer in writing of the funding, is received by the PCC.

Charitable activities
Rents from property are recognised in accordance with the rental agreements, when receipt is probable.
Other charitable activities includes fund raising and breakfast and café income

Other trading activities

Other trading activities includes bank and CBF deposit interest.

Investment income
Dividends are accounted for when due and payable. Interest entitlements are accounted for as they accrue.

All other income

All other income is recognised in accordance with the above overall policy.

Gains and losses on investments

Realised gains are recognised when the investments are sold
Unrealised gains and losses are accounted for on revaluation at 31 December 2020.

d Expenditure

Expenditure is accounted for on an accruals basis and accounted for gross.

Grants

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

Church Activities

The diocesan parish contribution is accounted for on an annual basis, reflecting the allocation set by our Deanery. Any parish contribution unpaid at 31 December 2020 is provided for in these accounts as an operational (though not a legal) liability and is shown as a creditor in the balance sheet.

e Fixed Assets

Tangible fixed assets

Depreciation

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

Fixtures and fittings	25% on cost

f Current Assets

Amounts owing to the PCC at 31 December 2020 in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectible.

Short-term deposits include cash held on deposit either with the CBF Church of England Funds, or at the bank.

2 Analysis of income and endowments

	Unrestricted Fund	Restricted Fund/s	Endowed Fund/s	Total Funds 2020	*Total Funds 2019*	Notes
	£	£	£	£	£	
Planned giving (excl. tax refunds)	29,797	-	-	29,797	*33,945*	
Loose cash collections	1,140	-	-	1,140	-	
Other donations	10,884	1,680	-	12,564	-	
Gift Aid recoverable	5,303	-	-	5,303	*10,072*	
Legacies	-	-	-	-	*17,196*	
	£47,124	£1,680	-	£48,804	£61,213	
Fees for weddings & funerals	1,688	-	-	1,688	-	
Charitable activities	£1,688	-	-	£1,688	-	
Fund Raising events income	608	-	-	608	*13,516*	
Church hall and room hiring fees	7,283	-	-	7,283	*6,395*	
Breakfast and café income	278	-	-	278	*4,548*	
Other trading activities	£8,169	-	-	£8,169	*£24,459*	
Bank & CBF deposit interest	704	-	-	704	*713*	
CBF investment fund dividend	-	-	-		-	
Other investment fund dividend	-	-	-	-	-	
Rent from letting of investment property	-	-	-	-	-	
Investments	£704	-	-	£704	*£713*	
Grants	-	6,832	-	6,832	*6,568*	
Government Grants	1,926	-	-	1,926	-	
Grants	£1,926	£6,832	-	£8,758	*£6,568*	
Total income and endowments on all funds	£59,611	£8,512	-	£68,123	*£92,953*	

3 Analysis of expenditure on:

	Unrestricted Fund	Restricted Fund/s	Endowed Fund/s	Total Funds 2020	*Total Funds 2019*	Notes
	£	£	£	£	£	
Investment management costs	-	-	-	-	-	
Cost of raising funds	-	-	-	-	-	
Missionary and charitable giving	-	-	-	-	-	
Ministry:						
Diocesan parish share	13,282	-	-	13,282	*35,942*	
Other clergy costs & housing	1,382	-	-	1,382	*2,877*	
Staff	10,276	4,000	-	14,276	*15,216*	4
Miscellaneous church service costs	256	-	-	256	*2,625*	
Parish Office costs	2,172	-	-	2,172	*3,761*	
Church Utility bills	4,454	-	-	4,454	*11,249*	
Friends of St Michael's	-	1,015	-	1,015	*4,783*	
Advertising	-	-	-	-	*242*	
Church Music	1,440	-	-	1,440	*3,433*	
Church running	1,435	-	-	1,435	-	
Subscriptions	572	-	-	572	*702*	
Church maintenance and repair	1,961	2,832	-	4,793	*9,370*	
Insurance	6,281	-	-	6,281	*6,149*	
Governance	2,898	-	-	2,898	*4,304*	5
Cost of charitable activities	£46,409	£7,847	-	£54,256	*£100,653*	
Other trading activities	1,556	-	-	1,556	*4,178*	
Cost of other trading activities	£1,556	-	-	£1,556	*£4,178*	
Total expended on all funds	£47,965	£7,847	-	£55,812	*£104,831*	

4 Staff costs

	Unrestricted Fund	Restricted Fund/s	Endowed Fund/s	Total Funds 2020	*Total Funds 2019*	Notes
	£		£	£	£	
a Remuneration						
Wages and salaries	10,276	4,000	-	14,276	*14,398*	
Pastoral assistants	-	-	-	-	*818*	
	£10,276	**£4,000**	-	**£14,276**	**£15,216**	

5 Governance

	Unrestricted Funds	Restricted Fund/s	Endowed Fund/s	Total Funds 2020	*Total Funds 2019*	Notes
	£	£	£	£	£	
Professional fees	-	-	-	-	*674*	
Independent examination	500	-	-	500	-	
Accounts production	2,098	-	-	2,098	*3,630*	
Payroll	300	-	-	300	-	
	£2,898	-	-	**£2,898**	*£4,304*	

	Unrestricted Funds	Restricted Fund/s	Endowed Fund/s	Total Funds 2020	*Total Funds 2019*	Notes
6 Analysis of transfers between funds						
Fund transfer movements	-	-	-	-	-	
	-	-	-	-	-	

7 Fixed Assets

a Investments

	Unrestricted Fund	Restricted Fund/s	Endowed Fund/s	Total Funds 2020	Notes
	£		£	£	
Market value 1 January 2020	-	6,096	309,373	315,469	
Disposals at carrying value	-	-	-	-	
Purchases at cost	-	-	-	-	
Transfers	-	47,927	(47,927)	-	
Reclassification as current asset	-	(15,340)	49,117	33,777	
Net gains and revaluation	-	2,660	26,967	29,627	
Market value 31 December 2020	-	£41,343	£337,530	£378,873	

There is no investment asset outside the UK

Fixed asset investment refers to the holdings of CCLA Diocesan Investment.

Tangible fixed assets

	Fixture and fittings	Total assets	Notes
	£	£	
Cost or valuation			
At 1 January 2020	1,650	1,650	
Additions	-	-	
Disposals	-	-	
Revaluation	-	-	
At 31 December 2020	1,650	1,650	
Depreciation			
At 1 January 2020	1,650	1,650	
Additions	-	-	
Disposals	-	-	
Revaluation	-	-	
At 31 December 2020	1,650	1,650	
Net book amounts			
At 31 December 2020	-	-	
At 31 December 2019	-	-	

8 Analysis of net assets by fund

	Unrestricted Funds	Restricted Fund/s	Endowed Fund/s	Total Funds 2020	*Total Funds 2019*	*Notes*
	£	£	£	£	£	
Fixed assets for church use	-	-	-	-	-	
Investment fixed assets	-	-	-	-	-	
Current assets (except cash)	111	58,095	9,972	68,178	*58,976*	*9*
Cash at bank and on deposit	14,019	-	-	14,019	*44,502*	
Current liabilities	(2,575)	-	-	(2,575)	*(2,390)*	*10*
Non-current liabilities	-	-	-	-	-	
	£11,555	£58,095	£9,972	£79,622	*£101,088*	

9 Debtors

	Unrestricted Funds	Restricted Fund/s	Endowed Fund/s	Total Funds 2020	*Total Funds 2019*	*Notes*
	£	£	£	£	£	
Prepayments and accrued income	111	-	-	111	*87*	
Other debtors	-	58,095	9,972	68,067	*58,889*	
	£111	£58,095	£9,972	£68,178	*£58,976*	

Included in other debtors is the RBS Friends of St Michael bank account

10 Creditors: amounts falling due within one year

	Unrestricted Funds	Restricted Fund/s	Endowed Fund/s	Total Funds 2020	*Total Funds 2019*	*Notes*
	£	£	£	£	£	
Other creditors	215	-	-	215	-	
Accruals & deferred income	2,360	-	-	2,360	*2,390*	
	£2,575	-	-	£2,575	*£2,390*	

Included in other creditors are PAYE and NI due to HMRC

11 Statement of funds

	Balances b/fwd 1 Jan 2020	Income	Expenditure	Transfers, other gains and losses	Balances c/fwd 31 Dec 2020
	£		£	£	£
Restricted Fund	42,219	8,512	(7,847)	2,660	*45,544*
Endowment Fund	358,692	-	-	26,967	*385,659*
Total of all restricted funds	**£400,911**	**£8,512**	**(£7,847)**	**£29,627**	**£431,203**
General fund	15,646	59,611	(47,965)	-	*27,292*
Total of all unrestricted funds	**£15,646**	**£59,611**	**(£47,965)**	**-**	***£27,292***
Total funds	**£416,557**	**£68,123**	**(£55,812)**	**£29,627**	**£458,495**

12 Analysis of cash and cash equivalents

	Total Funds 2020	Total Funds 2019
	£	£
Cash in hand	14,019	*44,502*
Notice deposits (less than 3 months)	-	-
	£14,019	***£44,502***

13 Related parties and transactions

There were no related party transactions for the year ended 31 December 2020.