

**SAINT MICHAEL & ALL ANGELS CHURCH, BRIGHTON  
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

**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

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Independent Examiner: Peter Tuffin  
UHY Hacker Young (S.E. Limited)  
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Hove  
East Sussex  
BN3 2DL

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One Southampton Row  
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## 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 1<sup>st</sup> 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:	<i>Vacant</i>
Assistant Priest:	The Reverend Kevin Humphrys
Churchwardens:	Andrew Peel - <i>Acting Chair from Oct 2020</i> Tom Cosgrove
Deanery Synod Rep:	Graham Buche
Elected Members:	Adam Le Clercq Andrew Collin Luci Heffernan - <i>PCC Secretary</i> Simon Marlow John Rushworth-Potter Ian Smith Ray Steers Simon Thompson - <i>PCC Treasurer</i> 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 26<sup>th</sup> 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 26<sup>th</sup> March) and its sequel, 'A Resort Transformed 1815-1830' on 25<sup>th</sup> June, followed by a talk illuminating aspects of Country Houses of the Sussex Downs (16<sup>th</sup> 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 4<sup>th</sup> 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 (24<sup>th</sup> September), the sold-out Italian evening on 26<sup>th</sup> 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 28<sup>th</sup> 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 interregnum.*

### **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 suppressed 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.

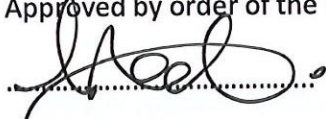
### **Risk assessment**

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
	£	£	£	£	£	
<b>Income and endowments from:</b>						
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	-	-	-	-	-	
<b>Total Income</b>	<b>43,277</b>	<b>19,445</b>	<b>-</b>	<b>62,722</b>	<b>68,123</b>	<b>2</b>
<b>Expenditure on:</b>						
Raising funds	-	-	-	-	-	
Charitable activities	60,155	1,213	-	61,368	54,256	
Other Trading activities	2,041	-	-	2,041	1,556	
<b>Total expenditure</b>	<b>62,196</b>	<b>1,213</b>	<b>-</b>	<b>63,409</b>	<b>55,812</b>	<b>3</b>
Net gains (or losses) on investments		5,914	34,891	40,805	29,627	
<b>Net Income</b>	<b>(18,919)</b>	<b>24,146</b>	<b>34,891</b>	<b>40,118</b>	<b>41,938</b>	
<b>Transfer between funds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6</b>
	(18,919)	24,146	34,891	40,118	41,938	
<b>Reconciliation of funds:</b>						
<b>Net movement in funds</b>	<b>(18,919)</b>	<b>24,146</b>	<b>34,891</b>	<b>40,118</b>	<b>41,938</b>	
<b>Total funds brought forward</b>	<b>27,292</b>	<b>45,544</b>	<b>385,659</b>	<b>458,495</b>	<b>416,557</b>	
	<b>8,373</b>	<b>69,690</b>	<b>420,550</b>	<b>498,613</b>	<b>458,495</b>	<b>11</b>

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

Andrew Peel

Trustee/Churchwarden/Acting Chair

Date 22-05-22

**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 2021

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**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.

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**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

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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 2021

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**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.

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**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.

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**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 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.

**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 2021

**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	-	-	-	-	-	
	<b>£32,114</b>	<b>£3,823</b>	<b>-</b>	<b>£35,937</b>	<b>£48,804</b>	
Fees for weddings & funerals	583	-	-	583	1,688	
Charitable activities	<b>£583</b>	<b>-</b>	<b>-</b>	<b>£583</b>	<b>£1,688</b>	
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	<b>£9,924</b>	<b>-</b>	<b>-</b>	<b>£9,924</b>	<b>8,169</b>	
Bank & CBF deposit interest	£656	-	-	656	704	
CBF Investment fund dividend	-	-	-	-	-	
Other investment fund dividend	-	-	-	-	-	
Rent from letting of investment property	-	-	-	-	-	
Investments	<b>£656</b>	<b>-</b>	<b>-</b>	<b>£656</b>	<b>704</b>	
Grants	-	15,622	-	15,622	6,832	
Government Grants	-	-	-	-	1,926	
Grants	<b>-</b>	<b>£15,622</b>	<b>-</b>	<b>£15,622</b>	<b>£8,758</b>	
<b>Total income and endowments on all funds</b>	<b>£43,277</b>	<b>£19,445</b>	<b>-</b>	<b>£62,722</b>	<b>£68,123</b>	

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 2021

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:						
<i>Diocesan parish share</i>	14,750	-	-	14,750	£13,282	
<i>Other clergy costs &amp; housing</i>	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	

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 2021

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	

	Unrestricted Funds	Restricted Fund/s	Endowed Fund/s	Total Funds 2021	Total Funds 2020	Notes
6 Analysis of transfers between funds						
Fund transfer movements	-	-	-	-	-	
	-	-	-	-	-	

**PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL AND ALL ANGELS, BRIGHTON**

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Notes to the financial report (continued)

For the year ended 31 December 2021

**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
	£	£	
<b>Cost or valuation</b>			
At 1 January 2021	1,650	1,650	
Additions	-	-	
Disposals	-	-	
Revaluation	-	-	
At 31 December 2021	1,650	1,650	
<b>Depreciation</b>			
At 1 January 2021	1,650	1,650	
Additions	-	-	
Disposals	-	-	
Revaluation	-	-	
At 31 December 2021	1,650	1,650	
<b>Net book amounts</b>			
At 31 December 2021	-	-	
At 31 December 2020	-	-	

**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 2021

**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*

**PAROCHIAL CHURCH COUNCIL OF SAINT MICHAEL AND ALL ANGELS, BRIGHTON**

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Notes to the financial report (continued)

For the year ended 31 December 2021

**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
<b>Total of all restricted funds</b>	<b>£431,203</b>	<b>£19,445</b>	<b>(£1,213)</b>	<b>£40,805</b>	<b>£490,240</b>
General fund	27,292	43,277	(62,196)	-	8,373
<b>Total of all unrestricted funds</b>	<b>£27,292</b>	<b>£43,277</b>	<b>(£62,196)</b>		<b>£8,373</b>
<b>Total funds</b>	<b>£458,495</b>	<b>£62,722</b>	<b>(£63,409)</b>	<b>£40,805</b>	<b>£498,613</b>

**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)		
	<b>£13,431</b>	<b>£14,019</b>

**13 Related parties and transactions**

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