

**SAINT MICHAEL & ALL ANGELS CHURCH, BRIGHTON
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2020**

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 - <i>Vice-Chair until Oct 2020; Acting Chair from Oct 2020</i> Tom Cosgrove	
Deanery Synod Rep:	Graham Buche	
Elected Members:	Andrew Collin Shirley Derkson <i>until October 2020</i> Adam Le Clercq Luci Heffernan - <i>PCC Secretary from October 2020</i> Simon Marlow <i>from October 2020</i> Paula Norbury - <i>PCC Secretary until July 2020</i> John Rushworth-Potter Ian Smith Ray Steers Simon Thompson - <i>PCC Treasurer</i> Michael Timmons <i>from October 2020</i>	

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 everyone 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 control these 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

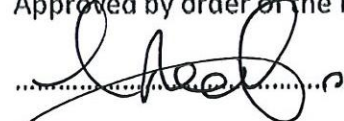
St Michael's Place

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.

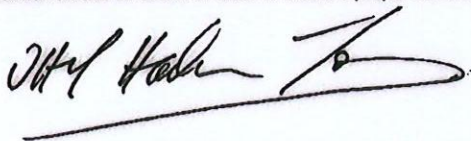
An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the management committee concerning any such 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	Total Funds	
	2020	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

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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 restricted 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 remaining 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 recoverability, 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.

PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL AND ALL ANGELS, BRIGHTON

Registered Charity no. 1152502

Notes to the financial report (continued)

For the year ended 31 December 2020

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
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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.

PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL AND ALL ANGELS, BRIGHTON

Registered Charity no. 1152502

Notes to the financial report (continued)

For the year ended 31 December 2020

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	

PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL AND ALL ANGELS, BRIGHTON

Registered Charity no. 1152502

Notes to the financial report (continued)

For the year ended 31 December 2020

3 Analysis of expenditure on:

	<u>Unrestricted Fund</u>	<u>Restricted Fund/s</u>	<u>Endowed Fund/s</u>	<u>Total Funds 2020</u>	<u>Total Funds 2019</u>	<u>Notes</u>
	£	£	£	£	£	
Investment management costs	-	-	-	-	-	
Cost of raising funds	-	-	-	-	-	
Missionary and charitable giving	-	-	-	-	-	
Ministry:						
<i>Diocesan parish share</i>	13,282	-	-	13,282	35,942	
<i>Other clergy costs & housing</i>	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	

PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL AND ALL ANGELS, BRIGHTON

Registered Charity no. 1152502

Notes to the financial report (continued)

For the year ended 31 December 2020

4 Staff costs	Unrestricted Fund	Restricted Fund/s	Endowed Fund/s	Total Funds 2020	Total Funds 2019	Notes
	£		£	£	£	
a Remuneration						
<i>Wages and salaries</i>	10,276	4,000	-	14,276	14,398	
<i>Pastoral assistants</i>	-	-	-	-	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
	£	£	£	£	£	
<i>Professional fees</i>	-	-	-	-	674	
<i>Independent examination</i>	500	-	-	500	-	
<i>Accounts production</i>	2,098	-	-	2,098	3,630	
<i>Payroll</i>	300	-	-	300	-	
	£2,898	-	-	£2,898	£4,304	

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

PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL AND ALL ANGELS, BRIGHTON

Registered Charity no. 1152502

Notes to the financial report (continued)

For the year ended 31 December 2020

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	-	-	

PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL AND ALL ANGELS, BRIGHTON

Registered Charity no. 1152502

Notes to the financial report (continued)

For the year 31 December 2020

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

PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL AND ALL ANGELS, BRIGHTON

Registered Charity no. 1152502

Notes to the financial report (continued)

For the year ended 31 December 2020

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.