

The Parish of St Michael Cornhill

Annual Report and Financial Statements of the Parochial Church Council

**For the
year ending
31 December 2022**

Registered Charity Number 1179240

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PCC Annual report

Aim and Purposes

The primary objective of all PCCs is the promotion of the Gospel of our Lord Jesus Christ for the benefit of the public. Given the location and history of the church building, the PCC adopted the following objectives:

- To enable the mission of the Church to spread the good news of Jesus and make disciples of all nations
- To continue the musical tradition of St Michael's
- To allow the public to benefit from the restored organ and new bells

The PCC has specific responsibilities for the maintenance of the church building situated in Cornhill.

Objectives and activities

St Michael's main objective is to encourage further the worship of Almighty God through choral evensong services on Tuesdays and a monthly matins service following the Book of Common Prayer.

The PCC runs Organ recitals on Monday Lunchtimes.

The PCC has considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. The Church provides benefit to the public by providing resources and facilities to provide a place for public worship and prayer, for the provision of pastoral care for those living or working in the Parish, and for missionary and outreach work.

In order to facilitate this work, it is important that the PCC maintain the fabric of the Church of St Michael.

Achievements and performance

The church is opened during the week to afford a place of peace and reflection.

All are welcome to attend the Services. As well as our regular Services, we enable our community to celebrate and thank God at the milestones of the journey through life, at Baptism, Marriage and Thanksgiving Services, together with recognising the service of Livery Companies to the City and world at large.

Facilities are made available for those dealing with the problems of drug misuse.

The Rev'd Henry Eatock Taylor was licensed as Priest in Charge on 27 June.

Financial review

The net income for the year was £6,898 compared to £35,037 in 2021 (across both Unrestricted and Restricted Funds). A net outflow was planned, to use the bequest mentioned below however better than expected income has resulted in a net surplus for the year.

In 2015, the Church received a generous bequest of £155,000 in the Will of a former parishioner; this bequest is restricted to the furtherance of music and is not available for the running of the Church. This fund continues to underpin much of the musical activity of the Church and as at 31 December 2022 there was an unutilised balance on this fund of £7,088.

The PCC thanks the Thalben-Ball Trust for financial assistance for the support and training of an Organ Scholar, and the PCC of St Helen Bishopsgate for supplying clergy and other staff. It is also grateful for the support from The City of London Corporation through its Community Infrastructure Levy Neighbourhood Fund which funded the purchase of five benches, a tree bench, miscellaneous equipment and a gardening shed.

Reserves policy

The reserves policy of the PCC is to hold unrestricted funds to cover around three months' expenditure. It is expected that our income in future years will come from collections taken at services and recitals and grants from other charities. These income streams can be volatile and difficult to predict. The ability of the PCC to manage costs in the short term is limited as staff costs and costs associated with running the church building would take time to reduce.

At the end of 2022 unrestricted funds amounted to some £192,000 which is more than required to cover three months' expenditure. It is expected that some of these funds will be used for repairs to the building in the future.

Structure, governance and management.

The Parochial Church Council is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure and is registered with the Charity Commission.

The method of appointment of members is set out in the Church Representation Rules.

The PCC met five times during the year. A Standing committee transacts the business of the Council between PCC meetings, subject to any directions given by the Council. It met twice in 2022.

The PCC has complied with the duty to have due regard to the House of Bishops' Safeguarding Policy and Practice Guidance.

Administrative information

St Michael's Church is situated in Cornhill, City of London. It is part of the Diocese of London. The correspondence address is: St Michael's Church, St Michael's Alley, London, EC3V 9DS.

PCC members who have served at any time from 1 January 2022 until the date this Report was approved are:

Priest in Charge:	The Reverend H Eatock-Taylor	
Curates:	The Reverend A Balch	(Appointed 6 July 2022)
Wardens:	Dr D Bland	
	Alderman Robert Howard	
	R Phelps	
	P Pritchett	
	Miss M Vander-Steen	
	Miss Y Wang	(Resigned 16 May 2022)
	Dr L Webster	
	S Hung	(Appointed Warden 16 May 2022)
Elected:	L Elbourne	
	Mrs E Hunt	(Resigned 16 May 2022)
	T Liu	
	D Monro	
	Mrs J Taylor	
	S Sodadasi	
	R Meacher	
Ex Officio:	Miss D Buggs	(General Synod representative)
	J Wolstenholme	(Diocesan Synod representative) (Appointed 24 August 2022)
	Mrs H White	(Deanery Synod representative)
	S Hung (as above)	(Deanery Synod representative)

The PCC has banking arrangements with:

CAF Bank Ltd
25 Kings Hill Avenue, Kings Hill
West Malling, Kent
ME19 4JQ

The Examiners of the Accounts are:

Griffin Stone Moscrop & Co
21-27 Lamb's Conduit Street
London
WC1N 3GS

Approved by the PCC on 27 March 2023 and signed on its behalf by:

Helen White

Helen White

Henry Eatock-Taylor

Henry Eatock-Taylor

Independent examiner's report to the Trustees of The Parish Church of St Michael, Cornhill

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 December 2022.

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

Your attention is drawn to the fact that the charity has prepared the accounts in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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.

This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work or for this report.

Richard Hill

Richard Hill FCA
For and on behalf of
Griffin Stone Moscrop & Co
21-27 Lamb's Conduit Street
London WC1N 3GS

Date: 29 March 2023

PCC of St Michael, Cornhill
Year ending 31 December 2022

Statement of Financial Activities
for the Year ending 31 December 2022

	Note	Unrestricted Funds £	Restricted Funds £	TOTAL 2022 £	Unrestricted Funds £	Restricted Funds £	TOTAL 2021 £
INCOME and ENDOWMENTS from:							
Donations and Legacies	2 (a)	60,973	8,730	69,703	67,293	3,410	70,703
Charitable Activities	2 (b)	70,321	-	70,321	60,023	-	60,023
Investments	2 (c)	168	17	185			
TOTAL		131,462	8,747	140,209	127,316	3,410	130,726
EXPENDITURE on:							
Charitable activities	3 (a)	106,486	25,105	131,591	77,802	16,290	94,092
Other Costs	3 (b)	1,720	-	1,720	1,597	-	1,597
TOTAL		108,206	25,105	133,311	79,399	16,290	95,689
NET INCOME/(EXPENDITURE)		23,256	(16,358)	6,898	47,917	(12,880)	35,037
TRANSFERS BETWEEN FUNDS		-	-	-	-	-	-
NET MOVEMENTS IN FUNDS		23,256	(16,358)	6,898	47,917	(12,880)	35,037
RECONCILIATION of FUNDS							
Total Funds brought forward		168,571	24,448	193,019	120,654	37,328	157,982
Total Funds carried forward		191,827	8,090	199,917	168,571	24,448	193,019

PCC of St Michael, Cornhill
Year ending 31 December 2022

Balance Sheet at 31 December 2022

	Note	2022 £	2021 £
Current Assets			
Debtors	5	5,667	2,861
Bank: PCC		203,884	176,719
Fryer Music Bequest		7,088	26,377
		<u>216,639</u>	<u>205,957</u>
Current Liabilities			
Creditors: amounts falling due within one year	6	16,722	12,938
Net Current Assets		<u>199,917</u>	<u>193,019</u>
Total Net Assets	7	<u><u>199,917</u></u>	<u><u>193,019</u></u>
Parish Funds			
Unrestricted	8	173,727	150,471
- Designated	8	18,100	18,100
Restricted	8	8,090	24,448
		<u>199,917</u>	<u>193,019</u>

The financial statements were approved by the PCC on 27 March 2023 and signed on its behalf by:

Helen White
Helen White

Henry Eatock-Taylor
Henry Eatock-Taylor

Notes to the Accounts

1. Accounting Policies

Basis of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

The Parish Church of St Michael, Cornhill constitutes a public benefit entity as defined by FRS 102.

Fund accounting

Unrestricted Funds: income funds which may be spent on the PCC's general purposes.

Restricted Funds: comprise (a) income from endowments which may be applied only on the restricted purposes intended by the donor and (b) revenue donations or grants for a specific PCC activity intended by the donor. Where there is no separate investment, interest is apportioned on an average balance basis.

Designated Funds: unrestricted and whose purpose is determined by the PCC on a revocable basis.

Incoming Resources: planned giving, collections and donations are recognised when received. Donations include donations in kind representing amounts paid by third parties to cover expenditure relating to the PCC. Tax refunds are included on a receivable basis. Grants and Legacies are accounted for when there is a legal entitlement to the amounts due. Dividends are accounted for when receivable and interest on an accrued basis. All incoming resources are accounted for gross. Voluntary Church Rate is recognised in the year the demand is raised. Any outgoings in connection are charged in the year incurred.

Resources Expended: Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. Common Fund expected to be paid over is accounted for when due.

Fixed Assets: Consecrated and benefice property is not accounted for in the accounts in accordance with s 10(2)(a) and (c) of the Charities Act 2011.

Moveable church furnishings held by the Vicar and Churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the Church's inventory, which can be inspected at any reasonable time. For anything acquired prior to 2000, there is insufficient cost information available and therefore such assets are not valued in the financial statements.

Equipment used within the church premises is depreciated on a straight line basis according to their estimated useful lives: individual items with a cost of under £2,500 are written off in the year of acquisition.

Notes to the Accounts

2. Incoming Resources

	Unrestricted Funds £	Restricted Funds £	TOTAL 2022 £	Unrestricted Funds £	Restricted Funds £	TOTAL 2021 £
2 (a) Voluntary Income:						
Collections (incl Gift Aid)	12,420	-	12,420	4,796	-	4,796
Grants	10,941	7,855	18,796	2,500	-	2,500
Donations	17,268	875	18,143	23,942	3,410	27,352
Voluntary Church Rate	20,344	-	20,344	36,055	-	36,055
	<u>60,973</u>	<u>8,730</u>	<u>69,703</u>	<u>67,293</u>	<u>3,410</u>	<u>70,703</u>
2 (b) Income from Church activities:						
Rental income	36,263	-	36,263	34,604	-	34,604
Organ Recitals (incl Gift Aid)	7,821	-	7,821	2,824	-	2,824
Choir & Facility Fees	22,915	-	22,915	9,884	-	9,884
Wedding Services	699	-	699	3,210	-	3,210
Other income	2,623	-	2,623	9,501	-	9,501
	<u>70,321</u>	<u>-</u>	<u>70,321</u>	<u>60,023</u>	<u>-</u>	<u>60,023</u>
2 (c) Investment Income:						
Bank & HMRC	168	17	185	-	-	-
	<u>168</u>	<u>17</u>	<u>185</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Incoming Resources	<u>131,462</u>	<u>8,747</u>	<u>140,209</u>	<u>127,316</u>	<u>3,410</u>	<u>130,726</u>

Notes to the Accounts

3. Resources Expended

	Unrestricted Funds	Restricted Funds	TOTAL 2022	Unrestricted Funds	Restricted Funds	TOTAL 2021
3 (a) Church activities						
Ministry: Common Fund	10,000	-	10,000	8,000	-	8,000
Clergy & Sacristy	1,328	-	1,328	1,132	-	1,132
Diocese: Wedding Fees	-	-	-	530	-	530
Parish Events	1,800	-	1,800	1,800	-	1,800
	<u>13,128</u>	<u>-</u>	<u>13,128</u>	<u>11,462</u>	<u>-</u>	<u>11,462</u>
Music						
Director & Standing Choir	23,452	16,862	40,314	10,079	15,343	25,422
Special Services Choir	17,841	-	17,841	7,975	-	7,975
Organ Scholar	-	-	-	600	-	600
Organ Recitalists	4,750	200	4,950	2,960	650	3,610
Music Licence	420	-	420	300	-	300
Organists & Musicians for services	400	1,105	1,505	904	200	1,104
Organ costs	4,689	-	4,689	3,316	-	3,316
	<u>51,552</u>	<u>18,167</u>	<u>69,719</u>	<u>26,134</u>	<u>16,193</u>	<u>42,327</u>
Administration						
PA	11,124	-	11,124	10,513	-	10,513
Outsourced costs	3,148	-	3,148	3,072	-	3,072
Printing	110	-	110	138	-	138
Web/IT/Phone	632	-	632	3,113	-	3,113
Books/Adverts/Subs	359	-	359	249	-	249
Office costs	413	85	498	246	97	343
VCR	1,400	-	1,400	1,400	-	1,400
	<u>17,186</u>	<u>85</u>	<u>17,271</u>	<u>18,731</u>	<u>97</u>	<u>18,828</u>
Church maintenance						
Cleaning	2,403	90	2,493	1,028	-	1,028
Utilities	17,837	-	17,837	14,368	-	14,368
Repairs, maintenance, renewals	4,380	6,763	11,143	6,079	-	6,079
	<u>24,620</u>	<u>6,853</u>	<u>31,473</u>	<u>21,475</u>	<u>-</u>	<u>21,475</u>
3 (b) Governance						
(Independent Examiner fee)	1,720	-	1,720	1,597	-	1,597
Total Resources expended	<u>108,206</u>	<u>25,105</u>	<u>133,311</u>	<u>79,399</u>	<u>16,290</u>	<u>95,689</u>

Notes to the Accounts

4a. Payments to PCC Members

No payments were made to PCC members in 2022 or 2021. During the year, no PCC members received any benefits in kind (2021 - £NIL). During the year, no PCC members received any reimbursement of expenses relating to their duties as PCC members (2021 - £NIL).

4b. Payments from PCC Members

Giving by eight PCC members amounted to £4,208 (2021: nine gave £4,765).

4c. Employee numbers

During the year the PCC had an average of 1.0 of a full time employee (2021 – 1.0 of a full time employee).

4d. Staff costs

	2022	2021
	£	£
Salaries	38,621	30,149
Pension	978	841
	<u>39,599</u>	<u>30,990</u>

National Insurance costs were covered by the employer's annual allowance.

The PCC defines Key Management Personnel (KMP) as the members of the PCC. None of these received payment from the PCC during the year.

5. Debtors

	Unrestricted Fund	Restricted Funds	TOTAL 2022	Unrestricted Fund	Restricted Funds	TOTAL 2021
	£	£	£	£	£	£
Gift Aid claims	-	-	-	-	-	-
Debtors	5,314	-	5,314	2,628	-	2,628
Prepayments	353	-	353	233	-	233
	<u>5,667</u>	<u>-</u>	<u>5,667</u>	<u>2,861</u>	<u>-</u>	<u>2,861</u>

6. Creditors

	Unrestricted Fund	Restricted Funds	TOTAL 2022	Unrestricted Fund	Restricted Funds	TOTAL 2021
	£	£	£	£	£	£
Ministry	-	-	-	422	-	422
Administration	2,462	-	2,462	618	-	618
Music	5,405	-	5,405	4,986	-	4,986
Governance	1,700	-	1,700	1,600	-	1,600
Repairs	192	-	192	354	-	354
Utilities	2,780	-	2,780	475	-	475
Deposits	-	-	-	300	-	300
Deferred income	4,183	-	4,183	4,183	-	4,183
	<u>16,722</u>	<u>-</u>	<u>16,722</u>	<u>12,938</u>	<u>-</u>	<u>12,938</u>

Notes to the Accounts

7. Analysis of Total Assets

	Unrestricted Fund £	Restricted Funds £	TOTAL 2022 £	Unrestricted Fund £	Restricted Funds £	TOTAL 2021 £
Current assets						
Bank balances	202,882	8,090	210,972	178,648	24,448	203,096
Debtors	5,667	-	5,667	2,861	-	2,861
Current liabilities						
Creditors	16,722	-	16,722	12,938	-	12,938
	<u>191,827</u>	<u>8,090</u>	<u>199,917</u>	<u>168,571</u>	<u>24,448</u>	<u>193,019</u>

Notes to the Accounts

8. Movements in Funds

	At 01.01.22	Incoming resources	Resources expended	Transfers	At 31.12.22
UNRESTRICTED					
General	150,471	131,462	108,206	-	173,727
Designated – Building Fund	18,100	-	-	-	18,100
	<u>168,571</u>	<u>131,462</u>	<u>108,206</u>	<u>-</u>	<u>191,827</u>
RESTRICTED					
Garden	-	7,855	6,853	-	1,002
Fryer Music Bequest	24,448	892	18,252	-	7,088
	<u>24,448</u>	<u>8,747</u>	<u>25,105</u>	<u>-</u>	<u>8,090</u>
TOTAL	<u>193,019</u>	<u>140,209</u>	<u>133,311</u>	<u>-</u>	<u>199,917</u>
	At 01.01.21	Incoming resources	Resources expended	Transfers	At 31.12.21
UNRESTRICTED					
General	102,554	127,316	79,399	-	150,471
Designated – Building Fund	18,100	-	-	-	18,100
	<u>120,654</u>	<u>127,316</u>	<u>79,399</u>	<u>-</u>	<u>168,571</u>
RESTRICTED					
Fryer Music Bequest	37,328	3,410	16,290	-	24,448
	<u>37,328</u>	<u>3,410</u>	<u>16,290</u>	<u>-</u>	<u>24,448</u>
TOTAL	<u>157,982</u>	<u>130,726</u>	<u>95,689</u>	<u>-</u>	<u>193,019</u>

Notes:

Funds may be applied as follows:

UNRESTRICTED

(i) Designated – Building Fund: for maintenance and repairs of St Michael, Cornhill.

RESTRICTED

(i) Garden: a grant to be used to fund five benches, a tree bench, miscellaneous equipment and a gardening shed.

(ii) Fryer Music Bequest: a gift to be used specifically for the furtherance of music in and in connection with the church as directed by a named person.