

The Parish of St Michael Cornhill

Annual Report and Financial Statements of the Parochial Church Council

**For the
year ending
31 December 2023**

Registered Charity Number 1179240

Contents

PCC annual report 3

Report of the independent examiner..... 6

Statement of Financial Activities 7

Balance Sheet..... 8

Notes to the financial statements 9-14

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.

Financial review

The net income for the year was £35,842 compared to £6,898 in 2022 (across both Unrestricted and Restricted Funds).

In 2015, the Church received a generous bequest of £155,000 in the Will of a former parishioner; this bequest was restricted to the furtherance of music and was not available for the running of the Church. This fund underpinned much of the musical activity of the Church until it was fully used part way through 2023.

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.

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 2023 unrestricted funds amounted to some £219,000 which is more than needed 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. The Standing Committee met five times in the year.

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 2023 until the date this Report was approved are:

Priest in Charge:	The Reverend H Eatock-Taylor	
Curates:	The Reverend A Balch	
Wardens:	Dr D Bland	(Resigned 16 May 2023)
	Alderman Robert Howard	
	S Hung	
	R Phelps	
	P Pritchett	
	Miss M Vander-Steen	
Elected:	Dr L Webster	
	L Elbourne	(Resigned 16 May 2023)
	T Liu	
	D Monro	
	Mrs J Taylor	
	S Sodadasi	(Resigned 16 May 2023)
Ex Officio:	R Meacher	
	Miss D Buggs	(General Synod representative)
	S Hung (as above)	(Deanery Synod representative)
	J Wolstenholme	(Diocesan Synod representative)
	Mrs H White	(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 Tuesday 26 March 2024 and signed on its behalf by:

Tom Liu



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 2023.

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: 28 March 2024

PCC of St Michael, Cornhill
Year ending 31 December 2023

Statement of Financial Activities
for the Year ending 31 December 2023

	Note	Unrestricted Funds £	Restricted Funds £	TOTAL 2023 £	Unrestricted Funds £	Restricted Funds £	TOTAL 2022 £
INCOME and ENDOWMENTS from:							
Donations and Legacies	2 (a)	60,059	38,000	98,059	60,973	8,730	69,703
Charitable Activities	2 (b)	103,135	-	103,135	70,321	-	70,321
Investments	2 (c)	468	4	471	168	17	185
TOTAL		163,661	38,004	201,665	131,462	8,747	140,209
EXPENDITURE on:							
Charitable activities	3 (a)	134,662	29,431	164,093	106,486	25,105	131,591
Other Costs	3 (b)	1,730	-	1,730	1,720	-	1,720
TOTAL		136,392	29,431	165,823	108,206	25,105	133,311
NET INCOME/(EXPENDITURE)		27,269	8,573	35,842	23,256	(16,358)	6,898
TRANSFERS BETWEEN FUNDS		(37)	37	-	-	-	-
NET MOVEMENTS IN FUNDS		27,232	8,610	35,842	23,256	(16,358)	6,898
RECONCILIATION of FUNDS							
Total Funds brought forward		191,827	8,090	199,917	168,571	24,448	193,019
Total Funds carried forward		219,059	16,700	235,759	191,827	8,090	199,917

PCC of St Michael, Cornhill
Year ending 31 December 2023

Balance Sheet at 31 December 2023

	Note	2023 £	2022 £
Current Assets			
Bank: PCC		260,557	203,884
Fryer Music Bequest		-	7,088
Other		-	-
Debtors	5	4,116	5,667
		<u>264,673</u>	<u>216,639</u>
Current Liabilities			
Creditors: amounts falling due within one year	6	28,914	16,722
Net Current Assets		<u>235,759</u>	<u>199,917</u>
Total Net Assets	7	<u>235,759</u>	<u>199,917</u>
Parish Funds			
Unrestricted	8	200,959	173,727
- Designated	8	18,100	18,100
Restricted	8	16,700	8,090
		<u>235,759</u>	<u>199,917</u>

The financial statements were approved by the PCC on 26 March 2024 and signed on its behalf by:
Tom Liu

Tom Liu

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. Rental income is invoiced in advance, but recognised in the SOFA in the period to which it relates, with amounts invoiced in advance being carried within deferred income at the balance sheet date. 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.

Recognition of liabilities: Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the church to that expenditure, it is probable that settlement will be required and the amount of the obligation can be recognised and measured reliably. Accordingly, accruals, creditors and provisions are recognised where the church has a present obligation resulting from a past event and where the future outflow of funds to a third party is probable.

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 2023 £	Unrestricted Funds £	Restricted Funds £	TOTAL 2022 £
2 (a) Voluntary Income:						
Collections (incl Gift Aid)	15,075	-	15,075	12,420	-	12,420
Grants	4,020	38,000	42,020	10,941	7,855	18,796
Donations	16,956	-	16,956	17,268	875	18,143
Voluntary Church Rate	24,008	-	24,008	20,344	-	20,344
	<u>60,059</u>	<u>38,000</u>	<u>98,059</u>	<u>60,973</u>	<u>8,730</u>	<u>69,703</u>
2 (b) Income from Church activities:						
Rental income	50,904	-	50,904	36,263	-	36,263
Organ Recitals (incl Gift Aid)	8,533	-	8,533	7,821	-	7,821
Choir & Facility Fees	27,937	-	27,937	22,915	-	22,915
Wedding Services	11,490	-	11,490	699	-	699
Other income	4,271	-	4,271	2,623	-	2,623
	<u>103,135</u>	<u>-</u>	<u>103,135</u>	<u>70,321</u>	<u>-</u>	<u>70,321</u>
2 (c) Investment Income:						
Bank & HMRC	468	4	471	168	17	185
	<u>468</u>	<u>4</u>	<u>471</u>	<u>168</u>	<u>17</u>	<u>185</u>
Total Incoming Resources	<u>163,661</u>	<u>38,004</u>	<u>201,665</u>	<u>131,462</u>	<u>8,747</u>	<u>140,209</u>

Notes to the Accounts

3. Resources Expended

	Unrestricted Funds	Restricted Funds	TOTAL 2023	Unrestricted Funds	Restricted Funds	TOTAL 2022
3 (a) Church activities						
Ministry: Common Fund	-	-	-	10,000	-	10,000
Clergy & Sacristy	2,086	-	2,086	1,328	-	1,328
Diocese: Wedding Fees	1,045	-	1,045	-	-	-
Parish Events	36	-	36	1,800	-	1,800
	<u>3,167</u>	<u>-</u>	<u>3,167</u>	<u>13,128</u>	<u>-</u>	<u>13,128</u>
Music						
Director & Standing Choir	18,604	24,316	42,920	23,452	16,862	40,314
Special Services Choir	24,468	-	24,468	17,841	-	17,841
Organ Recitalists	4,804	-	4,804	4,750	200	4,950
Music Licence	372	714	1,086	420	-	420
Organists & Musicians for services	1,900	-	1,900	400	1,105	1,505
Organ costs	3,971	-	3,971	4,689	-	4,689
	<u>54,119</u>	<u>25,030</u>	<u>79,149</u>	<u>51,552</u>	<u>18,167</u>	<u>69,719</u>
Administration						
PA	11,124	-	11,124	11,124	-	11,124
Outsourced costs	3,680	-	3,680	3,148	-	3,148
Printing	616	-	616	110	-	110
Web/IT/Phone	1,224	-	1,224	632	-	632
Books/Adverts/Subs	532	-	532	359	-	359
Office costs	718	27	745	413	85	498
Contribution for central support	12,000	-	12,000	-	-	-
VCR	1,400	-	1,400	1,400	-	1,400
	<u>31,294</u>	<u>27</u>	<u>31,321</u>	<u>17,186</u>	<u>85</u>	<u>17,271</u>
Church maintenance						
Cleaning	2,422	-	6,126	2,403	90	2,493
Utilities	30,007	-	30,007	17,837	-	17,837
Repairs, maintenance, renewals	13,653	4,374	14,323	4,380	6,763	11,143
	<u>46,082</u>	<u>4,374</u>	<u>50,456</u>	<u>24,620</u>	<u>6,853</u>	<u>31,473</u>
3 (b) Governance						
(Independent Examiner fee)	1,730	-	1,730	1,720	-	1,720
Total Resources expended	<u>136,392</u>	<u>29,431</u>	<u>165,823</u>	<u>108,206</u>	<u>25,105</u>	<u>133,311</u>

Notes to the Accounts

4a. Payments to PCC Members

No payments were made to PCC members in 2023 or 2022. During the year, no PCC members received any benefits in kind (2022 - £NIL). During the year, no PCC members received any reimbursement of expenses relating to their duties as PCC members (2022 - £NIL).

4b. Payments from PCC Members

Giving by eight PCC members amounted to £4,085 (2022: eight gave £4,208).

4c. Employee numbers

During the year the PCC had an average of 1.5 of a full time employee (2022 – 1.5 of a full time employee).

4d. Staff costs

	2023	2022
	£	£
Salaries	40,945	38,621
Pension	1,156	978
	<u>42,101</u>	<u>39,599</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 2023	Unrestricted Fund	Restricted Funds	TOTAL 2022
	£	£	£	£	£	£
Gift Aid claims	1,694	-	1,694	-	-	-
Debtors	2,053	-	2,053	5,314	-	5,314
Prepayments	369	-	369	353	-	353
	<u>4,116</u>	<u>-</u>	<u>4,116</u>	<u>5,667</u>	<u>-</u>	<u>5,667</u>

6. Creditors

	Unrestricted Fund	Restricted Funds	TOTAL 2023	Unrestricted Fund	Restricted Funds	TOTAL 2022
	£	£	£	£	£	£
Ministry	576	-	576	-	-	-
Administration	5,367	-	5,367	2,462	-	2,462
Music	14,027	-	14,027	5,405	-	5,405
Governance	1,750	-	1,750	1,700	-	1,700
Repairs & Maintenance	1,992	-	1,992	192	-	192
Utilities	1,020	-	1,020	2,780	-	2,780
Deferred income	4,183	-	4,183	4,183	-	4,183
	<u>28,914</u>	<u>-</u>	<u>28,914</u>	<u>16,722</u>	<u>-</u>	<u>16,722</u>

Notes to the Accounts

7. Analysis of Total Assets

	Unrestricted Fund £	Restricted Funds £	TOTAL 2023 £	Unrestricted Fund £	Restricted Funds £	TOTAL 2022 £
Current assets						
Bank balances	243,857	16,700	260,557	202,882	8,090	210,972
Debtors	4,116	-	4,116	5,667	-	5,667
Current liabilities						
Creditors	28,914	-	28,914	16,722	-	16,722
	<u>219,059</u>	<u>16,700</u>	<u>235,759</u>	<u>191,827</u>	<u>8,090</u>	<u>199,917</u>

Notes to the Accounts

8. Movements in Funds

	At 01.01.23	Incoming resources	Resources expended	Transfers	At 31.12.23
UNRESTRICTED					
General	173,727	163,661	136,392	(37)	200,959
Designated – Building Fund	18,100	-	-	-	18,100
	<u>191,827</u>	<u>163,661</u>	<u>136,392</u>	<u>(37)</u>	<u>219,059</u>
RESTRICTED					
Garden	1,002	3,336	4,375	37	-
Fryer Music Bequest	7,088	4	7,092	-	-
Music Fund	-	34,664	17,964	-	16,700
	<u>8,090</u>	<u>38,004</u>	<u>29,431</u>	<u>37</u>	<u>16,700</u>
TOTAL	<u>199,917</u>	<u>201,665</u>	<u>165,823</u>	<u>-</u>	<u>235,759</u>
	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>