



St. Michael's, Breaston

Growing as followers of Jesus



Annual Report for 2023 of The Parochial Church Council of the Ecclesiastical Parish of St. Michael, Breaston

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Administrative information

Reference details

St. Michael's Church, Breaston is a registered charity, number 1165581, rejoicing in the full name of *The Parochial Church Council of the Ecclesiastical Parish of St. Michael, Breaston*. The address of the church office is St. Michael's Church Office, Main Street, Breaston, Derby, DE72 3DX, telephone (01332) 872094. The date of registration as a charity is 16 February 2016.

Charity Trustees

The members of the PCC are classed as the trustees of the charity and their names are listed below (under *PCC Members*).

Bankers

Our current and deposit accounts are held by Lloyds Bank plc, 8 Tamworth Rd, Long Eaton, Nottingham NG10 1JJ. The account with Barclays was closed in January 2023.

Further deposit and investment funds are also held with CCLA Investment Management Ltd., One Angel Lane London, EC4R 3AB

Examiner

At the 2023 APCM, the PCC recommended that we re-appoint Clayton & Brewill as Independent Examiners. This motion was approved. Clayton & Brewill have conducted an examination of these accounts and the underlying records and their report is found on page 7.

Clergy Licensed to the Parish

Rev'd Chris Smedley (Rector)

Rev'd Maria Przeslawski (Permission to Officiate; co-opted to PCC)

Day-to-Day Management

Day-to-day management of the charity is delegated to the Rector in conjunction with the Staff Team.

At 31 December 2023, the staff team comprised:

Rev'd Chris Smedley (Rector – retiring 31st May 2024)

Steve Lacey (Youth and Community Worker)

Jodie McConnell (Young Church & Sunbeams Worker)

The Standing Committee comprises the Rector, the Churchwardens, the PCC Treasurer and the PCC Secretary of the Parochial Church Council.

PCC Members

The PCC members who formed the PCC after the APCM in March 2023 are:

Ex-officio members:

Rev'd Chris Smedley (Rector)

Mark Huskisson (Churchwarden)

Stephe Bowley (Churchwarden)

Phil Lees (Deanery Synod)

Colin Lowe (Deanery Synod)

Elected members (until 2024 APCM)

Paul Stuttle (PCC Treasurer)

Steve Lacey

Elected members (until 2025 APCM)

Hannah Knighton (PCC Secretary)

Anne Long

Rachel Lacey

Elected members (until 2026 APCM)

Richard Warburton

Laura Newman

Laura Holliday

Structure, Government and Management

Governing Constitution

Parochial Church Council (Powers) Measure 1956 are applicable. The PCC is a body corporate and a registered charity.

Risk Management Assessment

In common with all other organisations, the PCC is potentially at risk from a number of sources. The PCC are responsible for ensuring that these risks are reviewed so as not to expose the PCC to undue risk and that the PCC is in a position to correctly deal with any situation that may arise. Risks have been assessed and, where possible, mitigated. Examples of areas that are kept under review include:

Financial Strategy. Ensuring that we have sufficient reserves to meet expenditure and that income levels are maintained. Regular management accounts are supplied to budget holders and the PCC.

Data and Copyright Protection. Ensuring that we comply with all current regulations. There is a Data Protection policy in place to comply with GDPR.

Employment Regulations. Ensuring that all current legislation and regulations are complied with and 'best practice' in employment matters is observed.

Insurance. Insurance levels are reviewed annually.

Property. The Church building is professionally surveyed every 5 years and a maintenance plan developed.

Safeguarding. A policy is in force for the protection of children and vulnerable adults in the care of the PCC and its volunteers. A Parish Safeguarding Officer is appointed by the PCC and is responsible for ensuring the policy is enforced.

Internal Financial Controls. Expenditure and income are reported against budget and last year. Bank statements are reconciled monthly and two signatures are required for all payments, the majority of which are online payments. Cash is banked regularly.

Health and Safety

The Health and Safety Coordinator (currently the Standing Committee) is responsible for ensuring that all the Health and Safety policies are kept up to date and adhered to, and that regular safety checks are performed.

Public benefit

The PCC has considered the guidance of the Charity Commission with regard to public benefit. In planning activities, the PCC consider Charity Commission guidance and how it relates to our objectives.

Appointment of Trustees

Any person on the Electoral Roll of the parish may stand for election to the PCC. There are up to 9 'ordinary' elected members of the PCC, members who serve for a period of three years. Ex-officio members of the PCC are clergy licensed to the parish, churchwardens, lay readers and members of deanery, diocesan or general synods.

Churchwardens are elected annually at the Annual Meeting for the Election of Churchwardens; electors are members of the church Electoral Roll and those on the civil electoral roll for the parish of Breaston.

For other elected members, elections take place at the Annual Parochial Church Meeting (which immediately follows the Annual Meeting for the Election of Churchwardens); the electors are only those on the Church Electoral Roll.

In both cases, all candidates must be proposed and seconded in writing by persons entitled to attend the respective meetings. There is no recruitment method for trustees, as all Roll members are eligible. Upon appointment, new trustees are provided with the Charity Commission Guidelines relating to their legal duties and the smooth running of the PCC.

Trustees' Report

Financial Year

The financial year runs from 1st January to 31st December.

The income of St Michael's PCC in 2023 was £171,593 (*£136,534 previous year*) and expenditure totaled £167,659 (*£142,407*) of which the Common Fund was £65,705 (*£65,705*).

The net surplus for the year was £3,934 (*2022 Deficit £5,872*). This was arrived at after the net increase in the value of investments of £18,573 (*2022 Decrease £14,722*)

Cash reserves and investments were £204,096 (*£200,382*) which is well within our reserve policy.

Investment policy and objectives

It is our policy to invest surplus funds with CCLA Investment Management Ltd.

Reserves policy

It is PCC policy to maintain sufficient reserves of cash to enable payment of three months' unrestricted expenditure and a suitable sum to cover emergency situations. Currently, the sum considered to cover these potential outgoings is £60,000 (*£60,000*).

Standing Committee

The Standing Committee is a committee of at least five people required by ecclesiastical law, which states that the minister and churchwardens are ex officio plus at least two other PCC members elected by the PCC. By convention, the PCC Secretary and Treasurer are elected, but this can be changed at any time by the PCC. The Standing Committee has the power to transact the business of the PCC between its meetings, subject to any directions given by the PCC. It meets (usually monthly) between meetings of the PCC.

Parochial Church Council (PCC)

The PCC normally meets bi-monthly; there were six normal meetings during the year, including the meeting to appoint officers immediately after the Annual Parochial Church Meeting (APCM).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year. In so far as the Trustees are aware:

there is no relevant information of which the charity's independent examiner is unaware, and the Trustees have taken all steps necessary to make themselves aware of any relevant information and to establish that the independent examiner is aware of that information.

Objectives and Activities

The PCC has the responsibility for cooperating with the Rector, Chris Smedley, in promoting in the parish of St. Michael's, Breaston in the whole mission of the Church. Our vision is "To grow as disciples of Jesus". Our mission is the way that we work out the vision, by:

Loving God, ourselves and others

Experiencing the reality of God in everyday life

Serving, support, sharing

The church provides worship and teaching services on Sundays in normal times –

at 8:45 am in a traditional format,

at 10:30 am in a more contemporary format,

Evensong at 6:30 pm (alternating with the sister parish within the benefice).

There is also a communion service on Wednesday at 10:30 am.
Worship and teaching for children are available at the 10:30 am service.

Community and young people-
Youth groups
Explorers
Youth Café
Sunbeams for parents and toddlers
'Renew' Wellbeing Café
'Living Hope'

The services are open to everyone regardless of personal background, gender or personal circumstances.

Achievements and performance

2023 was affected by the cost of living crisis with many overheads increasing significantly. This was particularly true of energy costs, which rose by around 150%. Giving has remained static which reflects some of our members who are on pensions and others who are hit by these inflationary pressures. These factors have adversely affected the PCC's operating surplus, which was achieved thanks to the increase in the CCLA Investment fund of £18,573

The global recession and ongoing tragic war in Ukraine and, more recently, the instability in the Middle East, have all impacted our CCLA investment over the last couple of years. Nonetheless, due to CCLA's management of the funds, the investment increased as noted above as at 31st December 2023.

A 'Renew' Wellbeing Café for the community where 'it's okay not to be okay' continues to provide social and other activities for a wide range of people.

'Living Hope' provides support for people with family or friends struggling with addictions

Our Youth and Children's workers continue to run an 'Explorers' and Youth Café weekly activities, both of which have shown encouraging growth in the last year.

Independent Examiner's Report to the Trustees of The Parochial Church Council of the Ecclesiastical Parish of St. Michael, Breaston

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31st December 2023 which are set out on pages 7 to 13.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:


1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Name:

YVONNE JASON BSCFA

Signed:



Date:

22/3/24

Address: Clayton & Brewill Chartered Accountants, Cawley House, 149-155 Canal Street, Nottingham, NG1 7HR.



St. Michael's, Breaston

Growing as followers of Jesus

Statement of Financial Activities

	Unrestricted funds	Restricted funds	Endowment funds	Total funds	Prior year total funds
Income resources					
Income resources from generated funds					
Voluntary income	112,253	—	—	112,253	113,328
Activities for generating funds	4,591	—	—	4,591	5,280
Investment income	26,854	—	—	26,854	(7,844)
Income resources from charitable activities	23,333	—	—	23,333	21,132
Other incoming resources	4,462	—	—	4,462	4,638
Total income	171,593	—	—	171,593	136,534
Resources used					
Cost of generating funds					
Cost of generating voluntary income	—	—	—	—	—
Charitable activities	166,963	—	—	166,963	141,708
Governance costs	696	—	—	696	699
Total expenditure	167,659	—	—	167,659	142,407
Net income / (expenditure) resources before transfer	3,934	—	—	3,934	(5,873)
Transfers					
Gross transfers between funds - in	—	—	—	—	—
Gross transfers between funds - out	—	—	—	—	—
Other recognised gains / losses					
Net movement in funds	3,934	—	—	3,934	(5,873)
Total funds brought forward	200,251	—	—	200,251	206,124
Total funds carried forward	204,185	—	—	204,185	200,251
Represented by					
Unrestricted					
Designated	20,000	—	—	20,000	20,000
General fund	176,780	—	—	176,780	172,846
Designated					
Church improvement & maintenance fund	7,405	—	—	7,405	7,405
Restricted					
Agency collection	—	—	—	—	—

Balance sheet

Class and code	Description	This year	Last year
Fixed assets			
	Computer Equipment	—	—
	Office Furniture	—	—
	Total Fixed assets	—	—
Current assets			
	Barclays current account – closed Jan 2023	—	9,464
	Barclays deposit account - closed Jan 2023	—	—
	Lloyds Bank Current Account	10,145	10,089
	CBF deposit account No 1	29,008	34,008
	1723609 Nominal Treasury Stock	—	—
	CBF - Investment Fund CBF/612191003D	165,393	146,821
	Accounts Receivable	—	—
	Total Current assets	204,546	200,381
Liabilities			
	Agency collections	(338)	130
	Accounts Payable	699	—
	Total Liabilities	361	130
	Net Asset surplus(deficit)	204,185	200,251
Reserves			
	Excess / (deficit) to date	3,934	(5,873)
	Starting balances	200,251	206,124
	Total Reserves	204,185	200,251
	Represented by funds		
	Unrestricted	196,780	192,846
	Designated	7,405	7,705
	Restricted	—	—
	Endowment	—	—
	Total	204,185	200,251

Statement of assets and liabilities

	General	Designated	Restricted	Endowment	This year	Last year
Current assets - Cash at bank and in hand						
Barclays current account					—	9,464
Barclays deposit account					—	—
Lloyds Bank Current Account -	2,740	7,405	—	—	10,145	10,089
CBF deposit account No 1 -	29,008	—	—	—	29,008	34,008
Totals	31,748	7,405			39,153	53,561
Current assets - Investments						
CBF - Investment Fund CBF/612191003D -	165,393	—	—	—	165,393	146,821
Totals	165,393	—	—	—	165,393	146,821
Liabilities - Agency accounts						
Agency collections -	338	—	—	—	338	130
Totals	338	—	—	—	338	130

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Liabilities - Creditors: Amounts falling due in one year

Accounts Payable -

	699	-	-	-	699	-
Totals	699	-	-	-	699	-
Grand total	196,780	7,405	-	-	204,185	200,251

Analysis of income and expenditure

					Total	
	Unrestricted	Designated	Restricted	Endowment	This year	Last year

INCOME AND ENDOWMENTS

Incoming resources from generated funds - Voluntary income

Gift Aid - Bank	78,892	-	-	-	78,892	81,372
Gift Aid Collection	100	-	-	-	100	971
Other planned giving	1,740	-	-	-	1,740	2,501
Loose plate collections	5,137	-	-	-	5,137	5,809
Church Re-Ordering Project	-	-	-	-	-	-
Flower Festival Income	140	-	-	-	140	50
Gift Aid	-	-	-	-	-	15
Young Church & Sunbeams	568	-	-	-	568	1,260
Casual Gift Aid	-	-	-	-	-	-
Tax recoverable on Gift Aid	19,989	-	-	-	19,989	20,887
Legacies	5,000	-	-	-	5,000	-
Non-recurring one-off grants	-	-	-	-	-	-
Other funds generated	787	-	-	-	787	463
Total	112,353	-	-	-	112,353	113,328

Incoming resources from generated funds - Activities for generating funds

Magazine income - advertising	2,362	-	-	-	2,362	3,040
Parish magazine sales	2,229	-	-	-	2,229	2,240
Total	4,591	-	-	-	4,591	5,280

Incoming resources from generated funds - Investment income

Dividends and increase/(decrease) in investments	18,573	-	-	-	18,573	(14,721)
Bank and building society interest	1,393	-	-	-	1,393	227
Rent from lands or buildings	6,888	-	-	-	6,888	6,650
Total	26,854	-	-	-	26,854	(7,844)

Incoming resources from charitable activities

Renew Wellbeing donations	1,430	-	-	-	1,430	123
Fees for weddings and funerals	2,539	-	-	-	2,539	4,331
Church hall lettings - objectives	19,364	-	-	-	19,364	16,678
Total	23,333	-	-	-	23,333	21,132

Other incoming resources

Youth Worker	4,462	-	-	-	4,462	4,638
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Total	4,462	-	-	-	4,462	4,638
INCOME TOTAL	171,593	-	-	-	171,593	136,534

EXPENDITURE

Cost of generating funds - Cost of generating voluntary income

Other Restricted	-	-	-	-	-	-
Total	-	-	-	-	-	-

Charitable activities

Flowers for Church	23	-	-	-	23	-
Giving to missionary societies	4,420	-	-	-	4,420	5,915
Giving - relief and development agencies	-	-	-	-	-	-
Home mission	3,240	-	-	-	3,240	5,548
Mission projects - expenditure	456	-	-	-	456	554
Renew Wellbeing	837	-	-	-	837	854
Ministry Common Fund	65,705	-	-	-	65,705	65,705
Salary of parish administrator	4,244	-	-	-	4,224	4,495
Working expenses of incumbent	(125)	-	-	-	(125)	414
Funeral, wedding and other related costs	1,604	-	-	-	1,604	2,039
Rectory - water	594	-	-	-	594	546
Youth Worker and costs	17,184	-	-	-	17,184	15,093
Young Church & Sunbeams	11,394	-	-	-	11,394	6,803
Church running - insurance	3,816	-	-	-	3,816	2,166
Church maintenance	6,789	-	-	-	6,789	5,139
Cleaning	3,714	-	-	-	3,714	3,399
Upkeep of services	2,712	-	-	-	2,712	2,047
Upkeep of churchyard	2,550	-	-	-	2,550	-
Administration	4,393	-	-	-	4,393	1,171
Computer Hardware & Software	1,590	-	-	-	1,590	1,569
Church running - electric	16,388	-	-	-	16,388	5,411
Church running - water	167	-	-	-	167	95
Magazine expenses	2,726	-	-	-	2,726	2,881
Hall Management	806	-	-	-	806	788
Hall running - electricity	2,293	-	-	-	2,293	703
Hall running - gas	3,079	-	-	-	3,079	604
Hall running - insurance	600	-	-	-	600	1,160
Hall running - maintenance	5,583	-	-	-	5,583	6,485
Hall running - water	181	-	-	-	181	123
Hall + major repairs - structure	-	-	-	-	-	-
Library upkeep	-	-	-	-	-	-
Re-ordering Project - Church	-	-	-	-	-	-
Total	166,963	-	-	-	166,963	141,707

Governance costs

Governance costs examination/audit fee	696	-	-	-	696	699
Total	696	-	-	-	696	699
EXPENDITURE TOTAL	167,659	-	-	-	167,659	142,406
GRAND TOTAL	3,934	-	-	-	3,934	(5,872)

Notes to the financial statements for the year ended 31st December 2023

ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity have been prepared under the Church Accounting Regulations 2006 in accordance with applicable accounting standards and the current Statement of Recommended Practice, Accounting and Reporting by Charities and applicable accounting standard FRS102.

The financial statements have been prepared under the historical cost convention except for investment assets, which are shown at market value. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law.

Consecrated land and buildings and movable church furnishings:

Consecrated and beneficed property is excluded from the financial statements by section 96(2) (a) of the Charities Act 1993.

Tangible Fixed Assets for use in the charity

These are capitalised if they can be used for more than one year and cost at least £1,000. There were no such assets at 31st December 2023.

No value is placed on movable church furnishings held by the churchwardens on special trust for the Parochial Church Council and which require a faculty for disposal since the Parochial Church councillorship consider this to be an inalienable property. All expenditure incurred during the year on consecrated or beneficed buildings and movable church furnishings, whether maintenance or improvement, is written off as expenditure in the Statement of Financial Activities and separately disclosed.

VAT

The charity is not registered for VAT and all irrecoverable VAT is charged against the expenditure heading for which it was incurred.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

The Parochial Church Council has both unrestricted and restricted funds.

Unrestricted funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for application to the general purposes of the PCC.

Restricted funds relate to donations and grants which are specified for a particular purpose. Income is included in incoming resources of restricted funds when received. The relevant expenditure is then matched as restricted expenditure.

Designated Funds are general funds set aside by the PCC for use in the future. Designated funds remain unrestricted and the PCC will if appropriate move any surpluses not ear-marked for current purposes to other General Funds. As at 31st December 2023 there was one such fund designated:

- Buildings and Maintenance fund – for the repair and improvement of the church and church hall

Approval

Approved by the Parochial Church Council for the Ecclesiastical Parish of St. Michael, Breaston on 19th April 2024 and signed on its behalf by Paul Stuttle PCC Chairman (acting) and Treasurer.



19/3/24

