

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON

England & Wales - Charity number 1180694

Details

Other names PCC FOR ST MICHAEL THE ARCHANGEL

Status Registered

Legal form Other

Registered 2018-11-14

Register [View on the Charity Commission register](#)

Contact

Address 55 Bugle Street
Southampton
SO14 2AG

Phone 02380636001

Email office@stmichaels1070.org.uk

Website www.stmichaels1070.org.uk

Activities

Objects: PROMOTING IN THE ECCLESIASTICAL PARISH THE WHOLE MISSION OF THE CHURCH

Activities: St Michael the Archangel is a Church of England parish in the Old Town of Southampton. We offer a welcome to all Sunday by Sunday, celebrating the sacraments reverently and joyfully and received as God's good gifts. We seek to engage with our local community through the Southampton Council of Faiths and with our neighbouring Catholic City Centre parish, St Joseph's.

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Religious Activities
- **Who:** The General Public/mankind

Geography

- Southampton City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-12-31	£76,820	£78,418	-	-
2024-12-31	£92,942	£91,843	-	-
2023-12-31	£112,096	£114,769	-	-
2022-12-31	£55,338	£54,163	-	-
2021-12-31	£59,532	£73,280	-	-
2020-12-31	£66,444	£68,568	-	-

Trustees

Name	Role	Appointed
David George Miller	Chair	2022-11-08
CHRISTOPHER MARK WALKER RICKETTS		2018-09-09
Colin Anthony Bleach		2023-07-18
DUNCAN STUART UNDERWOOD BRADLEY		2018-09-09
Dr STEPHEN GERARD WHITAKER		2018-09-09
June Elizabeth Effemey		2025-05-15
LORNA CAROLINE BROWN		2018-09-09
Matthew Kevin Read		2022-05-14
Neil Giles		2021-05-30
PAMELA HAND		2018-09-09
REV'D PHILIP RONALD HAND		2018-09-09
Rachel Margaret Hornsby		2025-05-15

Accounts

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF
ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2025**

Registered Charity Number: 1180694

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2025**

CONTENTS

	Page
Trustees' Annual Report	1 - 10
Independent Examiner's Report	11
Statement of Financial Activities	12
Balance Sheet	13
Notes to the Financial Statements	14 - 24

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

TRUSTEES ANNUAL REPORT

**FOR THE YEAR ENDED
31 DECEMBER 2025**

The trustees present their Annual Report and Financial Statements of The Parochial Church Council of the Ecclesiastical Parish of St Michael the Archangel, Southampton for the year ended 31 December 2025.

The Financial Statements comply with the Trust Deed, the Church Accounting Regulations 2006, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity Name: The Parochial Church Council of the Ecclesiastical Parish of
St Michael the Archangel, Southampton

Registered Charity Number: 1180694

The PCC is a charity and registered with the Charity Commission on 14 November 2018.

Correspondence Address: 55 Bugle Street
Southampton
SO14 2AG

PCC members (trustees) who have served from 1 January 2025 until the date this report was approved are:

Incumbent:	Rev'd Canon David Miller	Vicar and Chairman
Other Clergy:	Rev'd Philip Hand	Non-Stipendiary
Licenced Lay Minister:	Mr Duncan Bradley	
Churchwardens:	Mrs Pamela Hand Mrs Alexandra Stokes	Vice Chair
Deputy Churchwardens:	Nr Neil Giles Mr Matthew Read Dr Stephen Whitaker	

App May 2025

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2025**

REFERENCE AND ADMINISTRATIVE INFORMATION (CONTINUED)

Deanery Synod Representatives:	Mrs Rachel Hornsby Mr Alistair Stokes	App May 2025
Other Elected	Mr Colin Bleach Mrs Lorna Brown Miss June Effemey Mr Neil Giles Mrs Marian Hubble Mr Matthew Read Mr Christopher Ricketts Miss Kath Singleton Dr Stephen Whitaker	Treasurer App May 2025 Res May 2025 Res May 2025
PCC Secretary	Mrs Jilliane Packard	App May 2025
Safeguarding Officer:	Mrs Lorna Brown	
Our Advisors: Independent Examiner:	Abraham & Dobell 230 Shirley Road Southampton SO15 3HR	
Bankers:	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	
Investment Managers:	CCLA Investment Management Ltd One Angel Lane London EC4R 3AB	

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2025**

OBJECTIVES AND ACTIVITIES

People have been worshipping at St Michael the Archangel in the Old Town Southampton for over 950 years.

St Michael's offers a welcome to 'all sorts of conditions' of people Sunday by Sunday.

The sacraments are celebrated reverently and joyfully and received as God's good gifts.

We seek to engage with our local community and the wider world through involvement in schools, the Southampton Council of Faiths, Peace Walks and the dispersed Community of the Cross of Nails (based at Coventry Cathedral).

We seek to develop our relationship with the Catholic City Centre parish through shared soup lunches with St Joseph's Church, which support CAFOD and Christian Aid.

Public Benefit Statement

All of our activities are undertaken to further our charitable purposes for the public benefit. In planning our activities for the year we have considered the Charity Commission's guidance on public benefit, including the guidance 'Public Benefit: Running a Charity (PB2)' and, in particular, the supplementary guidance on charities for the advancement of religion.

ACHIEVEMENTS AND PERFORMANCE

Electoral Roll Report

In 2025 we had the six yearly renewal of the electoral roll. This means everyone must submit a new form to be included on the Electoral roll. The old electoral roll which ceased in March 2025 had 83 names on it. The new roll from May 2025 had 72 names and on it, with 17 people living in the parish.

There were 27 people who for various reasons did not apply again, and 16 new people who applied. In June two names were added, as they had missed the cut off date which is 15 days before the ACPM. No new names are allowed to be added until after the ACPM, only people on the Electoral roll can vote at the ACPM. The Electoral roll stood at 74 at the end of 2025.

Neil Giles Electoral Roll officer.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2025**

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Review of the Year

Our church on Sunday seeks to provide liturgical worship with thoughtful preaching and outstanding musical accompaniment from organists and Cantores Michaelis under the direction of Keith Davis.

The service at 10:30 am is followed by refreshments for which many stay with the buzz of good conversation much in evidence. For services to go smoothly a core group of people arrive early each Sunday. We thank all those who serve before, during and after the service, in particular we need more help after the service and more people to volunteer to help on the coffee rota.

Services every day in Holy Week and at Easter were particular highlights, as were the Advent and Christmas Carol Services. It was particularly gratifying to share the first part of the Palm Sunday service at Westgate with our near neighbours and friends from Saint Joseph's. We also shared a well-attended party in the Square with Saint Joseph's after the service at Pentecost.

We continue to have strong links with Mission to Seafarers. We said goodbye to Fr James Mosher who has moved to a pair of appointments in Harrow on the Hill. Fr James has been replaced by Kate Powell, who has continued the links with the church and has been much appreciated. The first day of the working year service in early January and the Southampton Master Mariners' "Cachelots" service in June, at which Bishop Rhiannon preached were opportunities to give thanks and celebrate the close links between our Church and the maritime community.

I would like to thank the stewards who faithfully come each day of the week and enable the church to stay open for visitors. Many thousands of people visit our church each year, a significant proportion from the cruise liners.

Another great event at Saint Michael's in 2025 was the Music in the City festival in September. Superbly organised by Chris Orr, we were able to participate more fully this year than last year and hosted a variety of concerts on the Saturday and the Sunday. One of the choirs liked the venue so much that they have booked another concert here in April of 2026.

An eightieth anniversary VE Day Service was held at Holy Rood on May 8 attended by the Bishop of Winchester, who also preached at Saint Julien's in fluent French on July 20, shortly after Bastille Day. Well attended services also took place at Saint Julien's at Pentecost and in Advent.

The ruins of Holy Rood church remind us of the devastation of the blitz of Southampton in World War II, a devastation shared by many other cities in England and Germany, including Coventry Cathedral. The Litany of Reconciliation from Coventry Cathedral as an expression of our membership of the Community of the Cross of Nails is said every Friday at midday. Other regular midweek services are the lunchtime Eucharist on Thursdays and an opportunity for sustained contemplative prayer on Tuesdays.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2025**

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Review of the Year (Continued)

Take Away News provides weekly information of our services and events and always contains a Steadfast in Prayer contribution. These articles seek to relate the Christian faith and the necessity of prayer to daily life.

Our parish safeguarding officer, Lorna Brown, has been most efficient and has liaised extremely effectively with the PCC and all other relevant group groups and people. We have appreciated the team of bell ringers who ring the bells prior to the service, usually once every three weeks and also on other occasions.

We would like to thank the many people who have contributed to keeping the church going; the ministry team, the PCC, the director of music and cantores, wardens, deputy wardens and sides people, readers of lessons intercessors, servers, stewards, coffee makers, flower arranges, cleaners, Sunday school teachers, leaders and supporters. A particular thank you to Alex who retires as Church Warden and PCC member at this APCM after ten excellent years of service as a church officer.

FINANCIAL REVIEW

Income

The main source of income was £36,470 from parishioners who give through the Parish Giving Scheme or by standing order. From an average of 44 givers, weekly giving was £14.68 per donor compared with £14.76 in 2024. 60% of PGS donors agree to consider annual inflationary increases.

The reclaim of tax through the Gift Aid scheme from all sources (PGS, standing orders, plate collection, envelopes and the contactless donation station) came to £10,878.

Loose plate collections came to £7,936 which was slightly down on 2024, however that may be the result of worshippers switching to direct debits, standing orders or envelopes, as the Gift Aid Small Donations Scheme limits the amount that may be claimed through plate giving alone.

The church box took £3,389 in sterling currency and a record amount of foreign money £1,877, up 5.1%. The church had to be closed more often than normal due to the shortage of volunteer stewards, attempts to repair the water leak and days when the heating was turned off, but this was a busy year for cruise ships coming to the port and visitor footfall was high.

A gift day was held to launch a new restricted Roof Fund. This raised £2,022 excluding gift aid.

Income from the contactless donation station near the door continues to grow, a total of £1,838 this year compared to £1,508 last year, an increase of 21.9%.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON

TRUSTEES ANNUAL REPORT
(CONTINUED)

FOR THE YEAR ENDED
31 DECEMBER 2025

FINANCIAL REVIEW (CONTINUED)

Income (Continued)

Bank interest was £1,817. Cash account funds are kept at the lowest possible level to maximise interest from the deposit account.

£1,814 was received from the diocese to assist with repairs to the altar railings, uneven flooring and the north door repair.

Fees from weddings and funerals came to £1,759.

Other sources of income included the subsidy on fabric repairs from the Listed Places of Worship Scheme, support from the St Michael's School Trust for Sunday School activities, one-off gifts, refreshments, church lettings, guided tours, ticketed event and merchandise sales.

Whilst not obvious from the accounts, the church could not afford the quality or number of choristers under their Director of Music that have become a hallmark of our worship without the direct sponsorship of the Friends of St Michael's. Their enthusiastic and generous support is greatly appreciated.

Expenditure

The church's greatest expense is its contribution to the diocese, the Common Mission Fund, which was set at £26,021 for 2025. It has paid this in full every year.

Next were the cost of three utilities at £8,273. Both gas and electricity contracts expired in the autumn and new rates were agreed after much negotiation at lower rates which included no standing charge for electricity and 50p per day for gas. Alternatives such as the Parish Buying Scheme were considered but did not compare favourably.

The successful supplier tried very hard to persuade the church to change its 'legacy' electricity meter. This attempt was abandoned after several visits to the site on technical grounds, and the meter continues to measure day and night rates more favourably than a modern meter.

The church made a contribution of £6,700 to the Friends of St Michael's towards the choir and continues to share donations made by visitors with FOSM in equal shares.

Major repairs weren't necessary until December when some electrical work was identified. The Fabric Fund ended the year £3,502 in deficit, however all the other funds, including two new restricted funds for the roof replacement and Ghana, had a surplus. By the end of the year £2,398 and £182 had been banked for these two funds respectively.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2025**

FINANCIAL REVIEW (CONTINUED)

Challenges for 2026

The age profile of the congregation is the most challenging issue. The church relies on a small number of older members for income and active involvement and with the passage of time this number is bound to dwindle.

Over the past two years there has been more outreach by way of information leaflets delivered across the parish which has now reached every part of it including many housing estates with low household incomes. It is too early to say whether these are having any effect, but we can say with certainty that those left at libraries, concert halls and art galleries have always brought in those most particularly attracted to the repertoire and high standard of music provided at St Michael's.

The city wide character of the church is a strength and the number of currently uninvolved parishioners is an opportunity – their potential has yet to be unlocked.

Summary

The detailed accounts are set out on subsequent pages. An extract is shown here.

	2025	2024
	£	£
Total income	76,820	92,942
Total expenditure	78,418	91,843
Net gains/(losses) on investment	(435)	435
	_____	_____
Net income/(expenditure) for the year	£(2,033)	£1,534
	_____	_____

Investment Powers and Policy

The PCC holds those funds which are not in the CAF Bank current or deposit account with the Central Board of Finance of the Church of England (CBF). There are some long-term investments held in the form of CBF share investment accounts.

Other investments and deposits as we continue to hold relate solely to restricted funds and this includes specific deposit accounts relating to restricted funds.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2025**

FINANCIAL REVIEW (CONTINUED)

Reserves Policy and Going Concern

It is the policy of the PCC to maintain unrestricted funds at a level which will enable the PCC to cover its on-going direct charitable expenditure and its management and administration costs. This should be at least 3 months running costs, ideally 6 months. In 2025 the average monthly expenditure was £6,535, thus the reserves should be at least £19,605 and preferably £39,210. We currently have £89,514 in our CAF Bank current and deposit accounts. The trustees are of a view that the PCC is a going concern.

PLANS FOR FUTURE PERIODS

- 1) Last year in Future Plans we said we needed a PCC secretary. We are delighted that Jillianne Pickard volunteered. We now need a Churchwarden!
- 2) Carrying over from Bishop Geoff Annas' challenge to be more involved in Street Pastors, mentioned last year's future plans, we still receive their literature but no-one has yet come forward from the church to volunteer for training as a Street Pastor.
- 3) Much progress has been made with developing a link with the new Diocese of Tema near Accra in Ghana. This must continue to develop in the year ahead.
- 4) Links with other churches have continued, especially St Joseph's and St Mary's. Soup Lunches, Palm Sunday and the Pentecost party with St Joseph's provide well established opportunities for St Joseph's and St Michael's to meet. Phil's participation in taking the 9 15 am service at St Mary's on some occasions provides a link with a congregation of about 30 at St Mary's.
- 5) The boiler made it through the winter but some of the pipework didn't, resulting in a cold church for three weeks. The roof remains a major concern, for which we are fund raising. In a historic Church of medieval origin, fabric concerns will always be a reality.
- 6) Cantores Michaelis continued to sing with a good number of singers, as mentioned in last year's future plans. We will take steps which we hope will enable Cantores to sing at the Christmas Midnight Mass this December.
- 7) We aim to develop the tourist ministry of the church with the help of a team from the Diocese. As well as welcoming our visitors we will seek to discover ways of building up our regular congregation.
- 8) We participated in the Jane Austen anniversary year activities this year as did other venues in the parish such as God's House. Partnership with local societies, local historians and others provides an effective gateway into the wider community.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2025**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Parochial Church Council of the Ecclesiastical Parish of St Michael the Archangel, Southampton ('the PCC') is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure.

The PCC is a registered charity number 1180694.

Recruitment and Appointment of Trustees

Members of the PCC are either ex-officio or elected at the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules. Elected members serve for three years and approximately one third are elected each year, ensuring an appropriate element of continuity.

Trustee Induction and Training

New members are briefed by existing members as appropriate and from time to time the PCC holds an away day to review its work and discuss future plans.

Risk Management

The PCC was registered as a charity on 14 November 2018. As such no work on risk management has been undertaken. However the major risks to which the charity is exposed, will be identified by the trustees and will be reviewed and systems or procedures established to manage those risks. A safeguarding policy, a lone working policy and a health and safety policy are in place.

Organisational Structure

The PCC has the responsibility of co-operating with the clergy in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. It also has maintenance responsibilities for St Michael's Church. The PCC has one sub-committee: a Standing Committee as required by law, with powers to transact business between PCC meetings, subject to the direction of the PCC.

RESPONSIBILITIES OF THE TRUSTEES

The trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare Financial Statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2025**

RESPONSIBILITIES OF THE TRUSTEES (CONTINUED)

In preparing those Financial Statements the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for maintaining proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the charity and to enable them to ensure that the Financial Statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the provisions of the trust deed and the Church Accounting Regulations 2006. They are also responsible for safeguarding the assets of the charity and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT EXAMINER

A resolution to re-appoint Abraham & Dobell as independent examiner for the ensuing year will be proposed at the Annual Church Meeting.

Approved by the trustees on 10 May 2026 and signed on their behalf by:



.....
**REV CANON D MILLER
VICAR AND CHAIR**



.....
**COLIN BLEACH
TREASURER**

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**FOR THE YEAR ENDED
31 DECEMBER 2025**

I report to the charity's trustees on my examination of the accounts of The Parochial Church Council of the Ecclesiastical Parish of St Michael the Archangel, Southampton ('the PCC') for the year ended 31 December 2025.

RESPONSIBILITIES AND BASIS OF REPORT

As trustees of the PCC 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 PCC's accounts carried out under section 145 of the 2011 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; 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.



.....
DAVID J MANT FCA
INSTITUTE OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES

230 Shirley Road
Southampton
SO15 3HR

10 May 2026

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

STATEMENT OF FINANCIAL ACTIVITIES

**FOR THE YEAR ENDED
31 DECEMBER 2025**

	Notes	Unrestricted Funds £	Restricted Funds £	2025 Total Funds £	2024 Total Funds £
INCOME					
Donations and legacies	2	67,356	2,788	70,144	79,789
Charitable activities	3	4,325	-	4,325	4,953
Investment income	4	1,718	633	2,351	2,805
Other income	5	-	-	-	5,395
TOTAL INCOME		73,399	3,421	76,820	92,942
EXPENDITURE					
Raising funds		28	-	28	618
Charitable activities	6	78,390	-	78,390	91,225
TOTAL EXPENDITURE		78,418	-	78,418	91,843
NET GAINS/(LOSSES) ON INVESTMENTS	9	-	(435)	(435)	435
NET INCOME FOR THE YEAR		(5,019)	2,986	(2,033)	1,534
TRANSFER BETWEEN FUNDS	17	-	-	-	-
NET MOVEMENT IN FUNDS FOR THE YEAR		(5,019)	2,986	(2,033)	1,534
RECONCILIATION OF FUNDS					
Total funds brought forward		86,897	20,173	107,070	105,536
Total funds carried forward		£81,878	£23,159	£105,037	£107,070

The notes on pages 14 to 24 form part of these Financial Statements


**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

BALANCE SHEET

AS AT 31 DECEMBER 2025

		2025		2024	
	Note	£	£	£	£
FIXED ASSETS					
Investment assets	10		17,656		18,091
			-----		-----
TOTAL FIXED ASSETS			17,656		18,091
CURRENT ASSETS					
Investments	11	2,715		2,082	
Cash at bank and in hand	12	89,514		90,888	
			-----	-----	
TOTAL CURRENT ASSETS		92,229		92,970	
LIABILITIES					
Creditors: Amounts falling due within one year	13	4,848		3,991	
			-----	-----	
NET CURRENT ASSETS			87,381		88,979
			-----	-----	
TOTAL ASSETS LESS CURRENT LIABILITIES/ TOTAL NET ASSETS	15		£105,037		£107,070
			-----	-----	
THE FUNDS OF THE CHARITY	16				
Unrestricted income funds			81,878		86,897
Restricted income funds			23,159		20,173
			-----	-----	
TOTAL CHARITY FUNDS			£105,037		£107,070
			-----	-----	

Approved by the trustees on 10 May 2026 and signed on their behalf by:


.....
REV CANON D MILLER
VICAR AND CHAIR


.....
COLIN BLEACH
TREASURER

The notes on pages 14 to 24 form part of these Financial Statements

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2025**

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the Financial Statements are as follows:

(a) Basis of Preparation

The PCC is a public benefit entity within the meaning of FRS 102.

The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Church Accounting Regulations 2006.

The Financial Statements have been prepared under the historical cost convention except for the valuation of investment assets which are shown at market value where applicable.

The Financial Statements include all transactions, assets and liabilities for which the PCC is responsible in law.

They do not include the Financial Statements of Church groups that owe their main affiliation to another body, nor those that are informal gatherings of Church members.

The Financial Statements are prepared in sterling, which is the functional currency of the PCC. Monetary amounts are rounded to the nearest £.

(b) Income Recognition Policies

(i) Donations and Legacies

Collections are recognised when received by or on behalf of the PCC.

Planned giving receivable under Gift Aid is recognised only when received.

Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement, the amount due is quantifiable, its ultimate receipt by the PCC is reasonably certain and when any pre-conditions preventing their use have been met.

Donated services and facilities are included at the value to the PCC where this can be quantified. The value of services provided by volunteers has not been included in these Financial Statements.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON

NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)

FOR THE YEAR ENDED
31 DECEMBER 2025

1. ACCOUNTING POLICIES (CONTINUED)

(b) **Income Recognition Policies (Continued)**

(ii) Charitable Activities

Income from fees and other charitable activities is recognised when it is received.

Rental income from the letting of church premises is recognised when the rental is due.

(iii) Other Trading Activities

Income from the fête, garden party and similar events are accounted for gross.

Sales of books and magazines from the church bookstall are accounted for gross.

(iv) Investment Income

Dividends are accounted for when due and payable. Interest entitlements are accounted for as they accrue.

Tax recoverable on such income is recognised in the same accounting year.

(v) Gains and Losses on Investments

Realised gains and losses are recognised when investments are sold.

Unrealised gains and losses are accounted for on revaluation of investments at 31 December.

(c) **Expenditure**

Expenditure is recognised on an accruals basis where there is a legal or constructive obligation and settlement is probable and quantifiable. Expenditure includes VAT as the PCC is not VAT registered and is reported as part of the expenditure to which it relates.

(i) Grants

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation to the PCC.

(ii) Charitable Activities

The Parish Share is accounted for when payable. Any Parish Share unpaid at 31 December is provided for in these Financial Statements as an operational (though not a legal) liability and is shown as a creditor in the Balance Sheet.

(iii) Support Costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON

NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)

FOR THE YEAR ENDED
31 DECEMBER 2025

1. ACCOUNTING POLICIES (CONTINUED)

(c) **Expenditure (Continued)**

(iv) Governance Costs

These include those costs associated with meeting the statutory requirements of the PCC.

(d) **Tangible Fixed Assets**

(i) Consecrated Land and Buildings and Movable Church Furnishings

Consecrated and beneficed property of any kind is excluded from the statutory definition of 'charity' by section 10(2)(a) and (c) of the Charities Act 2011.

All expenditure incurred on consecrated or beneficed buildings is written-off in the year that it is incurred.

No value is placed on movable church furnishings held by the Churchwardens on special trust for the PCC and which require a faculty for disposal since the PCC considers 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 SOFA and separately disclosed.

(ii) Other Fixtures, Fittings, Office Equipment and Consumables

Equipment and consumables used within the church premises are depreciated on a straight line basis over four years where capitalised.

Individual items with a purchase price of £1,000 or less are written off when the asset is acquired.

(e) **Investments**

Investments are valued at market value at 31 December.

(f) **Debtors**

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors less any provision for amounts that may prove uncollectible.

(g) **Current Asset Investments and Cash at Bank**

Current asset investments and cash include cash held on deposit either with the CBF Church of England Funds or at the bank.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2025**

1. ACCOUNTING POLICIES (CONTINUED)

(h) Creditors and Provisions

Creditors and provisions are recognised where the PCC has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

(i) Taxation

The PCC is exempt from taxation on its charitable activities.

(j) Fund Accounting

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

Designated funds are general funds set aside by the PCC for use in the future.

Restricted funds comprise:

- (a) income from endowments which is to be expended 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 these funds have unspent balances, interest on their pooled investment is apportioned to the individual funds on average balance basis.

(k) Financial Instruments

The PCC only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(l) Significant Judgements and Estimates

Preparation of the Financial Statements may require the trustees to make significant judgements and estimates. There are no items in the Financial Statements where judgements and estimates would have a significant effect on amounts recognised in the Financial Statements.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2025**

2. DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	2025 Total Funds £	2024 Total Funds £
Planned giving	36,470	-	36,470	35,309
Income Tax recoverable	10,477	401	10,878	11,182
Collections (open plate) at all services	7,936	-	7,936	8,714
Sundry donations	9,346	2,387	11,733	11,122
Legacies	-	-	-	10,622
Grants	3,127	-	3,127	2,840
	-----	-----	-----	-----
	£67,356	£2,788	£70,144	£79,789
	-----	-----	-----	-----

There were no donated services and facilities receivable which could be quantified in the year.

3. CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2025 Total Funds £	2024 Total Funds £
Fees	1,759	-	1,759	2,298
Church lettings etc	780	-	780	1,237
Parish retreat	270	-	270	-
Other activities to generate funds	1,516	-	1,516	1,419
	-----	-----	-----	-----
	£4,325	£-	£4,325	£4,954
	-----	-----	-----	-----

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2025**

4. INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	2025 Total Funds £	2024 Total Funds £
Dividends from investments	-	534	534	482
Bank interest and interest from investments	1,718	99	1,817	2,323
	-----	-----	-----	-----
	£1,718	£633	£2,351	£2,805
	-----	-----	-----	-----

5. OTHER INCOME

	Unrestricted Funds £	Restricted Funds £	2025 Total Funds £	2024 Total Funds £
Insurance claims	-	-	-	£5,395
	-----	-----	-----	-----

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2025 Total Funds £	2024 Total Funds £
Donations	1,544	-	1,544	2,467
Parish share	26,021	-	26,021	30,613
Clergy expenses	14	-	14	16
Church running expenses	17,530	-	17,530	15,958
Church maintenance	7,682	-	7,682	3,205
Upkeep of services	4,782	-	4,782	6,320
Major repairs and building work	5,761	-	5,761	21,930
Salaries/organist/cantores	10,950	-	10,950	8,020
Parish retreat	500	-	500	-
Support costs	2,514	-	2,514	1,652
Governance costs	1,092	-	1,092	1,044
	-----	-----	-----	-----
	£78,390	£-	£78,390	£91,225
	-----	-----	-----	-----

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2025**

7. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

The PCC identifies the costs of its support function. It then identifies those costs which relate to the governance function. The PCC allocates the support and governance costs entirely to the unrestricted expenditure (note 6).

	General Support £	Governance £	Total Funds £	Basis of Apportionment
Office expenses	2,514	-	2,514	Usage
Professional costs	-	852	852	Governance
PCC meetings hall hire	-	240	240	Governance
	—	—	—	
	£2,514	£1,092	£3,606	
	—	—	—	

8. TRUSTEES' REMUNERATION AND EXPENSES

No payments were made to trustees by way of remuneration or expenses during the period.

9. GAINS OR LOSSES ON INVESTMENT

	2025 £	2024 £
Unrealised gain/(loss) on CBF Investment	£(435)	£435
	—	—

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2025**

10. INVESTMENT ASSETS

Holding	Market Value at 31 December 2025				
	£				
CBF Fixed Interest	2,999	units	@	£1.5277	4,581
CBF Investment Fund	589	units	@	£22.1983	13,075

					£17,656

Holding	Market Value at 31 December 2024				
	£				
CBF Fixed Interest	2,999	units	@	£1.4912	4,472
CBF Investment Fund	589	units	@	£23.1227	13,619

					£18,091

11. INVESTMENTS

	2025	2024
	£	£
CBF Deposit Funds	£2,715	£2,082
	-----	-----

12. CASH AT BANK AND IN HAND

	2025	2024
	£	£
CAF Bank	£89,514	£90,888
	-----	-----

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2025**

13. CREDITORS: Amounts falling due within one year

	2025	2024
	£	£
Other creditors	5	-
Accruals	4,843	3,991
	<hr/>	<hr/>
	£4,848	£3,991
	<hr/>	<hr/>

14. FINANCIAL INSTRUMENTS

Financial instruments measured at amortised cost comprise the following:

	2025	2024
	£	£
Financial assets that are debt instruments	-	-
Financial liabilities that are debt instruments	4,843	3,991
	<hr/>	<hr/>

15. ANALYSIS OF NET ASSETS BY FUND

	Unrestricted Funds	Restricted Funds	2025 Total Funds	2024 Total Funds
	£	£	£	£
Investment assets	-	17,656	17,656	18,091
Current assets	86,726	5,503	92,229	92,970
Current liabilities	(4,848)	-	(4,848)	(3,991)
	<hr/>	<hr/>	<hr/>	<hr/>
	£81,878	£23,159	£105,037	£107,070
	<hr/>	<hr/>	<hr/>	<hr/>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2025**

16. ANALYSIS OF CHARITABLE FUNDS

	At 01.01.25 £	Incoming Resources £	Outgoing Resources £	Investment Gains/ (Losses) £	At 31.12.25 £
Analysis of Movements in Unrestricted Funds					
General funds	69,028	71,165	72,657	-	67,536
<u>Designated funds</u>					
Fabric Fund	17,869	2,234	5,761	-	14,342
Total Unrestricted Funds	86,897	73,399	78,418	-	81,878
Analysis of Movements in Restricted Funds					
Michael Alderson	20,173	633	-	(435)	20,371
Roof Fund	-	2,423	-	-	2,423
Ghana Fund	-	365	-	-	365
Total Restricted Funds	20,173	3,421	-	(435)	23,159
Total Funds	£107,070	£76,820	£78,418	£(435)	£105,037

Unrestricted funds are funds which the PCC is free to spend on any of its activities. The PCC can, from time to time, designate unrestricted funds for particular purposes. The PCC may subsequently choose to re-designate unrestricted funds for another purpose.

The PCC has a designated fabric fund for maintenance of the fabric of the Church and to encourage donations specifically for this purpose.

Restricted funds are those which the PCC can only spend on purposes determined by the terms on which a fund is set up, typically as a trust fund. The Michael Alderson Trust is to support training principally but not exclusively for the clergy. The roof fund is for the replacement of the roof. The Ghana fund is for funds raised to send to Ghana.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2025**

17. TRANSFER BETWEEN FUNDS

There have been no transfers between funds during the year ended 31 December 2025.

Accounts

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF
ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2024**

Registered Charity Number: 1180694

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2024**

CONTENTS

	Page
Trustees' Annual Report	1 - 10
Independent Examiner's Report	11
Statement of Financial Activities	12
Balance Sheet	13
Notes to the Financial Statements	14 - 24

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

TRUSTEES ANNUAL REPORT

**FOR THE YEAR ENDED
31 DECEMBER 2024**

The trustees present their Annual Report and Financial Statements of The Parochial Church Council of the Ecclesiastical Parish of St Michael the Archangel, Southampton for the year ended 31 December 2024.

The Financial Statements comply with the Trust Deed, the Church Accounting Regulations 2006, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity Name: The Parochial Church Council of the Ecclesiastical Parish of St Michael the Archangel, Southampton

Registered Charity Number: 1180694

The PCC is a charity and registered with the Charity Commission on 14 November 2018.

Correspondence Address: 55 Bugle Street
Southampton
SO14 2AG

PCC members (trustees) who have served from 1 January 2024 until the date this report was approved are:

Incumbent:	Rev'd Canon David Miller	Vicar and Chairman	
Other Clergy:	Rev'd Philip Hand	Non-Stipendiary	
Licenced Lay Minister:	Mr Duncan Bradley		
Churchwardens:	Mrs Pamela Hand Dr Stephen Whitaker Mrs Alexandra Stokes	Vice Chair Vice Chair	App Apr 2024 Res Apr 2024
Deputy Churchwardens:	Nr Neil Giles Mr Matthew Read Miss Kath Singleton Mrs Pam Hand Mrs Doina Whitaker		App Apr 2024 App Apr 2024 Res Apr 2024 Res Apr 2024 Res Apr 2024

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2024**

REFERENCE AND ADMINISTRATIVE INFORMATION (CONTINUED)

Deanery Synod Representatives:	Dr Elisabeth Schroeder-Butterfill Mr Alistair Stokes	Res Apr 2024
Other Elected	Mr Colin Bleach Mrs Lorna Brown Mr Neil Giles Mrs Marian Hubble Mrs Marilyn Ramsden Mr Matthew Read Mr Christopher Ricketts Miss Kath Singleton Dr Stephen Whitaker	Treasurer Res Apr 2024 App Apr 2024
PCC Secretary	Miss Naomi Rides	Res Nov 2024
Safeguarding Officer:	Mrs Lorna Brown	
Our Advisors:		
Independent Examiner:	Abraham & Dobell 230 Shirley Road Southampton SO15 3HR	
Bankers:	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	
Investment Managers:	CCLA Investment Management Ltd One Angel Lane London EC4R 3AB	

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2024**

OBJECTIVES AND ACTIVITIES

People have been worshipping at St Michael the Archangel in the Old Town Southampton for over 950 years.

St Michael's offers a welcome to 'all sorts of conditions' of people Sunday by Sunday.

The sacraments are celebrated reverently and joyfully and received as God's good gifts.

We seek to engage with our local community and the wider world through involvement in schools, the Southampton Council of Faiths, Peace Walks and the dispersed Community of the Cross of Nails (based at Coventry Cathedral).

We seek to develop our relationship with the Catholic City Centre parish through shared soup lunches with St Joseph's Church, which support CAFOD and Christian Aid.

Public Benefit Statement

All of our activities are undertaken to further our charitable purposes for the public benefit. In planning our activities for the year we have considered the Charity Commission's guidance on public benefit, including the guidance 'Public Benefit: Running a Charity (PB2)' and, in particular, the supplementary guidance on charities for the advancement of religion.

ACHIEVEMENTS AND PERFORMANCE

Fellowship Numbers

There were 81 members on the Electoral Roll at 31 December 2024. Of these, 18 live in the parish.

Review of the Year

St Michael the Archangel Church aspires to be a friendly, welcoming, growing Christian community offering distinctive, accessible, worship to God in a clean and beautiful worshipping environment.

We seek to produce well thought out liturgy, preaching and well sung, accompanied and conducted sacred music both from the congregation and from Cantores Michaelis.

On behalf of the whole church I would like to thank all who help us in this endeavour from the Church and from Friends of St Michael and still more widely from everyone else who helps.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2024**

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Review of the Year (Continued)

Much of what I have just written applies to Sunday worship, mainly in the morning and enhanced as in the year before by evening worship at Advent and Christmas carol services and at great feasts such as Michaelmas and at All Souls. At the All Souls service Canon Padley from Salisbury Cathedral preached. On this occasion it was also good to welcome back Canon Tim Daykin and his wife Ruth whose nine years in the parish were much cherished. Three Bishops preached in the parish church this year. Bishop Geoff Annas preached on September 22nd and, inter alia, suggested that the church might get more involved in the Street Pastors initiative in Southampton. The Bishop of Winchester, Philip Mounstephen preached at the annual Cachelots service in June. A week earlier he had attended the D Day anniversary service held at Holyrood. The service of welcome for Bishop Rhiannon King as the new Bishop of Southampton took place on November 16th. All three services went extremely well, with members of our church showing exceptional organising skill in enabling the worship to take place.

In the autumn the church welcomed Fr Samuel Ocansey from Accra in Ghana. Fr Samuel left a lasting and positive impression on many people during his stay in the parish of some weeks. He was about to take up a post in a parish in the new Diocese of Tema on the outskirts of Accra. We have made a start in seeking to maintain links with Fr Samuel and his parish in the new Diocese of Tema.

Alongside Sunday worship has been regular midweek services on Wednesdays, Thursdays and Fridays as well as a group focusing on contemplative prayer on Tuesday afternoons. House groups discussing bible passages in Mark have been held in Lent and again in the autumn.

Phil and Pam Hand have hosted a much appreciated discussion group at other times in the year as well. Thousands of visitors enter our church as tourists on week days and are welcomed by a great team of stewards, who had a well-deserved tea party on the course of the year.

The two neighbouring churches with which we have the strongest links are St Joseph's Roman Catholic Church in Bugle Street and St Mary's Church of England Church, also in central Southampton. With St Joseph we shared the start of the Palm Sunday service and had delicious shared soup lunches weekly during Lent and monthly at other times of the year. With St Mary's we continued the gentle process of building bridges with two clergy, Phil and David, taking the 9.15 am Sunday service on occasion. We also have very strong links with Mission to Seafarers through its chaplain Fr James Mosher, who holds two services a week in the church on Wednesdays, a change from Mondays when the services were held the previous year.

We attract worshippers from all over Southampton and beyond who seek to worship almighty God in the way which St Michael's offers. One way in which we have sought to extend our reach is through leafletting as many houses in the parish as possible. Whether the recipients of our leaflets attended the excellent I AM MARK presentation by Stefan Smart in July or not or the Christmas services, which we also advertised, we at least advertised our presence in the community we seek to serve, which is highly valuable. We extended the number of services at St Julien's by having a well-attended Christmas Carol service as well as the annual service in the French language.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2024**

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Review of the Year (Continued)

St Michael's has also been privileged to host concerts, for instance the Cantores Michaelis summer concert and other concerts besides. It is a joy to be Vicar here, not least because there is so much team work going on and so much friendliness in the congregation.

Canon David Miller

FINANCIAL REVIEW

The year was a stable one with income and expenditure in balance. The budget produced before the start of the year proved close to the actual variance but both income and expenditure were significantly above their respective forecasts.

Income

The main source of income was from parishioners who give through the Parish Giving Scheme or by standing order. The number fluctuates slightly throughout the year but from approximately 46 donors average weekly giving was £14.76 compared with £14.95 in 2023. The majority of these are eligible for gift aid. Two thirds of PGS donors have agreed to receive annual inflationary increase suggestions.

Tax was also reclaimed from plate collections through the Gift Aid Small Donations Scheme but there is a limit set by the Government so worshippers are encouraged to consider using direct debits, standing orders or gift aid envelopes.

Income from cruise ships was virtually unchanged at £1,785. This is heavily influenced by the number of hours the church is opened to visitors; the frequency of opening this year was reduced by the availability of stewards. There are no plans to charge people coming to see the church.

The new contactless payment device near the door saw increased income from visitors, attendees at services and those coming to see or participate in events. £1,508 was taken in pure donations (i.e. not for services or events) compared with £318 in the previous year. The device now comes under the management of the Parish Giving Scheme whose reports cover both planned giving and contactless donations. Their efficiency at reclaiming tax through the gift aid scheme saves a lot of local clerical time.

The SumUp machine continues to be used to a lesser extent, mainly owing to signal issues. This brought in a further £618 compared to £461 the previous year.

The church received the second, final part of a legacy from the late Isabella Mary Strachan of £10,622. Other one-off gifts came to £2,140.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2024**

FINANCIAL REVIEW (CONTINUED)

Income (Continued)

The sum of £2,366, equivalent to the VAT on fabric repairs, was reclaimed from the Licensed Places of Worship Scheme.

Fees from weddings and funerals came to £2,298.

£475 was claimed from the St Michael's Sunday School Trust for Sunday School activities.

The church receives a small amount of income from ticket event sales and guided tours, £502 and £50 respectively, and these ventures are being nurtured.

Expenditure

Major expenditure this year was accounted for by essential roof repairs, remedial work to the floor for health and safety reasons and a boiler repair, a total of £15,188.

The roof repair above the choir and organ required scaffolding on two occasions, always a high cost. The problem of the water ingress was finally rectified at the second attempt.

A further £6,742 was spent on fees to look at options for the future development of the church.

The fabric fund, set up in 2023 with a balance of £20,277 for exactly these purposes, was topped up from the legacy, one-off gifts, LPoW tax reclaim and insurance claims leaving it £2,408 lower by year end. This is the main variable with any church finances.

Other costs were much as expected apart from extra funds to support the choir, a fraction of that already provided through the Friends of St Michael's.

The church continued to pay its requested share to the diocese.

Challenges for 2025

Our diocesan share is being reduced for a second year, the result of demographic data and the formula used to calculate affordability for every parish. This is helpful, but the age profile of the congregation is a long term challenge. Most of our donors have given generously for many years but there are few new people signing up to any method of regular giving.

Maintaining the pool of stewards is affected by the same issue - the number having to give up through age or ill health is not being matched by newer recruits. That will affect income if a solution is not found.

Fabric repairs are unpredictable outside of the quinquennial inspection but a roof fund is going to be set up in addition to the fabric fund to try to set money aside for this inevitable work. It is hoped that this will focus minds on the need for fundraising.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2024**

FINANCIAL REVIEW (CONTINUED)

Summary

The detailed accounts are set out on subsequent pages. An extract is shown here.

	2024	2023
	£	£
Total income	92,942	112,096
Total expenditure	91,843	114,769
Net gains/(losses) on investment	435	1,374
	_____	_____
Net income/(expenditure) for the year	£1,534	£(1,299)
	_____	_____

Investment Powers and Policy

The PCC holds those funds which are not in the CAF Bank current or deposit account with the Central Board of Finance of the Church of England (CBF). There are some long-term investments held in the form of CBF share investment accounts.

Other investments and deposits as we continue to hold relate solely to restricted funds and this includes specific deposit accounts relating to restricted funds.

Reserves Policy and Going Concern

It is the policy of the PCC to maintain unrestricted funds at a level which will enable the PCC to cover its on-going direct charitable expenditure and its management and administration costs. This should be at least 3 months running costs, ideally 6 months. In 2024 the average monthly expenditure was £7,653, thus the reserves should be at least £22,960 and preferably £45,920. We currently have £90,888 in our CAF Bank current and deposit accounts. The trustees are of a view that the PCC is a going concern.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2024**

PLANS FOR FUTURE PERIODS

1) Teamwork. One of the strengths of our church which must continue through the next year is our ability to integrate new people into existing teams. It is impossible to enumerate all the jobs being done at St Michael's partly because many are done quietly behind the scenes. For instance, the work of church warden, deputy church warden, treasurer, communion assistant, chief flower arranger, steward, server, safeguarding team member, provider of refreshments after the service has all been done by new volunteers to a very high standard. Often they are replacing other volunteers who have also been working to a very high standard, who I would like to thank for their work. This coming year we urgently need to find a PCC secretary and find new people in a variety of other roles.

2) Ministry in Southampton. Bishop Geoff Annas suggested that the church might consider becoming more involved in the work of Street Pastors. We should consider this suggestion and see if we can do more in this area.

3) Link with the world-wide Anglican Communion. We have made the first steps to form a link with a church on the outskirts of Accra, Ghana. We should follow this up in the coming year.

4) Links with other churches. We are developing good personal relationships with St Mary's and St Joseph's. In an era of change for all churches, we must maintain these links and hopefully develop them in the time ahead.

5) Fabric concerns. These include the replacement of the boiler and the plan to develop the South East corner of the church which were both mentioned in the equivalent report from last year.

6) We must continue doing everything we can to enable Cantores Michaelis to present music to a very high standard and have the financial backing to sing with sufficient singers.

7) We must build on the growth in the congregation which we have seen in 2024. It is always good to have targets and I would like to suggest that we aim towards having a total of 100 people in church on a Sunday morning as a target.

8) We must recognise the significance of the Jane Austen 250th anniversary this year and be prepared to welcome visitors to Southampton from near and far who have come to celebrate the anniversary.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Parochial Church Council of the Ecclesiastical Parish of St Michael the Archangel, Southampton ('the PCC') is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure.

The PCC is a registered charity number 1180694.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Recruitment and Appointment of Trustees

Members of the PCC are either ex-officio or elected at the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules. Elected members serve for three years and approximately one third are elected each year, ensuring an appropriate element of continuity.

Trustee Induction and Training

New members are briefed by existing members as appropriate and from time to time the PCC holds an away day to review its work and discuss future plans.

Risk Management

The PCC was registered as a charity on 14 November 2018. As such no work on risk management has been undertaken. However the major risks to which the charity is exposed, will be identified by the trustees and will be reviewed and systems or procedures established to manage those risks. A safeguarding policy, a lone working policy and a health and safety policy are in place.

Organisational Structure

The PCC has the responsibility of co-operating with the clergy in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. It also has maintenance responsibilities for St Michael's Church. The PCC has one sub-committee: a Standing Committee as required by law, with powers to transact business between PCC meetings, subject to the direction of the PCC.

RESPONSIBILITIES OF THE TRUSTEES

The trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare Financial Statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing those Financial Statements the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2024**

RESPONSIBILITIES OF THE TRUSTEES (CONTINUED)

The trustees are responsible for maintaining proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the charity and to enable them to ensure that the Financial Statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the provisions of the trust deed and the Church Accounting Regulations 2006. They are also responsible for safeguarding the assets of the charity and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT EXAMINER

A resolution to re-appoint Abraham & Dobell as independent examiner for the ensuing year will be proposed at the Annual Church Meeting.

Approved by the trustees on 18 May 2025 and signed on their behalf by:



.....
**REV CANON D MILLER
VICAR AND CHAIR**



.....
**COLIN BLEACH
TREASURER**

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**FOR THE YEAR ENDED
31 DECEMBER 2024**

I report to the charity's trustees on my examination of the accounts of The Parochial Church Council of the Ecclesiastical Parish of St Michael the Archangel, Southampton ('the PCC') for the year ended 31 December 2024.

RESPONSIBILITIES AND BASIS OF REPORT

As trustees of the PCC 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 PCC's accounts carried out under section 145 of the 2011 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; 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.

.....
DAVID J MANT FCA
INSTITUTE OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES

230 Shirley Road
Southampton
SO15 3HR

18 May 2025

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

STATEMENT OF FINANCIAL ACTIVITIES

**FOR THE YEAR ENDED
31 DECEMBER 2024**

	Notes	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £	2023 Total Funds £
INCOME					
Donations and legacies	2	79,789	-	79,789	106,739
Charitable activities	3	4,953	-	4,953	3,295
Investment income	4	2,228	577	2,805	2,062
Other income	5	5,395	-	5,395	-
TOTAL INCOME		92,365	577	92,942	112,096
EXPENDITURE					
Raising funds		618	-	618	-
Charitable activities	6	91,225	-	91,225	114,769
TOTAL EXPENDITURE		91,843	-	91,843	114,769
NET GAINS/(LOSSES) ON INVESTMENTS	9	-	435	435	1,374
NET INCOME FOR THE YEAR		522	1,012	1,534	(1,299)
TRANSFER BETWEEN FUNDS	17	-	-	-	-
NET MOVEMENT IN FUNDS FOR THE YEAR		522	1,012	1,534	(1,299)
RECONCILIATION OF FUNDS					
Total funds brought forward		86,375	19,161	105,536	106,835
Total funds carried forward		£86,897	£20,173	£107,070	£105,536

The notes on pages 14 to 24 form part of these Financial Statements

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

BALANCE SHEET

AS AT 31 DECEMBER 2024

	Note	2024		2023	
		£	£	£	£
FIXED ASSETS					
Investment assets	10		18,091		17,656
			-----		-----
TOTAL FIXED ASSETS			18,091		17,656
CURRENT ASSETS					
Investments	11	2,082		1,505	
Cash at bank and in hand	12	90,888		90,282	
			-----		-----
TOTAL CURRENT ASSETS		92,970		91,787	
LIABILITIES					
Creditors: Amounts falling due within one year	13	3,991		3,907	
			-----		-----
NET CURRENT ASSETS			88,979		87,880
TOTAL ASSETS LESS CURRENT LIABILITIES/ TOTAL NET ASSETS	15		£107,070		£105,536
			-----		-----
THE FUNDS OF THE CHARITY					
Unrestricted income funds	16		86,897		86,375
Restricted income funds			20,173		19,161
			-----		-----
TOTAL CHARITY FUNDS			£107,070		£105,536
			-----		-----

Approved by the trustees on 18 May 2025 and signed on their behalf by:


.....
REV CANON D MILLER
VICAR AND CHAIR


.....
COLIN BLEACH
TREASURER

The notes on pages 14 to 24 form part of these Financial Statements

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2024**

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the Financial Statements are as follows:

(a) Basis of Preparation

The PCC is a public benefit entity within the meaning of FRS 102.

The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Church Accounting Regulations 2006.

The Financial Statements have been prepared under the historical cost convention except for the valuation of investment assets which are shown at market value where applicable.

The Financial Statements include all transactions, assets and liabilities for which the PCC is responsible in law.

They do not include the Financial Statements of Church groups that owe their main affiliation to another body, nor those that are informal gatherings of Church members.

The Financial Statements are prepared in sterling, which is the functional currency of the PCC. Monetary amounts are rounded to the nearest £.

(b) Income Recognition Policies

(i) Donations and Legacies

Collections are recognised when received by or on behalf of the PCC.

Planned giving receivable under Gift Aid is recognised only when received.

Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement, the amount due is quantifiable, its ultimate receipt by the PCC is reasonably certain and when any pre-conditions preventing their use have been met.

Donated services and facilities are included at the value to the PCC where this can be quantified. The value of services provided by volunteers has not been included in these Financial Statements.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2024**

1. ACCOUNTING POLICIES (CONTINUED)

(b) Income Recognition Policies (Continued)

(ii) Charitable Activities

Income from fees and other charitable activities is recognised when it is received.

Rental income from the letting of church premises is recognised when the rental is due.

(iii) Other Trading Activities

Income from the fête, garden party and similar events are accounted for gross.

Sales of books and magazines from the church bookstall are accounted for gross.

(iv) Investment Income

Dividends are accounted for when due and payable. Interest entitlements are accounted for as they accrue.

Tax recoverable on such income is recognised in the same accounting year.

(v) Gains and Losses on Investments

Realised gains and losses are recognised when investments are sold.

Unrealised gains and losses are accounted for on revaluation of investments at 31 December.

(c) Expenditure

Expenditure is recognised on an accruals basis where there is a legal or constructive obligation and settlement is probable and quantifiable. Expenditure includes VAT as the PCC is not VAT registered and is reported as part of the expenditure to which it relates.

(i) Grants

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation to the PCC.

(ii) Charitable Activities

The Parish Share is accounted for when payable. Any Parish Share unpaid at 31 December is provided for in these Financial Statements as an operational (though not a legal) liability and is shown as a creditor in the Balance Sheet.

(iii) Support Costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2024**

1. ACCOUNTING POLICIES (CONTINUED)

(c) Expenditure (Continued)

(iv) Governance Costs

These include those costs associated with meeting the statutory requirements of the PCC.

(d) Tangible Fixed Assets

(i) Consecrated Land and Buildings and Movable Church Furnishings

Consecrated and beneficed property of any kind is excluded from the statutory definition of 'charity' by section 10(2)(a) and (c) of the Charities Act 2011.

All expenditure incurred on consecrated or beneficed buildings is written-off in the year that it is incurred.

No value is placed on movable church furnishings held by the Churchwardens on special trust for the PCC and which require a faculty for disposal since the PCC considers 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 SOFA and separately disclosed.

(ii) Other Fixtures, Fittings, Office Equipment and Consumables

Equipment and consumables used within the church premises are depreciated on a straight line basis over four years where capitalised.

Individual items with a purchase price of £1,000 or less are written off when the asset is acquired.

(e) Investments

Investments are valued at market value at 31 December.

(f) Debtors

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors less any provision for amounts that may prove uncollectible.

(g) Current Asset Investments and Cash at Bank

Current asset investments and cash include cash held on deposit either with the CBF Church of England Funds or at the bank.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2024**

1. ACCOUNTING POLICIES (CONTINUED)

(h) Creditors and Provisions

Creditors and provisions are recognised where the PCC has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

(i) Taxation

The PCC is exempt from taxation on its charitable activities.

(j) Fund Accounting

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

Designated funds are general funds set aside by the PCC for use in the future.

Restricted funds comprise:

- (a) income from endowments which is to be expended 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 these funds have unspent balances, interest on their pooled investment is apportioned to the individual funds on average balance basis.

(k) Financial Instruments

The PCC only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(l) Significant Judgements and Estimates

Preparation of the Financial Statements may require the trustees to make significant judgements and estimates. There are no items in the Financial Statements where judgements and estimates would have a significant effect on amounts recognised in the Financial Statements.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2024**

2. DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £	2023 Total Funds £
Planned giving	35,309	-	35,309	34,167
Income Tax recoverable	11,182	-	11,182	10,832
Collections (open plate) at all services	8,714	-	8,714	5,751
Sundry donations	11,122	-	11,122	21,399
Legacies	10,622	-	10,622	12,520
Grants	2,840	-	2,840	22,070
	<hr/>	<hr/>	<hr/>	<hr/>
	£79,789	£-	£79,789	£106,739
	<hr/>	<hr/>	<hr/>	<hr/>

There were no donated services and facilities receivable which could be quantified in the year.

3. CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £	2023 Total Funds £
Fees	2,298	-	2,298	1,554
Church lettings etc	1,237	-	1,237	990
Other activities to generate funds	1,419	-	1,419	751
	<hr/>	<hr/>	<hr/>	<hr/>
	£4,954	£-	£4,954	£3,295
	<hr/>	<hr/>	<hr/>	<hr/>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2024**

4. INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £	2023 Total Funds £
Dividends from investments	-	482	482	458
Bank interest and interest from investments	2,228	95	2,323	1,604
	<u>£2,228</u>	<u>£577</u>	<u>£2,805</u>	<u>£2,062</u>

5. OTHER INCOME

	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £	2023 Total Funds £
Insurance claims	£5,395	£-	£5,395	£-
	<u>£5,395</u>	<u>£-</u>	<u>£5,395</u>	<u>£-</u>

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2024 Total Funds £	2023 Total Funds £
Donations	2,467	-	2,467	2,931
Parish share	30,613	-	30,613	31,412
Clergy expenses	16	-	16	24
Church running expenses	15,958	-	15,958	13,354
Church maintenance	3,205	-	3,205	3,204
Upkeep of services	6,320	-	6,320	5,879
Major repairs and building work	21,930	-	21,930	49,144
Salaries/organist/cantores	8,020	-	8,020	5,600
Parish retreat	-	-	-	1,379
Support costs	1,652	-	1,652	862
Governance costs	1,044	-	1,044	980
	<u>£91,225</u>	<u>£-</u>	<u>£91,225</u>	<u>£114,769</u>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2024**

7. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

The PCC identifies the costs of its support function. It then identifies those costs which relate to the governance function. The PCC allocates the support and governance costs entirely to the unrestricted expenditure (note 6).

	General Support £	Governance £	Total Funds £	Basis of Apportionment
Office expenses	1,652	-	1,652	Usage
Professional costs	-	804	804	Governance
PCC meetings hall hire	-	240	240	Governance
	—	—	—	
	£1,652	£1,044	£2,696	
	—	—	—	

8. TRUSTEES' REMUNERATION AND EXPENSES

No payments were made to trustees by way of remuneration or expenses during the period.

9. GAINS OR LOSSES ON INVESTMENT

	2024 £	2023 £
Unrealised gain/(loss) on CBF Investment	£435	£1,374
	—	—

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2024**

10. INVESTMENT ASSETS

Holding	Market Value at 31 December 2024				
	£				
CBF Fixed Interest	2,999	units	@	£1.4912	4,472
CBF Investment Fund	589	units	@	£23.1227	13,619

					£18,091

Holding	Market Value at 31 December 2023				
	£				
CBF Fixed Interest	2,999	units	@	£1.4475	4,341
CBF Investment Fund	589	units	@	£22.6053	13,315

					£17,656

11. INVESTMENTS

	2024	2023
	£	£
CBF Deposit Funds	£2,082	£1,505
	-----	-----

12. CASH AT BANK AND IN HAND

	2024	2023
	£	£
CAF Bank	£90,888	£90,282
	-----	-----

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2024**

13. CREDITORS: Amounts falling due within one year

	2024	2023
	£	£
Accruals	£3,991	£3,907
	_____	_____

14. FINANCIAL INSTRUMENTS

Financial instruments measured at amortised cost comprise the following:

	2024	2023
	£	£
Financial assets that are debt instruments	-	-
Financial liabilities that are debt instruments	3,991	3,907
	_____	_____

15. ANALYSIS OF NET ASSETS BY FUND

	Unrestricted Funds	Restricted Funds	2024 Total Funds	2023 Total Funds
	£	£	£	£
Investment assets	-	18,091	18,091	17,656
Current assets	90,888	2,082	92,970	91,787
Current liabilities	(3,991)	-	(3,991)	(3,907)
	_____	_____	_____	_____
	£86,897	£20,173	£107,070	£105,536
	_____	_____	_____	_____

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2024**

16. ANALYSIS OF CHARITABLE FUNDS

	At	Incoming	Outgoing	Investment	At
	01.01.24	Resources	Resources	Gains/	31.12.24
	£	£	£	(Losses)	£
				£	
Analysis of Movements in Unrestricted Funds					
General funds	66,098	72,843	69,913	-	69,028
<u>Designated funds</u>					
Fabric Fund	20,277	19,522	21,930	-	17,869
	-----	-----	-----	-----	-----
Total Unrestricted Funds	86,375	92,365	91,843	-	86,897
	-----	-----	-----	-----	-----
Analysis of Movements in Restricted Funds					
Michael Alderson	19,161	577	-	435	20,173
	-----	-----	-----	-----	-----
Total Restricted Funds	19,161	577	-	435	20,173
	-----	-----	-----	-----	-----
Total Funds	£105,536	£92,942	£91,843	£435	£107,070
	-----	-----	-----	-----	-----

Unrestricted funds are funds which the PCC is free to spend on any of its activities. The PCC can, from time to time, designate unrestricted funds for particular purposes. The PCC may subsequently choose to re-designate unrestricted funds for another purpose.

The PCC has a designated fabric fund for maintenance of the fabric of the Church and to encourage donations specifically for this purpose.

Restricted funds are those which the PCC can only spend on purposes determined by the terms on which a fund is set up, typically as a trust fund. The Michael Alderson Trust is to support training principally but not exclusively for the clergy.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2024**

17. TRANSFER BETWEEN FUNDS

There have been no transfers between funds during the year ended 31 December 2024.

Accounts

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF
ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2022**

Registered Charity Number: 1180694

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2022**

CONTENTS

	Page
Trustees' Annual Report	1 - 10
Independent Examiner's Report	11
Statement of Financial Activities	12
Balance Sheet	13
Notes to the Financial Statements	14 - 24

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

TRUSTEES ANNUAL REPORT

**FOR THE YEAR ENDED
31 DECEMBER 2022**

The trustees present their Annual Report and Financial Statements of The Parochial Church Council of the Ecclesiastical Parish of St Michael the Archangel, Southampton for the year ended 31 December 2022.

The Financial Statements comply with the Trust Deed, the Church Accounting Regulations 2006, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity Name: The Parochial Church Council of the Ecclesiastical Parish of St Michael the Archangel, Southampton

Registered Charity Number: 1180694

The PCC is a charity and registered with the Charity Commission on 14 November 2018.

Correspondence Address: 55 Bugle Street
Southampton
SO14 2AG

PCC members (trustees) who have served from 1 January 2022 until the date this report was approved are:

Incumbent:	Rev'd Canon David Miller	Vicar and Chairman	App Nov 2022
Other Clergy:	Rev'd Philip Hand	Non-Stipendiary	
Licenced Lay Minsters:	Mr Duncan Bradley		
Church Wardens:	Dr Stephen Whitaker Mrs Alexandra Stokes	Vice Chair Acting Treasurer	
Deputy Church Wardens:	Miss Kath Singleton Mrs Pam Hand Mrs Doina Whitaker		

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

REFERENCE AND ADMINISTRATIVE INFORMATION (CONTINUED)

Deanery Synod Representatives:	Dr Elisabeth Schroeder-Butterfill Mr Alistair Stokes	App May 2022
Other Elected	Mr Alan Pitfield Mrs Lorna Brown Mr Neil Giles Mrs Pam Hand Mrs Marian Hubble Mr Matthew Read Mr Christopher Ricketts Miss Kath Singleton Mr John Williams	(Treasurer Resigned May 2022) App May 2022 App May 2022 Dec'd Jan 2023
PCC Secretary	Miss Naomi Rides	
Safeguarding Officer:	Mr John Williams	Dec'd Jan 2023
Our Advisors:		
Independent Examiner:	Abraham & Dobell 230 Shirley Road Southampton SO15 3HR	
Bankers:	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	
Investment Managers:	CCLA Investment Management Ltd One Angel Lane London EC4R 3AB	

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

OBJECTIVES AND ACTIVITIES

People have been worshipping at St Michael the Archangel in the Old Town Southampton for over 950 years.

St Michael's offers a welcome to 'all sorts of conditions' of people Sunday by Sunday.

The sacraments are celebrated reverently and joyfully and received as God's good gifts.

We seek to engage with our local community and the wider world through involvement in schools, the Southampton Council of Faiths, Peace Walks and the dispersed Community of the Cross of Nails (based at Coventry Cathedral).

We seek to develop our relationship with the Catholic City Centre parish through shared soup lunches with St Joseph's Church, which support CAFOD and Christian Aid.

Public Benefit Statement

All of our activities are undertaken to further our charitable purposes for the public benefit. In planning our activities for the year we have considered the Charity Commission's guidance on public benefit, including the guidance 'Public Benefit: Running a Charity (PB2)' and, in particular, the supplementary guidance on charities for the advancement of religion.

ACHIEVEMENTS AND PERFORMANCE

Fellowship Numbers

There were 83 members on the Electoral Roll at 31 December 2022. Of these, 15 live in the parish.

Review of the Year

2022 was a transition year for the Parish of St Michael the Archangel. At the start of the year we were still in a Vacancy with no vicar. Revd Phil Hand continued to do a superb job of ensuring there was a priest every Sunday and we are very grateful to him, Revd Peter Haughton, Revd Brian Pickett, Revd Liz Pickett and Revd Canon Brian Elliot for providing this, together of course with our hard-working LLM, Duncan Bradley.

A lot of work was done by the PCC to produce a Parish Profile which was a necessary step prior to appointing a new vicar. Bishop Debbie then put forward a "bishop's candidate" for our consideration. We decided to call the bishop's candidate for interview first as we could still advertise after that if we were not happy. In fact the bishop's candidate turned out to be very suitable and so Revd Canon David Miller was appointed as our new vicar. We also shortened our vacancy period considerably by not needing to advertise. His service of institution and induction took place on 8th November and we are very happy to welcome him.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Review of the Year (Continued)

On Palm Sunday we joined with our catholic friends from St Joseph's, along with Monsignor Vincent Harvey, for a memorable liturgy at both the Westgate and in St Michael's Square, followed by our service which included distribution of communion at the high altar. At Easter we were able to hold the full range of services from Maundy Thursday to Easter Sunday – Easter Sunday being led by Revs Brian and Liz Pickett. At Pentecost the service was followed by a shared lunch in the square with our friends from St Joseph's. Since this was also the occasion of the Platinum Jubilee of Her Majesty Queen Elizabeth II, there was also a special Evensong, led magnificently by Keith Davis and Cantores, which was well attended. Advent Carols was a magnificent occasion, and really well attended. At the end of the year the Christmas festivities went well, including Carols in the Square. This year the weather held out for us to actually be outside in the square (unlike 2021). The Nine Lessons and Carols, and Midnight Mass were also great events.

The Thursday Eucharist at 12.30pm was re-introduced in December initially on a monthly basis. Currently the 8 o'clock communion service on Sundays is not held. The Litany of Reconciliation, from Coventry Cathedral as an expression of our membership of the Community of the Cross of Nails, has been said every Friday at midday.

The Sunday School was in abeyance as there were no children of the right age.

Our choir, Cantores Michaelis, together with our Director of Music, Keith Davis, continued to provide music of outstanding quality.

We hosted the Southampton Civic Service in October as well as the Shaw Saville Society service in May, the Southampton Master Mariners' ("Cachalot's") service in June and the Winchester & District Association of Organists' concert in August. We had several other concerts during the year. We did not have a Fayre in the Square this year.

We held the French Service at St Julien's Church in July.

We obtained a faculty from the diocese enabling the Southampton congregation of the Orthodox Church of Georgia to hold services at St Michael's. They held their first service in May and continued to hold monthly services after that on Saturdays.

Our Parish Safeguarding Officer John Williams continued to ensure we were up to date with our procedures. All PCC members are up to date with their DBS checks. The status of safeguarding training for all trustees was reviewed and the necessary training is being undertaken. Policies have been updated. We were greatly helped in all these processes by the Parish Safeguarding Dashboard. Sadly John died in January 2023 so a new safeguarding officer will need to be appointed.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Review of the Year (Continued)

In March the sound engineers came to adjust our sound system, following which the quality of the sound has been much improved.

Our heating boiler is very old and will need replacing fairly soon so we arranged for a heating engineer to inspect the church in September. He produced a report in December detailing the various options we have for heating the church.

The church guttering and downpipes are badly in need of repair. Plans had been drawn up by our previous architect, Columba Cook, to rectify this and in January we obtained a faculty from the diocese enabling us to proceed. However Columba had retired by then and so we met our new church architect, Antony Feltham-King, who reviewed the plans and recommended some additional work to include the downpipes on the tower. We obtained further approval from the diocese for this which was deemed not to require a new faculty.

We continue to enjoy the bells being rung by the Southampton City Ringers and the University band, including peels for the Platinum Jubilee and ringing for the funeral of Her Majesty Queen Elisabeth II.

The church was re-opened for visitors in January 2022 and the numbers are beginning to go back towards pre-Covid levels, particularly with the return of the cruise ships. In 2022 we had around 8,300 visitors. There is always great interest in our font and the two brass lecterns.

We would like to thank the many people who have contributed to keeping our church going: the ministry team, the PCC, the Director of Music and Cantores, the deputy wardens and sides people, the readers, servers, stewards, coffee makers and servers, flower arrangers, cleaners and others.

FINANCIAL REVIEW

Alan Pitfield stood down as Treasurer at the APCM in May 2022 due to ill health. One of the churchwardens, Alex Stokes, has been acting as Treasurer since then whilst a search for a new Treasurer continues.

2022 was a relatively stable year as the effects of the pandemic gradually wore off. The attendance at the Sunday services remained stable.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

FINANCIAL REVIEW (CONTINUED)

Income

- We now have a total of 42 parishoners giving either through the Parish Giving Scheme or by standing order, which helps to stabilise and forecast our income. The average weekly giving was £14.60, which is slightly below the diocesan average of £16.
- The cruise ships returned in greater numbers during the year which meant an increase in visitors to the church during the week. This is reflected in the increase in the donations in the church box and the foreign money we are able to bank.
- The PCC agreed to return to the pre-pandemic agreement to share this part of our income with the Friends of St Michaels.
- A new SumUp contactless machine was introduced in the autumn in order to allow giving with cards. Other means will be explored next year as the thick walls of the church make it difficult to connect to the mobile network.
- A faculty was approved during the year to allow the Georgian Orthodox community to use St Michael's once a month for their Liturgy. They make a contribution towards the heating and electricity costs.
- The income for the Alderson Trust has remained steady.

Expenditure

The running costs for the church remained relatively constant until the end of the year.

- The Common Mission Fund contributions (parish share) was less than in 2021, due to the diocese using a different method to calculate the Worshipping Community, due to the pandemic.
- The cost of gas and electricity increased by 15%, mainly towards the end of the year. In July the contract for gas and electricity was due for renewal. This was unfortunate timing as the old contract was on very good terms. However, after some research, it was decided to continue with our existing supplier as, in particular, the offer through Parish Buying was more expensive. We are receiving the government rebate as from October (approximately 30% of the bill) and, in addition, we received a one-off grant of £1,000 from the diocese towards the utility bills.
- The rest of the running expenditure remained flat.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

FINANCIAL REVIEW (CONTINUED)

Major Works and Repairs

There were no major works to the fabric of the church building during 2022. As our inspecting architect was retiring, we changed to a new architect who would be able to see any work through to completion. The outcome of his quinquennial inspection at the end of 2021 was that there are some urgent repairs to be done, in particular to the rainwater goods. A faculty had been granted for some of the work but the QI had identified further problems so the faculty was amended to include them. The costs this year have been for the architect's fees. The work is due to be done during the first half of 2023.

Summary

The detailed accounts are set out on subsequent pages. An extract is shown here.

	2022	2021
	£	£
Total income	55,338	59,532
Total expenditure	54,163	73,280
Net (losses)/gains on investment	(2,261)	1,388
	_____	_____
Net (expenditure) for the year	£(1,086)	£(12,360)
	_____	_____

Challenges for 2023

The expenditure for 2023 will have a significant increase.

- The CMF is due to increase by 16%. An application was made in August 2022 for special consideration in view of the anticipated building works as a mitigating factor but this was turned down by the diocese.
- The utility bills will increase significantly, particularly once the government Energy Bill Relief Scheme finishes at the end of March 2023.
- The work on the rainwater goods will cost approximately £35,000. Some of this will be covered by an anonymous donation and by a donation from the Friends of St Michael but this will still have an impact on our small reserves.
- The congregation will be asked for an increase in their weekly giving but this is a difficult issue with the current increase in cost of living.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

FINANCIAL REVIEW (CONTINUED)

Investment Powers and Policy

The PCC holds those funds which are not in the CAF Bank current or deposit account with the Central Board of Finance of the Church of England (CBF). There are some long-term investments held in the form of CBF share investment accounts.

Other investments and deposits as we continue to hold relate solely to restricted funds and this includes specific deposit accounts relating to restricted funds.

Reserves Policy and Going Concern

It is the policy of the PCC to maintain unrestricted funds at a level which will enable the PCC to cover its on-going direct charitable expenditure and its management and administration costs. This should be at least 3 months running costs, ideally 6 months. In 2022 the average monthly expenditure was £4,154, thus the reserves should be at least £12,460 and preferably £24,923. We currently have £90,471 in our CAF Bank current and deposit accounts. The trustees are of a view that the PCC is a going concern.

PLANS FOR FUTURE PERIODS

Now that we have a new vicar in place, we will use the opportunity to review our use of the liturgies, music etc.

In 2023 there will be major repairs to the rainwater goods to ensure the building is watertight. This will enable other more minor repairs to be done inside the church once the walls have dried out.

Longer term the boiler needs replacing, both because it is old but also because it will be more efficient. We plan to use this as an opportunity to redesign the whole area to the south east side of the church, including removing the old organ console and pipes, enabling a disabled access toilet to be put in place, redesigning the kitchen, sacristy and ensuring adequate storage space. We would also wish to make the existing choir vestry into a quiet room for the Sunday School. All this requires longer term planning and a significant amount of fund-raising.

The long term plan to place the parish with a more pivotal role in the community is still central to the parish.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Parochial Church Council of the Ecclesiastical Parish of St Michael the Archangel, Southampton ('the PCC') is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure.

The PCC is a registered charity number 1180694.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Recruitment and Appointment of Trustees

Members of the PCC are either ex-officio or elected at the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules. Elected members serve for three years and approximately one third are elected each year, ensuring an appropriate element of continuity.

Trustee Induction and Training

New members are briefed by existing members as appropriate and from time to time the PCC holds an away day to review its work and discuss future plans.

Risk Management

The PCC was registered as a charity on 14 November 2018. As such no work on risk management has been undertaken. However the major risks to which the charity is exposed, will be identified by the trustees and will be reviewed and systems or procedures established to manage those risks. A safeguarding policy and a lone working policy are in place.

Organisational Structure

The PCC has the responsibility of co-operating with the clergy in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. It also has maintenance responsibilities for St Michael's Church. The PCC has one sub-committee: a Standing Committee as required by law, with powers to transact business between PCC meetings, subject to the direction of the PCC.

RESPONSIBILITIES OF THE TRUSTEES

The trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare Financial Statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing those Financial Statements the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

RESPONSIBILITIES OF THE TRUSTEES (CONTINUED)


The trustees are responsible for maintaining proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the charity and to enable them to ensure that the Financial Statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the provisions of the trust deed and the Church Accounting Regulations 2006. They are also responsible for safeguarding the assets of the charity and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT EXAMINER

A resolution to re-appoint Abraham & Dobell as independent examiner for the ensuing year will be proposed at the Annual Church Meeting.

Approved by the trustees on 14 May 2023 and signed on their behalf by:


.....
REV CANON D MILLER
VICAR AND CHAIR


.....
MRS A STOKES
CHURCH WARDEN & ACTING TREASURER

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

I report to the charity's trustees on my examination of the accounts of The Parochial Church Council of the Ecclesiastical Parish of St Michael the Archangel, Southampton ('the PCC') for the year ended 31 December 2022.

RESPONSIBILITIES AND BASIS OF REPORT

As trustees of the PCC 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 PCC's accounts carried out under section 145 of the 2011 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; 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.



.....
DAVID J MANT FCA
INSTITUTE OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES

230 Shirley Road
Southampton
SO15 3HR

14 May 2023

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

STATEMENT OF FINANCIAL ACTIVITIES

**FOR THE YEAR ENDED
31 DECEMBER 2022**

	Notes	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	2021 Total Funds £
INCOME					
Donations and legacies	2	51,877	-	51,877	56,963
Charitable activities	3	2,620	-	2,620	2,075
Investment Income	4	333	508	841	494
TOTAL INCOME		54,830	508	55,338	59,532
EXPENDITURE					
Charitable activities	5	54,163	-	54,163	73,280
TOTAL EXPENDITURE		54,163	-	54,163	73,280
NET GAINS/(LOSSES) ON INVESTMENTS	8	-	(2,261)	(2,261)	1,388
NET INCOME FOR THE YEAR		667	(1,753)	(1,086)	(12,360)
TRANSFER BETWEEN FUNDS	16	1,139	(1,139)	-	-
NET MOVEMENT IN FUNDS FOR THE YEAR		1,806	(2,892)	(1,086)	(12,360)
RECONCILIATION OF FUNDS					
Total funds brought forward		86,401	21,520	107,921	120,281
Total funds carried forward		£88,207	£18,628	£106,835	£107,921

The notes on pages 14 to 23 form part of these Financial Statements

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Note	2022		2021	
		£	£	£	£
FIXED ASSETS					
Investment assets	9		16,282		18,542
			-----		-----
TOTAL FIXED ASSETS			16,282		18,542
CURRENT ASSETS					
Investments	10	2,346		1,837	
Cash at bank and in hand	11	91,346		90,624	
			-----		-----
TOTAL CURRENT ASSETS		93,692		92,461	
LIABILITIES					
Creditors: Amounts falling due within one year	12	3,139		3,082	
			-----		-----
NET CURRENT ASSETS			90,553		89,379
			-----		-----
TOTAL ASSETS LESS CURRENT LIABILITIES/ TOTAL NET ASSETS	14		£106,835		£107,921
			-----		-----
THE FUNDS OF THE CHARITY	15				
Unrestricted income funds			88,207		86,401
Restricted income funds			18,628		21,520
			-----		-----
TOTAL CHARITY FUNDS			£106,835		£107,921
			-----		-----

Approved by the trustees on 14 May 2023 and signed on their behalf by:



REV CANON D MILLER
VICAR AND CHAIR



MRS A STOKES
CHURCH WARDEN & ACTING TREASURER

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2022**

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the Financial Statements are as follows:

(a) Basis of Preparation

The PCC is a public benefit entity within the meaning of FRS 102.

The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Church Accounting Regulations 2006.

The Financial Statements have been prepared under the historical cost convention except for the valuation of investment assets which are shown at market value where applicable.

The Financial Statements include all transactions, assets and liabilities for which the PCC is responsible in law.

They do not include the Financial Statements of Church groups that owe their main affiliation to another body, nor those that are informal gatherings of Church members.

The Financial Statements are prepared in sterling, which is the functional currency of the PCC. Monetary amounts are rounded to the nearest £.

(b) Income Recognition Policies

(i) Donations and Legacies

Collections are recognised when received by or on behalf of the PCC.

Planned giving receivable under Gift Aid is recognised only when received.

Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement, the amount due is quantifiable, its ultimate receipt by the PCC is reasonably certain and when any pre-conditions preventing their use have been met.

Donated services and facilities are included at the value to the PCC where this can be quantified. The value of services provided by volunteers has not been included in these Financial Statements.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

1. ACCOUNTING POLICIES (CONTINUED)

(b) Income Recognition Policies (Continued)

(ii) Charitable Activities

Income from fees and other charitable activities is recognised when it is received.

Rental income from the letting of church premises is recognised when the rental is due.

(iii) Other Trading Activities

Income from the fête, garden party and similar events are accounted for gross.

Sales of books and magazines from the church bookstall are accounted for gross.

(iv) Investment Income

Dividends are accounted for when due and payable. Interest entitlements are accounted for as they accrue.

Tax recoverable on such income is recognised in the same accounting year.

(v) Gains and Losses on Investments

Realised gains and losses are recognised when investments are sold.

Unrealised gains and losses are accounted for on revaluation of investments at 31 December.

(c) Expenditure

Expenditure is recognised on an accruals basis where there is a legal or constructive obligation and settlement is probable and quantifiable. Expenditure includes VAT as the PCC is not VAT registered and is reported as part of the expenditure to which it relates.

(i) Grants

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation to the PCC.

(ii) Charitable Activities

The Parish Share is accounted for when payable. Any Parish Share unpaid at 31 December is provided for in these Financial Statements as an operational (though not a legal) liability and is shown as a creditor in the Balance Sheet.

(iii) Support Costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

1. ACCOUNTING POLICIES (CONTINUED)

(c) Expenditure (Continued)

(iv) Governance Costs

These include those costs associated with meeting the statutory requirements of the PCC.

(d) Tangible Fixed Assets

(i) Consecrated Land and Buildings and Movable Church Furnishings

Consecrated and beneficed property of any kind is excluded from the statutory definition of 'charity' by section 10(2)(a) and (c) of the Charities Act 2011.

All expenditure incurred on consecrated or beneficed buildings is written-off in the year that it is incurred.

No value is placed on movable church furnishings held by the church wardens on special trust for the PCC and which require a faculty for disposal since the PCC considers 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 SOFA and separately disclosed.

(ii) Other Fixtures, Fittings, Office Equipment and Consumables

Equipment and consumables used within the church premises are depreciated on a straight line basis over four years where capitalised.

Individual items with a purchase price of £1,000 or less are written off when the asset is acquired.

(e) Investments

Investments are valued at market value at 31 December.

(f) Debtors

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors less any provision for amounts that may prove uncollectible.

(g) Current Asset Investments and Cash at Bank

Current asset investments and cash include cash held on deposit either with the CBF Church of England Funds or at the bank.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

1. ACCOUNTING POLICIES (CONTINUED)

(h) Creditors and Provisions

Creditors and provisions are recognised where the PCC has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

(i) Taxation

The PCC is exempt from taxation on its charitable activities.

(j) Fund Accounting

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

Designated funds are general funds set aside by the PCC for use in the future.

Restricted funds comprise:

- (a) income from endowments which is to be expended 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 these funds have unspent balances, interest on their pooled investment is apportioned to the individual funds on average balance basis.

(k) Financial Instruments

The PCC only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(l) Significant Judgements and Estimates

Preparation of the Financial Statements may require the trustees to make significant judgements and estimates. There are no items in the Financial Statements where judgements and estimates would have a significant effect on amounts recognised in the Financial Statements.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

2. DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	2021 Total Funds £
Planned giving	31,683	-	31,683	32,287
Income Tax recoverable on planned giving	8,689	-	8,689	8,204
Collections (open plate) at all services	5,320	-	5,320	4,913
Sundry donations	5,185	-	5,185	2,845
Grants	1,000	-	1,000	8,714
	-----	-----	-----	-----
	£51,877	£-	£51,877	£56,963
	-----	-----	-----	-----

There were no donated services and facilities receivable which could be quantified in the year.

3. CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	2021 Total Funds £
Fees	1,203	-	1,203	1,757
Church lettings etc	750	-	750	180
Other activities to generate funds	667	-	667	138
	-----	-----	-----	-----
	£2,620	£-	£2,620	£2,075
	-----	-----	-----	-----

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

4. INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	2021 Total Funds £
Dividends from investments	-	480	480	484
Bank interest and interest from investments	333	28	361	10
	—	—	—	—
	£333	£508	£841	£494
	—	—	—	—

5. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	2021 Total Funds £
Donations	2,138	-	2,138	-
Parish share	26,217	-	26,217	29,040
Clergy expenses	28	-	28	70
Church running expenses	10,502	-	10,502	10,837
Church maintenance	791	-	791	238
Upkeep of services	3,068	-	3,068	2,429
Major repairs and building work	2,870	-	2,870	23,434
Salaries/organist/cantores	5,550	-	5,550	4,410
Support costs	2,089	-	2,089	2,002
Governance costs	910	-	910	820
	—	—	—	—
	£54,163	£-	£54,163	£73,280
	—	—	—	—

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

6. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

The PCC identifies the costs of its support function. It then identifies those costs which relate to the governance function. The PCC allocates the support and governance costs entirely to the unrestricted expenditure (note 6).

	General Support £	Governance £	Total Funds £	Basis of Apportionment
Office expenses	2,089	-	2,089	Usage
Professional costs	-	730	730	Governance
PCC meetings hall hire	-	180	180	Governance
	—————	—————	—————	
	£2,089	£910	£2,999	
	—————	—————	—————	

7. TRUSTEES' REMUNERATION AND EXPENSES

No payments were made to trustees by way of remuneration or expenses during the period.

8. GAINS OR LOSSES ON INVESTMENT

	2022 £	2021 £
Unrealised (loss)/gain on CBF Investment	£(2,261)	£1,388
	—————	—————

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

9. INVESTMENT ASSETS

Holding	Market Value at 31 December 2022				
	£				
CBF Fixed Interest	2,999	units	@	£1.3710	4,112
CBF Investment Fund	589	units	@	£20.6614	12,170

					£16,282

Holding	Market Value at 31 December 2021				
	£				
CBF Fixed Interest	2,999	units	@	£1.5835	4,749
CBF Investment Fund	589	units	@	£23.4181	13,793

					£18,542

10. INVESTMENTS

	2022	2021
	£	£
CBF Deposit Funds	£2,346	£1,837
	-----	-----

11. CASH AT BANK AND IN HAND

	2022	2021
	£	£
CAF Bank	91,193	90,471
Cash	153	153
	-----	-----
	£91,346	£90,624
	-----	-----

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

12. CREDITORS: Amounts falling due within one year

	2022	2021
	£	£
Accruals	£3,139	£3,082
	<hr/>	<hr/>

13. FINANCIAL INSTRUMENTS

Financial instruments measured at amortised cost comprise the following:

	2022	2021
	£	£
Financial assets that are debt instruments	-	-
Financial liabilities that are debt instruments	3,139	3,082
	<hr/>	<hr/>

14. ANALYSIS OF NET ASSETS BY FUND

	Unrestricted	Restricted	2022	2021
	Funds	Funds	Total	Total
	£	£	Funds	Funds
	£	£	£	£
Investment assets	-	16,282	16,282	18,542
Current assets	91,346	2,346	93,692	92,461
Current liabilities	(3,139)	-	(3,139)	(3,082)
	<hr/>	<hr/>	<hr/>	<hr/>
	£88,207	£18,628	£106,835	£107,921
	<hr/>	<hr/>	<hr/>	<hr/>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

15. ANALYSIS OF CHARITABLE FUNDS

	At 01.01.22 £	Incoming Resources £	Outgoing Resources £	Investment Gains/ (Losses) £	Transfer £	At 31.12.22
Analysis of Movements in Unrestricted Funds						
General funds	86,401	54,830	54,163	-	1,139	88,207
Total Unrestricted Funds	86,401	54,830	54,163	-	1,139	88,207
Analysis of Movements in Restricted Funds						
Michael Alderson	21,520	508	-	(2,261)	(1,139)	18,628
Total Restricted Funds	21,520	508	-	(2,261)	(1,139)	18,628
Total Funds	£107,921	£55,338	£54,163	£(2,261)	£-	£106,835

Unrestricted funds are funds which the PCC is free to spend on any of its activities. The PCC can, from time to time, designate unrestricted funds for particular purposes. The PCC may subsequently choose to re-designate unrestricted funds for another purpose.

Restricted funds are those which the PCC can only spend on purposes determined by the terms on which a fund is set up, typically as a trust fund. The Michael Alderson Trust is to support training principally but not exclusively for the clergy.

16. TRANSFER BETWEEN FUNDS

The transfer between unrestricted and restricted funds relates to the parish retreat paid out of the Michael Alderson Fund.

Accounts

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF
ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2022**

Registered Charity Number: 1180694

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2022**

CONTENTS

	Page
Trustees' Annual Report	1 - 10
Independent Examiner's Report	11
Statement of Financial Activities	12
Balance Sheet	13
Notes to the Financial Statements	14 - 24

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

TRUSTEES ANNUAL REPORT

**FOR THE YEAR ENDED
31 DECEMBER 2022**

The trustees present their Annual Report and Financial Statements of The Parochial Church Council of the Ecclesiastical Parish of St Michael the Archangel, Southampton for the year ended 31 December 2022.

The Financial Statements comply with the Trust Deed, the Church Accounting Regulations 2006, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity Name: The Parochial Church Council of the Ecclesiastical Parish of
St Michael the Archangel, Southampton

Registered Charity Number: 1180694

The PCC is a charity and registered with the Charity Commission on 14 November 2018.

Correspondence Address: 55 Bugle Street
Southampton
SO14 2AG

PCC members (trustees) who have served from 1 January 2022 until the date this report was approved are:

Incumbent:	Rev'd Canon David Miller	Vicar and Chairman	App Nov 2022
Other Clergy:	Rev'd Philip Hand	Non-Stipendiary	
Licenced Lay Minsters:	Mr Duncan Bradley		
Church Wardens:	Dr Stephen Whitaker Mrs Alexandra Stokes	Vice Chair Acting Treasurer	
Deputy Church Wardens:	Miss Kath Singleton Mrs Pam Hand Mrs Doina Whitaker		

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

REFERENCE AND ADMINISTRATIVE INFORMATION (CONTINUED)

Deanery Synod Representatives:	Dr Elisabeth Schroeder-Butterfill Mr Alistair Stokes	App May 2022
Other Elected	Mr Alan Pitfield Mrs Lorna Brown Mr Neil Giles Mrs Pam Hand Mrs Marian Hubble Mr Matthew Read Mr Christopher Ricketts Miss Kath Singleton Mr John Williams	(Treasurer Resigned May 2022) App May 2022 App May 2022 Dec'd Jan 2023
PCC Secretary	Miss Naomi Rides	
Safeguarding Officer:	Mr John Williams	Dec'd Jan 2023
Our Advisors: Independent Examiner:	Abraham & Dobell 230 Shirley Road Southampton SO15 3HR	
Bankers:	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	
Investment Managers:	CCLA Investment Management Ltd One Angel Lane London EC4R 3AB	

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

OBJECTIVES AND ACTIVITIES

People have been worshipping at St Michael the Archangel in the Old Town Southampton for over 950 years.

St Michael's offers a welcome to 'all sorts of conditions' of people Sunday by Sunday.

The sacraments are celebrated reverently and joyfully and received as God's good gifts.

We seek to engage with our local community and the wider world through involvement in schools, the Southampton Council of Faiths, Peace Walks and the dispersed Community of the Cross of Nails (based at Coventry Cathedral).

We seek to develop our relationship with the Catholic City Centre parish through shared soup lunches with St Joseph's Church, which support CAFOD and Christian Aid.

Public Benefit Statement

All of our activities are undertaken to further our charitable purposes for the public benefit. In planning our activities for the year we have considered the Charity Commission's guidance on public benefit, including the guidance 'Public Benefit: Running a Charity (PB2)' and, in particular, the supplementary guidance on charities for the advancement of religion.

ACHIEVEMENTS AND PERFORMANCE

Fellowship Numbers

There were 83 members on the Electoral Roll at 31 December 2022. Of these, 15 live in the parish.

Review of the Year

2022 was a transition year for the Parish of St Michael the Archangel. At the start of the year we were still in a Vacancy with no vicar. Revd Phil Hand continued to do a superb job of ensuring there was a priest every Sunday and we are very grateful to him, Revd Peter Haughton, Revd Brian Pickett, Revd Liz Pickett and Revd Canon Brian Elliot for providing this, together of course with our hard-working LLM, Duncan Bradley.

A lot of work was done by the PCC to produce a Parish Profile which was a necessary step prior to appointing a new vicar. Bishop Debbie then put forward a "bishop's candidate" for our consideration. We decided to call the bishop's candidate for interview first as we could still advertise after that if we were not happy. In fact the bishop's candidate turned out to be very suitable and so Revd Canon David Miller was appointed as our new vicar. We also shortened our vacancy period considerably by not needing to advertise. His service of institution and induction took place on 8th November and we are very happy to welcome him.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Review of the Year (Continued)

On Palm Sunday we joined with our catholic friends from St Joseph's, along with Monsignor Vincent Harvey, for a memorable liturgy at both the Westgate and in St Michael's Square, followed by our service which included distribution of communion at the high altar. At Easter we were able to hold the full range of services from Maundy Thursday to Easter Sunday – Easter Sunday being led by Revs Brian and Liz Pickett. At Pentecost the service was followed by a shared lunch in the square with our friends from St Joseph's. Since this was also the occasion of the Platinum Jubilee of Her Majesty Queen Elizabeth II, there was also a special Evensong, led magnificently by Keith Davis and Cantores, which was well attended. Advent Carols was a magnificent occasion, and really well attended. At the end of the year the Christmas festivities went well, including Carols in the Square. This year the weather held out for us to actually be outside in the square (unlike 2021). The Nine Lessons and Carols, and Midnight Mass were also great events.

The Thursday Eucharist at 12.30pm was re-introduced in December initially on a monthly basis. Currently the 8 o'clock communion service on Sundays is not held. The Litany of Reconciliation, from Coventry Cathedral as an expression of our membership of the Community of the Cross of Nails, has been said every Friday at midday.

The Sunday School was in abeyance as there were no children of the right age.

Our choir, Cantores Michaelis, together with our Director of Music, Keith Davis, continued to provide music of outstanding quality.

We hosted the Southampton Civic Service in October as well as the Shaw Saville Society service in May, the Southampton Master Mariners' ("Cachalot's") service in June and the Winchester & District Association of Organists' concert in August. We had several other concerts during the year. We did not have a Fayre in the Square this year.

We held the French Service at St Julien's Church in July.

We obtained a faculty from the diocese enabling the Southampton congregation of the Orthodox Church of Georgia to hold services at St Michael's. They held their first service in May and continued to hold monthly services after that on Saturdays.

Our Parish Safeguarding Officer John Williams continued to ensure we were up to date with our procedures. All PCC members are up to date with their DBS checks. The status of safeguarding training for all trustees was reviewed and the necessary training is being undertaken. Policies have been updated. We were greatly helped in all these processes by the Parish Safeguarding Dashboard. Sadly John died in January 2023 so a new safeguarding officer will need to be appointed.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Review of the Year (Continued)

In March the sound engineers came to adjust our sound system, following which the quality of the sound has been much improved.

Our heating boiler is very old and will need replacing fairly soon so we arranged for a heating engineer to inspect the church in September. He produced a report in December detailing the various options we have for heating the church.

The church guttering and downpipes are badly in need of repair. Plans had been drawn up by our previous architect, Columba Cook, to rectify this and in January we obtained a faculty from the diocese enabling us to proceed. However Columba had retired by then and so we met our new church architect, Antony Feltham-King, who reviewed the plans and recommended some additional work to include the downpipes on the tower. We obtained further approval from the diocese for this which was deemed not to require a new faculty.

We continue to enjoy the bells being rung by the Southampton City Ringers and the University band, including peels for the Platinum Jubilee and ringing for the funeral of Her Majesty Queen Elisabeth II.

The church was re-opened for visitors in January 2022 and the numbers are beginning to go back towards pre-Covid levels, particularly with the return of the cruise ships. In 2022 we had around 8,300 visitors. There is always great interest in our font and the two brass lecterns.

We would like to thank the many people who have contributed to keeping our church going: the ministry team, the PCC, the Director of Music and Cantores, the deputy wardens and sides people, the readers, servers, stewards, coffee makers and servers, flower arrangers, cleaners and others.

FINANCIAL REVIEW

Alan Pitfield stood down as Treasurer at the APCM in May 2022 due to ill health. One of the churchwardens, Alex Stokes, has been acting as Treasurer since then whilst a search for a new Treasurer continues.

2022 was a relatively stable year as the effects of the pandemic gradually wore off. The attendance at the Sunday services remained stable.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

FINANCIAL REVIEW (CONTINUED)

Income

- We now have a total of 42 parishoners giving either through the Parish Giving Scheme or by standing order, which helps to stabilise and forecast our income. The average weekly giving was £14.60, which is slightly below the diocesan average of £16.
- The cruise ships returned in greater numbers during the year which meant an increase in visitors to the church during the week. This is reflected in the increase in the donations in the church box and the foreign money we are able to bank.
- The PCC agreed to return to the pre-pandemic agreement to share this part of our income with the Friends of St Michaels.
- A new SumUp contactless machine was introduced in the autumn in order to allow giving with cards. Other means will be explored next year as the thick walls of the church make it difficult to connect to the mobile network.
- A faculty was approved during the year to allow the Georgian Orthodox community to use St Michael's once a month for their Liturgy. They make a contribution towards the heating and electricity costs.
- The income for the Alderson Trust has remained steady.

Expenditure

The running costs for the church remained relatively constant until the end of the year.

- The Common Mission Fund contributions (parish share) was less than in 2021, due to the diocese using a different method to calculate the Worshipping Community, due to the pandemic.
- The cost of gas and electricity increased by 15%, mainly towards the end of the year. In July the contract for gas and electricity was due for renewal. This was unfortunate timing as the old contract was on very good terms. However, after some research, it was decided to continue with our existing supplier as, in particular, the offer through Parish Buying was more expensive. We are receiving the government rebate as from October (approximately 30% of the bill) and, in addition, we received a one-off grant of £1,000 from the diocese towards the utility bills.
- The rest of the running expenditure remained flat.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

FINANCIAL REVIEW (CONTINUED)

Major Works and Repairs

There were no major works to the fabric of the church building during 2022. As our inspecting architect was retiring, we changed to a new architect who would be able to see any work through to completion. The outcome of his quinquennial inspection at the end of 2021 was that there are some urgent repairs to be done, in particular to the rainwater goods. A faculty had been granted for some of the work but the QI had identified further problems so the faculty was amended to include them. The costs this year have been for the architect's fees. The work is due to be done during the first half of 2023.

Summary

The detailed accounts are set out on subsequent pages. An extract is shown here.

	2022	2021
	£	£
Total income	55,338	59,532
Total expenditure	54,163	73,280
Net (losses)/gains on investment	(2,261)	1,388
	_____	_____
Net (expenditure) for the year	£(1,086)	£(12,360)
	_____	_____

Challenges for 2023

The expenditure for 2023 will have a significant increase.

- The CMF is due to increase by 16%. An application was made in August 2022 for special consideration in view of the anticipated building works as a mitigating factor but this was turned down by the diocese.
- The utility bills will increase significantly, particularly once the government Energy Bill Relief Scheme finishes at the end of March 2023.
- The work on the rainwater goods will cost approximately £35,000. Some of this will be covered by an anonymous donation and by a donation from the Friends of St Michael but this will still have an impact on our small reserves.
- The congregation will be asked for an increase in their weekly giving but this is a difficult issue with the current increase in cost of living.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

FINANCIAL REVIEW (CONTINUED)

Investment Powers and Policy

The PCC holds those funds which are not in the CAF Bank current or deposit account with the Central Board of Finance of the Church of England (CBF). There are some long-term investments held in the form of CBF share investment accounts.

Other investments and deposits as we continue to hold relate solely to restricted funds and this includes specific deposit accounts relating to restricted funds.

Reserves Policy and Going Concern

It is the policy of the PCC to maintain unrestricted funds at a level which will enable the PCC to cover its on-going direct charitable expenditure and its management and administration costs. This should be at least 3 months running costs, ideally 6 months. In 2022 the average monthly expenditure was £4,154, thus the reserves should be at least £12,460 and preferably £24,923. We currently have £90,471 in our CAF Bank current and deposit accounts. The trustees are of a view that the PCC is a going concern.

PLANS FOR FUTURE PERIODS

Now that we have a new vicar in place, we will use the opportunity to review our use of the liturgies, music etc.

In 2023 there will be major repairs to the rainwater goods to ensure the building is watertight. This will enable other more minor repairs to be done inside the church once the walls have dried out.

Longer term the boiler needs replacing, both because it is old but also because it will be more efficient. We plan to use this as an opportunity to redesign the whole area to the south east side of the church, including removing the old organ console and pipes, enabling a disabled access toilet to be put in place, redesigning the kitchen, sacristy and ensuring adequate storage space. We would also wish to make the existing choir vestry into a quiet room for the Sunday School. All this requires longer term planning and a significant amount of fund-raising.

The long term plan to place the parish with a more pivotal role in the community is still central to the parish.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Parochial Church Council of the Ecclesiastical Parish of St Michael the Archangel, Southampton ('the PCC') is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure.

The PCC is a registered charity number 1180694.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Recruitment and Appointment of Trustees

Members of the PCC are either ex-officio or elected at the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules. Elected members serve for three years and approximately one third are elected each year, ensuring an appropriate element of continuity.

Trustee Induction and Training

New members are briefed by existing members as appropriate and from time to time the PCC holds an away day to review its work and discuss future plans.

Risk Management

The PCC was registered as a charity on 14 November 2018. As such no work on risk management has been undertaken. However the major risks to which the charity is exposed, will be identified by the trustees and will be reviewed and systems or procedures established to manage those risks. A safeguarding policy and a lone working policy are in place.

Organisational Structure

The PCC has the responsibility of co-operating with the clergy in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. It also has maintenance responsibilities for St Michael's Church. The PCC has one sub-committee: a Standing Committee as required by law, with powers to transact business between PCC meetings, subject to the direction of the PCC.

RESPONSIBILITIES OF THE TRUSTEES

The trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare Financial Statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing those Financial Statements the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

RESPONSIBILITIES OF THE TRUSTEES (CONTINUED)


The trustees are responsible for maintaining proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the charity and to enable them to ensure that the Financial Statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the provisions of the trust deed and the Church Accounting Regulations 2006. They are also responsible for safeguarding the assets of the charity and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT EXAMINER

A resolution to re-appoint Abraham & Dobell as independent examiner for the ensuing year will be proposed at the Annual Church Meeting.

Approved by the trustees on 14 May 2023 and signed on their behalf by:


.....
REV CANON D MILLER
VICAR AND CHAIR


.....
MRS A STOKES
CHURCH WARDEN & ACTING TREASURER

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

I report to the charity's trustees on my examination of the accounts of The Parochial Church Council of the Ecclesiastical Parish of St Michael the Archangel, Southampton ('the PCC') for the year ended 31 December 2022.

RESPONSIBILITIES AND BASIS OF REPORT

As trustees of the PCC 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 PCC's accounts carried out under section 145 of the 2011 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; 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.



.....
DAVID J MANT FCA
INSTITUTE OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES

230 Shirley Road
Southampton
SO15 3HR

14 May 2023

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

STATEMENT OF FINANCIAL ACTIVITIES

**FOR THE YEAR ENDED
31 DECEMBER 2022**

	Notes	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	2021 Total Funds £
INCOME					
Donations and legacies	2	51,877	-	51,877	56,963
Charitable activities	3	2,620	-	2,620	2,075
Investment Income	4	333	508	841	494
TOTAL INCOME		54,830	508	55,338	59,532
EXPENDITURE					
Charitable activities	5	54,163	-	54,163	73,280
TOTAL EXPENDITURE		54,163	-	54,163	73,280
NET GAINS/(LOSSES) ON INVESTMENTS	8	-	(2,261)	(2,261)	1,388
NET INCOME FOR THE YEAR		667	(1,753)	(1,086)	(12,360)
TRANSFER BETWEEN FUNDS	16	1,139	(1,139)	-	-
NET MOVEMENT IN FUNDS FOR THE YEAR		1,806	(2,892)	(1,086)	(12,360)
RECONCILIATION OF FUNDS					
Total funds brought forward		86,401	21,520	107,921	120,281
Total funds carried forward		£88,207	£18,628	£106,835	£107,921

The notes on pages 14 to 23 form part of these Financial Statements

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Note	2022		2021	
		£	£	£	£
FIXED ASSETS					
Investment assets	9		16,282		18,542
			-----		-----
TOTAL FIXED ASSETS			16,282		18,542
CURRENT ASSETS					
Investments	10	2,346		1,837	
Cash at bank and in hand	11	91,346		90,624	
			-----		-----
TOTAL CURRENT ASSETS		93,692		92,461	
LIABILITIES					
Creditors: Amounts falling due within one year	12	3,139		3,082	
			-----		-----
NET CURRENT ASSETS			90,553		89,379
			-----		-----
TOTAL ASSETS LESS CURRENT LIABILITIES/ TOTAL NET ASSETS	14		£106,835		£107,921
			-----		-----
THE FUNDS OF THE CHARITY					
Unrestricted income funds	15		88,207		86,401
Restricted income funds			18,628		21,520
			-----		-----
TOTAL CHARITY FUNDS			£106,835		£107,921
			-----		-----

Approved by the trustees on 14 May 2023 and signed on their behalf by:


.....
REV CANON D MILLER
VICAR AND CHAIR


.....
MRS A STOKES
CHURCH WARDEN & ACTING TREASURER

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2022**

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the Financial Statements are as follows:

(a) Basis of Preparation

The PCC is a public benefit entity within the meaning of FRS 102.

The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Church Accounting Regulations 2006.

The Financial Statements have been prepared under the historical cost convention except for the valuation of investment assets which are shown at market value where applicable.

The Financial Statements include all transactions, assets and liabilities for which the PCC is responsible in law.

They do not include the Financial Statements of Church groups that owe their main affiliation to another body, nor those that are informal gatherings of Church members.

The Financial Statements are prepared in sterling, which is the functional currency of the PCC. Monetary amounts are rounded to the nearest £.

(b) Income Recognition Policies

(i) Donations and Legacies

Collections are recognised when received by or on behalf of the PCC.

Planned giving receivable under Gift Aid is recognised only when received.

Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement, the amount due is quantifiable, its ultimate receipt by the PCC is reasonably certain and when any pre-conditions preventing their use have been met.

Donated services and facilities are included at the value to the PCC where this can be quantified. The value of services provided by volunteers has not been included in these Financial Statements.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

1. ACCOUNTING POLICIES (CONTINUED)

(b) Income Recognition Policies (Continued)

(ii) Charitable Activities

Income from fees and other charitable activities is recognised when it is received.

Rental income from the letting of church premises is recognised when the rental is due.

(iii) Other Trading Activities

Income from the fête, garden party and similar events are accounted for gross.

Sales of books and magazines from the church bookstall are accounted for gross.

(iv) Investment Income

Dividends are accounted for when due and payable. Interest entitlements are accounted for as they accrue.

Tax recoverable on such income is recognised in the same accounting year.

(v) Gains and Losses on Investments

Realised gains and losses are recognised when investments are sold.

Unrealised gains and losses are accounted for on revaluation of investments at 31 December.

(c) Expenditure

Expenditure is recognised on an accruals basis where there is a legal or constructive obligation and settlement is probable and quantifiable. Expenditure includes VAT as the PCC is not VAT registered and is reported as part of the expenditure to which it relates.

(i) Grants

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation to the PCC.

(ii) Charitable Activities

The Parish Share is accounted for when payable. Any Parish Share unpaid at 31 December is provided for in these Financial Statements as an operational (though not a legal) liability and is shown as a creditor in the Balance Sheet.

(iii) Support Costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

1. ACCOUNTING POLICIES (CONTINUED)

(c) Expenditure (Continued)

(iv) Governance Costs

These include those costs associated with meeting the statutory requirements of the PCC.

(d) Tangible Fixed Assets

(i) Consecrated Land and Buildings and Movable Church Furnishings

Consecrated and beneficed property of any kind is excluded from the statutory definition of 'charity' by section 10(2)(a) and (c) of the Charities Act 2011.

All expenditure incurred on consecrated or beneficed buildings is written-off in the year that it is incurred.

No value is placed on movable church furnishings held by the church wardens on special trust for the PCC and which require a faculty for disposal since the PCC considers 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 SOFA and separately disclosed.

(ii) Other Fixtures, Fittings, Office Equipment and Consumables

Equipment and consumables used within the church premises are depreciated on a straight line basis over four years where capitalised.

Individual items with a purchase price of £1,000 or less are written off when the asset is acquired.

(e) Investments

Investments are valued at market value at 31 December.

(f) Debtors

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors less any provision for amounts that may prove uncollectible.

(g) Current Asset Investments and Cash at Bank

Current asset investments and cash include cash held on deposit either with the CBF Church of England Funds or at the bank.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

1. ACCOUNTING POLICIES (CONTINUED)

(h) Creditors and Provisions

Creditors and provisions are recognised where the PCC has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

(i) Taxation

The PCC is exempt from taxation on its charitable activities.

(j) Fund Accounting

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

Designated funds are general funds set aside by the PCC for use in the future.

Restricted funds comprise:

- (a) income from endowments which is to be expended 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 these funds have unspent balances, interest on their pooled investment is apportioned to the individual funds on average balance basis.

(k) Financial Instruments

The PCC only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(l) Significant Judgements and Estimates

Preparation of the Financial Statements may require the trustees to make significant judgements and estimates. There are no items in the Financial Statements where judgements and estimates would have a significant effect on amounts recognised in the Financial Statements.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

2. DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	2021 Total Funds £
Planned giving	31,683	-	31,683	32,287
Income Tax recoverable on planned giving	8,689	-	8,689	8,204
Collections (open plate) at all services	5,320	-	5,320	4,913
Sundry donations	5,185	-	5,185	2,845
Grants	1,000	-	1,000	8,714
	-----	-----	-----	-----
	£51,877	£-	£51,877	£56,963
	-----	-----	-----	-----

There were no donated services and facilities receivable which could be quantified in the year.

3. CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	2021 Total Funds £
Fees	1,203	-	1,203	1,757
Church lettings etc	750	-	750	180
Other activities to generate funds	667	-	667	138
	-----	-----	-----	-----
	£2,620	£-	£2,620	£2,075
	-----	-----	-----	-----

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

4. INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	2021 Total Funds £
Dividends from investments	-	480	480	484
Bank interest and interest from investments	333	28	361	10
	—	—	—	—
	£333	£508	£841	£494
	—	—	—	—

5. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	2021 Total Funds £
Donations	2,138	-	2,138	-
Parish share	26,217	-	26,217	29,040
Clergy expenses	28	-	28	70
Church running expenses	10,502	-	10,502	10,837
Church maintenance	791	-	791	238
Upkeep of services	3,068	-	3,068	2,429
Major repairs and building work	2,870	-	2,870	23,434
Salaries/organist/cantores	5,550	-	5,550	4,410
Support costs	2,089	-	2,089	2,002
Governance costs	910	-	910	820
	—	—	—	—
	£54,163	£-	£54,163	£73,280
	—	—	—	—

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

6. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

The PCC identifies the costs of its support function. It then identifies those costs which relate to the governance function. The PCC allocates the support and governance costs entirely to the unrestricted expenditure (note 6).

	General Support £	Governance £	Total Funds £	Basis of Apportionment
Office expenses	2,089	-	2,089	Usage
Professional costs	-	730	730	Governance
PCC meetings hall hire	-	180	180	Governance
	—————	—————	—————	
	£2,089	£910	£2,999	
	—————	—————	—————	

7. TRUSTEES' REMUNERATION AND EXPENSES

No payments were made to trustees by way of remuneration or expenses during the period.

8. GAINS OR LOSSES ON INVESTMENT

	2022 £	2021 £
Unrealised (loss)/gain on CBF Investment	£(2,261)	£1,388
	—————	—————

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

9. INVESTMENT ASSETS

Holding	Market Value at 31 December 2022				
	£				
CBF Fixed Interest	2,999	units	@	£1.3710	4,112
CBF Investment Fund	589	units	@	£20.6614	12,170

					£16,282

Holding	Market Value at 31 December 2021				
	£				
CBF Fixed Interest	2,999	units	@	£1.5835	4,749
CBF Investment Fund	589	units	@	£23.4181	13,793

					£18,542

10. INVESTMENTS

	2022	2021
	£	£
CBF Deposit Funds	£2,346	£1,837
	-----	-----

11. CASH AT BANK AND IN HAND

	2022	2021
	£	£
CAF Bank	91,193	90,471
Cash	153	153
	-----	-----
	£91,346	£90,624
	-----	-----

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

12. CREDITORS: Amounts falling due within one year

	2022	2021
	£	£
Accruals	£3,139	£3,082
	<hr/>	<hr/>

13. FINANCIAL INSTRUMENTS

Financial instruments measured at amortised cost comprise the following:

	2022	2021
	£	£
Financial assets that are debt instruments	-	-
Financial liabilities that are debt instruments	3,139	3,082
	<hr/>	<hr/>

14. ANALYSIS OF NET ASSETS BY FUND

	Unrestricted Funds	Restricted Funds	2022 Total Funds	2021 Total Funds
	£	£	£	£
Investment assets	-	16,282	16,282	18,542
Current assets	91,346	2,346	93,692	92,461
Current liabilities	(3,139)	-	(3,139)	(3,082)
	<hr/>	<hr/>	<hr/>	<hr/>
	£88,207	£18,628	£106,835	£107,921
	<hr/>	<hr/>	<hr/>	<hr/>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2022**

15. ANALYSIS OF CHARITABLE FUNDS

	At 01.01.22 £	Incoming Resources £	Outgoing Resources £	Investment Gains/ (Losses) £	Transfer £	At 31.12.22
Analysis of Movements in Unrestricted Funds						
General funds	86,401	54,830	54,163	-	1,139	88,207
Total Unrestricted Funds	86,401	54,830	54,163	-	1,139	88,207
Analysis of Movements in Restricted Funds						
Michael Alderson	21,520	508	-	(2,261)	(1,139)	18,628
Total Restricted Funds	21,520	508	-	(2,261)	(1,139)	18,628
Total Funds	£107,921	£55,338	£54,163	£(2,261)	£-	£106,835

Unrestricted funds are funds which the PCC is free to spend on any of its activities. The PCC can, from time to time, designate unrestricted funds for particular purposes. The PCC may subsequently choose to re-designate unrestricted funds for another purpose.

Restricted funds are those which the PCC can only spend on purposes determined by the terms on which a fund is set up, typically as a trust fund. The Michael Alderson Trust is to support training principally but not exclusively for the clergy.

16. TRANSFER BETWEEN FUNDS

The transfer between unrestricted and restricted funds relates to the parish retreat paid out of the Michael Alderson Fund.

Accounts

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF
ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2021**

Registered Charity Number: 1180694

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2021**

CONTENTS

	Page
Trustees' Annual Report	1 - 9
Independent Examiner's Report	10
Statement of Financial Activities	11
Balance Sheet	12
Notes to the Financial Statements	13 - 23

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

TRUSTEES ANNUAL REPORT

**FOR THE YEAR ENDED
31 DECEMBER 2021**

The trustees present their Annual Report and Financial Statements of The Parochial Church Council of the Ecclesiastical Parish of St Michael the Archangel, Southampton for the year ended 31 December 2021.

The Financial Statements comply with the Trust Deed, the Church Accounting Regulations 2006, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity Name: The Parochial Church Council of the Ecclesiastical Parish of
St Michael the Archangel, Southampton

Registered Charity Number: 1180694

The PCC is a charity and registered with the Charity Commission on 14 November 2018.

Correspondence Address: 55 Bugle Street
Southampton
SO14 2AG

PCC members (trustees) who have served from 1 January 2021 until the date this report was approved are:

Incumbent:	Rev'd David Deboys	Vicar and Chairman	Retired Sep 2021
Other Clergy:	Rev'd Philip Hand	Non-Stipendiary	
	Rev'd Mohan Uddin	Non-Stipendiary	Res Oct 2021
Licenced Lay Minsters:	Mr Duncan Bradley		
Church Wardens:	Dr Stephen Whitaker	Lay Chair	
	Mrs Alexandra Stokes		
Deputy Church Wardens:	Miss Kath Singleton		
	Mrs Pam Hand		
	Mrs Doina Whitaker		App Nov 2021

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2021**

REFERENCE AND ADMINISTRATIVE INFORMATION (CONTINUED)

Deanery Synod Representatives:	Dr Elisabeth Schroeder-Butterfill Mrs Margaret Deboys		Res Sep 2021
Other Elected	Mr Alan Pitfield Mrs Lorna Brown Mr Neil Giles Mrs Pam Hand Mrs Jenny Hughes Mr Christopher Ricketts Miss Kath Singleton Mr John Williams Rev'd Mohan Uddin (Co-opted)	Treasurer (Not specifically linked to this parish)	App May 2021 Res May 2021 Res Oct 2021
PCC Secretary	Miss Naomi Rides		
Safeguarding Officer:	Mr John Williams Mrs Margaret Deboys		App Nov 2021 Res Sep 2021
Our Advisors: Independent Examiner:	Abraham & Dobell 230 Shirley Road Southampton SO15 3HR		
Bankers:	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ		
Investment Managers:	CCLA Investment Management Ltd Senator House 85 Queen Victoria Street London EC4V 4ET		

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2021**

OBJECTIVES AND ACTIVITIES

People have been worshipping at St Michael the Archangel in the Old Town Southampton for over 950 years.

St Michael's offers a welcome to 'all sorts of conditions' of people Sunday by Sunday.

The sacraments are celebrated reverently and joyfully and received as God's good gifts.

We seek to engage with our local community and the wider world through involvement in schools, the Southampton Council of Faiths, Peace Walks and the dispersed Community of the Cross of Nails (based at Coventry Cathedral).

We seek to develop our relationship with the Catholic City Centre parish through shared soup lunches with St Joseph's Church, which support CAFOD and Christian Aid.

Public Benefit Statement

All of our activities are undertaken to further our charitable purposes for the public benefit. In planning our activities for the year we have considered the Charity Commission's guidance on public benefit, including the guidance 'Public Benefit: Running a Charity (PB2)' and, in particular, the supplementary guidance on charities for the advancement of religion.

ACHIEVEMENTS AND PERFORMANCE

Fellowship numbers

There were 83 members on the Electoral Roll at 31 December 2021. Of these, 17 live in the parish.

Review of the Year

The past year has been eventful for our parish, particularly as we have experienced major changes to the clergy team as well as negotiating issues around covid-19 and improvements to our building.

Clergy Team

At the start of 2021 there were four main players in the team responsible for leading our worship:

- David Deboys (incumbent & vicar)
- Phil Hand (assistant priest)
- Mohan Uddin (assistant priest)
- Duncan Bradley (licenced lay minister)

Between them they shared the leading of worship and preaching, and it was a particular privilege to lead the celebrations over Easter, something that was entirely lost in 2020 due to Covid.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2021**

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Review of the Year (Continued)

Clergy Team (Continued)

We were able to hold most of our Easter services, including Maundy Thursday, the Good Friday meditation and litany, and of course Easter Sunday. Due to various restrictions we were unable to meet with our friends from St Joseph's Catholic Church on Palm Sunday, nor did we hold the Saturday Easter Vigil.

Over this period David was struggling with ill health that was causing some uncertainty that sometimes necessitated cover at short notice, but the team was pulling well together so these things were well managed.

Everything changed on 25 June when, following discussion with Bishop Debbie, David announced that he was off sick with immediate effect and retiring on the grounds of ill health. His one remaining service would be in early August when the Bishop would be present for his last service.

His much appreciated ministry came to an end on 1 August 2021 when he and Margaret left the parish. We are hugely grateful to Rev Mohan Uddin, one of our assistant priests who was due to retire at the end of June, but continued until 3 October, which was our Patronal celebration, and was Mohan's last Sunday. By then, with the help of our Area Dean, we had drawn together a small team of clergy who have been able to support Duncan and Phil in leading worship through the autumn. This new team comprises:

- Rev Phil Hand
- Duncan Bradley (LLM)
- Rev Liz Pickett
- Rev Brian Pickett
- Rev Peter Haughton
- Rev Brian Elliott

Our Area Dean Rev Sheena Williams has also led the service on one Sunday, with plans for further ministry from her. We are very grateful to these colleagues for their ministry Sunday by Sunday. Whilst their contribution has been invaluable, it must be recognised that the load carried by Phil Hand (who manages the service schedule) and Duncan Bradley has been enormous.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2021**

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Review of the Year (Continued)

Covid-19

We have been pleased that St Michael's was one of the few parishes in Southampton that remained open for worship throughout the pandemic, apart from the spring of 2020 when all churches were closed. During 2021 we have been able to move from two socially distanced services on a Sunday morning to one service, with the north side of the church (on the left as you face the altar) being kept for social distance. We have been able to provide communion in both kinds (bread and wine) through the autumn by the president intincting (dipping) each wafer in the wine held by a eucharistic assistant.

Other services

We have continued to provide weddings, baptisms and funerals through the year. Our obligation to provide these is a significant responsibility, given that we only have one volunteer priest in the parish. The Diocese has offered clergy from the Registry to lead these, but we have found on balance that providing these from within our team has worked well, given that there are not very many requests for these.

Over Christmas we held our normal range of services - Advent Carols, the Carol Service, the children's workshop and Midnight Mass and the Christmas Day Eucharist. Yes that was a fair load, so we were very grateful to Liz and Brian Pickett who came and led our service on Boxing Day, which was a Sunday.

Cantores Michaelis

We are grateful that Cantores Michaelis continues to enhance our worship under the leadership of Keith Davis. Keith's job in recruiting singers has been made more difficult both through Covid and changes at the University.

Church Wardens

We are thankful that Alex Stokes and Stephen Whitaker continue to serve as our church wardens. Their task has been made much more challenging now that we are in a vacancy. The PCC met Bishop Debbie in the late autumn to begin the process of finding a new incumbent to follow David, and this is no small task.

Church cleaning

We are extremely grateful to members of our church community who gather regularly to keep the church clean and tidy for worship. In particular there were at least two 'big clean' events - Holy Saturday at Easter and just before our patronal celebrations in early October.

Flowers

Joyce Ellis has given up her responsibility for preparing flowers for church services. She has made a magnificent contribution to our worship over the years and it has been very much appreciated. Jean Oxley has taken on the mantle and has made a brilliant start.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2021**

FINANCIAL REVIEW

Despite the continuation of the Covid-19 pandemic during 2021, St Michael's remained open for the whole year. The attendance at the Sunday services has remained constant and this was reflected in the giving through the collection plate. The fact that a large number of parishioners give either through the Parish Giving Scheme or through Standing Orders means that we have had a steady reliable stream of income through the year. We welcomed visitors again during the week from November and this is seen in the donations in the church box. Cruise ships, though, are slow to come back. On the expenditure front if the electrical works are excluded, our running costs were up on 2019. In particular the CMF contribution increased by £5.5K and, since the church was in use the whole year, the expenditure on gas and electricity was up on 2019

Major Works

The final payments for the electrical works, including the architect's fees were just over £23K. However, we were successful in obtaining the VAT reimbursement of £8.7K for the Listed Places of Worship scheme.

The detailed accounts are set out on subsequent pages. An extract is shown here:

	2021	2020
	£	£
Total Income	59,532	66,444
Total expenditure	73,280	68,568
Net gains on investment	1,388	950
Net (expenditure)/income for the year	(12,360)	(1,174)

Investment Powers and Policy

The PCC holds those funds which are not in the CAF Bank current or deposit account with the Central Board of Finance of the Church of England (CBF). There are some long-term investments held in the form of CBF share investment accounts.

Other investments and deposits as we continue to hold relate solely to restricted funds and this includes specific deposit accounts relating to restricted funds.

Reserves Policy and Going Concern

It is the policy of the PCC to maintain unrestricted funds at a level which will enable the PCC to cover its on-going direct charitable expenditure and its management and administration costs. This should be at least 3 months running costs, ideally 6 months. In 2021 the average monthly expenditure was £4,154, thus the reserves should be at least £12,460 and preferably £24,923. We currently have £90,471 in our CAF Bank current and deposit accounts. The trustees are of a view that the PCC is a going concern.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2021**

PLANS FOR FUTURE PERIODS

As we are currently in a vacancy, it's not easy to have long term aims. We hope that we will have a new incumbent in post as a House for Duty during 2022. This would enable us to restart service such as the mid-week Thursday Eucharist.

However the quinquennial report did identify some structural repairs that need to be done (eg the guttering). The boiler will need to be replaced in the near future. The plan is still to redo the kitchen and toilet areas. This would probably involve some degree of fund-raising/grant applications.

The long term plan to place the parish with a more pivotal role in the community is still central to the parish.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Parochial Church Council of the Ecclesiastical Parish of St Michael the Archangel, Southampton ('the PCC') is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure.

The PCC is a registered charity number 1180694.

Recruitment and Appointment of Trustees

Members of the PCC are either ex-officio or elected at the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules. Elected members serve for three years and approximately one third are elected each year, ensuring an appropriate element of continuity.

Trustee Induction and Training

New members are briefed by existing members as appropriate and from time to time the PCC holds an away day to review its work and discuss future plans.

Risk Management

The PCC was registered as a charity on 14 November 2018. As such no work on risk management has been undertaken. However the major risks to which the charity is exposed, will be identified by the trustees and will be reviewed and systems or procedures established to manage those risks. A safeguarding policy and a lone working policy are in place.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Organisational Structure

The PCC has the responsibility of co-operating with the clergy in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. It also has maintenance responsibilities for St Michael's Church. The PCC has one sub-committee: a Standing Committee as required by law, with powers to transact business between PCC meetings, subject to the direction of the PCC.

RESPONSIBILITIES OF THE TRUSTEES

The trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare Financial Statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing those Financial Statements the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for maintaining proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the charity and to enable them to ensure that the Financial Statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the provisions of the trust deed and the Church Accounting Regulations 2006. They are also responsible for safeguarding the assets of the charity and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2021**

INDEPENDENT EXAMINER

A resolution to re-appoint Abraham & Dobell as independent examiner for the ensuing year will be proposed at the Annual Church Meeting.

Approved by the trustees on 8 May 2022 and signed on their behalf by:


.....
DR S G WHITAKER
CHURCH WARDEN & LAY CHAIR


.....
MRS A STOKES
ACTING TREASURER

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**FOR THE YEAR ENDED
31 DECEMBER 2021**

I report to the charity's trustees on my examination of the accounts of The Parochial Church Council of the Ecclesiastical Parish of St Michael the Archangel, Southampton ('the PCC') for the year ended 31 December 2021.

RESPONSIBILITIES AND BASIS OF REPORT

As trustees of the PCC 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 PCC's accounts carried out under section 145 of the 2011 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; 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.



.....
DAVID J MANT FCA
INSTITUTE OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES

230 Shirley Road
Southampton
SO15 3HR

8 May 2022

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

STATEMENT OF FINANCIAL ACTIVITIES

**FOR THE YEAR ENDED
31 DECEMBER 2021**

	Notes	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
INCOME					
Donations and legacies	2	56,963	-	56,963	63,988
Charitable activities	3	2,075	-	2,075	1,858
Investment Income	4	9	485	494	598
TOTAL INCOME		59,047	485	59,532	66,444
EXPENDITURE					
Raising funds		-	-	-	-
Charitable activities	6	73,280	-	73,280	68,568
TOTAL EXPENDITURE		73,280	-	73,280	68,568
NET GAINS/(LOSSES) ON INVESTMENTS	9	-	1,388	1,388	950
NET INCOME FOR THE YEAR/NET MOVEMENT IN FUNDS FOR THE YEAR		(14,233)	1,873	(12,360)	(1,174)
RECONCILIATION OF FUNDS					
Total funds brought forward		100,634	19,647	120,281	121,455
Total funds carried forward		£86,401	£21,520	£107,921	£120,281

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Note	2021		2020	
		£	£	£	£
FIXED ASSETS					
Investment assets	10		18,542		17,154
			-----		-----
TOTAL FIXED ASSETS			18,542		17,154
CURRENT ASSETS					
Investments	11	1,837		2,493	
Cash at bank and in hand	12	90,624		104,714	
			-----		-----
TOTAL CURRENT ASSETS		92,461		107,207	
LIABILITIES					
Creditors: Amounts falling due within one year	13	3,082		4,080	
			-----		-----
NET CURRENT ASSETS			89,379		103,127
			-----		-----
TOTAL ASSETS LESS CURRENT LIABILITIES/ TOTAL NET ASSETS	15		£107,921		£120,281
			-----		-----
THE FUNDS OF THE CHARITY	16				
Unrestricted income funds			86,401		100,634
Restricted income funds			21,520		19,647
			-----		-----
TOTAL CHARITY FUNDS			£107,921		£120,281
			-----		-----

Approved by the trustees on 8 May 2022 and signed on their behalf by:


.....
DR S G WHITAKER
CHURCH WARDEN & LAY CHAIR


.....
MRS A STOKES
ACTING TREASURER

The notes on pages 13 to 23 form part of these Financial Statements

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2021**

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the Financial Statements are as follows:

(a) Basis of Preparation

The PCC is a public benefit entity within the meaning of FRS 102.

The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Church Accounting Regulations 2006.

The Financial Statements have been prepared under the historical cost convention except for the valuation of investment assets which are shown at market value where applicable.

The Financial Statements include all transactions, assets and liabilities for which the PCC is responsible in law.

They do not include the Financial Statements of Church groups that owe their main affiliation to another body, nor those that are informal gatherings of Church members.

The Financial Statements are prepared in sterling, which is the functional currency of the PCC. Monetary amounts are rounded to the nearest £.

(b) Income Recognition Policies

(i) Donations and Legacies

Collections are recognised when received by or on behalf of the PCC.

Planned giving receivable under Gift Aid is recognised only when received.

Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement, the amount due is quantifiable, its ultimate receipt by the PCC is reasonably certain and when any pre-conditions preventing their use have been met.

Donated services and facilities are included at the value to the PCC where this can be quantified. The value of services provided by volunteers has not been included in these Financial Statements.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON

NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)

FOR THE YEAR ENDED
31 DECEMBER 2021

1. ACCOUNTING POLICIES (CONTINUED)

(b) **Income Recognition Policies (Continued)**

(ii) Charitable Activities

Income from fees and other charitable activities is recognised when it is received.

Rental income from the letting of church premises is recognised when the rental is due.

(iii) Other Trading Activities

Income from the fête, garden party and similar events are accounted for gross.

Sales of books and magazines from the church bookstall are accounted for gross.

(iv) Investment Income

Dividends are accounted for when due and payable. Interest entitlements are accounted for as they accrue.

Tax recoverable on such income is recognised in the same accounting year.

(v) Gains and Losses on Investments

Realised gains and losses are recognised when investments are sold.

Unrealised gains and losses are accounted for on revaluation of investments at 31 December.

(c) **Expenditure**

Expenditure is recognised on an accruals basis where there is a legal or constructive obligation and settlement is probable and quantifiable. Expenditure includes VAT as the PCC is not VAT registered and is reported as part of the expenditure to which it relates.

(i) Grants

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation to the PCC.

(ii) Charitable Activities

The Parish Share is accounted for when payable. Any Parish Share unpaid at 31 December is provided for in these Financial Statements as an operational (though not a legal) liability and is shown as a creditor in the Balance Sheet.

(iii) Support Costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON

NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)

FOR THE YEAR ENDED
31 DECEMBER 2021

1. ACCOUNTING POLICIES (CONTINUED)

(c) **Expenditure (Continued)**

(iv) Governance Costs

These include those costs associated with meeting the statutory requirements of the PCC.

(d) **Tangible Fixed Assets**

(i) Consecrated Land and Buildings and Movable Church Furnishings

Consecrated and beneficed property of any kind is excluded from the statutory definition of 'charity' by section 10(2)(a) and (c) of the Charities Act 2011.

All expenditure incurred on consecrated or beneficed buildings is written-off in the year that it is incurred.

No value is placed on movable church furnishings held by the church wardens on special trust for the PCC and which require a faculty for disposal since the PCC considers 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 SOFA and separately disclosed.

(ii) Other Fixtures, Fittings, Office Equipment and Consumables

Equipment and consumables used within the church premises are depreciated on a straight line basis over four years where capitalised.

Individual items with a purchase price of £1,000 or less are written off when the asset is acquired.

(e) **Investments**

Investments are valued at market value at 31 December.

(f) **Debtors**

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors less any provision for amounts that may prove uncollectible.

(g) **Current Asset Investments and Cash at Bank**

Current asset investments and cash include cash held on deposit either with the CBF Church of England Funds or at the bank.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2021**

1. ACCOUNTING POLICIES (CONTINUED)

(h) Creditors and Provisions

Creditors and provisions are recognised where the PCC has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

(i) Taxation

The PCC is exempt from taxation on its charitable activities.

(j) Fund Accounting

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

Designated funds are general funds set aside by the PCC for use in the future.

Restricted funds comprise:

- (a) income from endowments which is to be expended 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 these funds have unspent balances, interest on their pooled investment is apportioned to the individual funds on average balance basis.

(k) Financial Instruments

The PCC only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(l) Significant Judgements and Estimates

Preparation of the Financial Statements may require the trustees to make significant judgements and estimates. There are no items in the Financial Statements where judgements and estimates would have a significant effect on amounts recognised in the Financial Statements.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2021**

2. DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
Planned giving	32,287	-	32,287	34,535
Income Tax recoverable on planned giving	8,204	-	8,204	10,436
Collections (open plate) at all services	4,913	-	4,913	4,430
Sundry donations	2,845	-	2,845	14,587
Grants	8,714	-	8,714	-
	<hr/>	<hr/>	<hr/>	<hr/>
	£56,963	£-	£56,963	£63,988
	<hr/>	<hr/>	<hr/>	<hr/>

There were no donated services and facilities receivable which could be quantified in the year.

3. CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
Fees	1,757	-	1,757	1,045
Church lettings etc	180	-	180	50
Other activities to generate funds	138	-	138	763
	<hr/>	<hr/>	<hr/>	<hr/>
	£2,075	£-	£2,075	£1,858
	<hr/>	<hr/>	<hr/>	<hr/>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2021**

4. INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
Dividends from investments	-	484	484	504
Bank interest and interest from investments	9	1	10	94
	—	—	—	—
	£9	£485	£494	£598
	—	—	—	—

5. COST OF RAISING FUNDS

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
Stewardship and other costs	£-	£-	£-	£-
	—	—	—	—

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2021**

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
Parish share	29,040	-	29,040	23,494
Celebrations and events	-	-	-	760
Clergy expenses	70	-	70	-
Church running expenses	10,837	-	10,837	9,207
Church maintenance	238	-	238	270
Upkeep of services	2,429	-	2,429	987
Major repairs and building work	23,434	-	23,434	28,633
Salaries/organist/cantores	4,410	-	4,410	3,550
Support costs	2,002	-	2,002	877
Governance costs	820	-	820	790
	-----	---	-----	-----
	£73,280	£-	£73,280	£68,568
	-----	---	-----	-----

7. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

The PCC identifies the costs of its support function. It then identifies those costs which relate to the governance function. The PCC allocates the support and governance costs entirely to the unrestricted expenditure (note 6).

	General Support £	Governance £	Total Funds £	Basis of Apportionment
Office expenses	2,002	-	2,002	Usage
Professional costs	-	730	730	Governance
PCC meetings hall hire	-	90	90	Governance
	-----	---	-----	
	£2,002	£820	£2,822	
	-----	---	-----	

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2021**

8. TRUSTEES' REMUNERATION AND EXPENSES

No payments were made to trustees by way of remuneration or expenses during the period.

9. GAINS OR LOSSES ON INVESTMENT

	2021	2020
	£	£
Unrealised gain/(loss) on CBF Investment	£1,388	£950
	<hr/>	<hr/>

10. INVESTMENT ASSETS

Holding	Market Value at 31 December 2021			
				£
CBF Fixed Interest	2,999	units	@	£1.5835
CBF Investment Fund	589	units	@	£23.4181
				<hr/>
				£18,542
				<hr/>

Holding	Market Value at 31 December 2020			
				£
				(5 Months)
CBF Fixed Interest	2,999	units	@	£1.6962
CBF Investment Fund	589	units	@	£20.4873
				<hr/>
				£17,154
				<hr/>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2021**

11. INVESTMENTS

	2021	2020
	£	£
CBF Deposit Funds	£1,837	£2,493
	<hr/>	<hr/>

12. CASH AT BANK AND IN HAND

	2021	2020
	£	£
CAF Bank	90,471	104,561
Cash	153	153
	<hr/>	<hr/>
	£90,624	£104,714
	<hr/>	<hr/>

13. CREDITORS: Amounts falling due within one year

	2021	2020
	£	£
Accruals	3,082	2,318
Other creditors	-	1,762
	<hr/>	<hr/>
	£3,082	£4,080
	<hr/>	<hr/>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2021**

14. FINANCIAL INSTRUMENTS

Financial instruments measured at amortised cost comprise the following:

	2021	2020
	£	£
Financial assets that are debt instruments	-	-
Financial liabilities that are debt instruments	3,082	4,080
	<hr/>	<hr/>

15. ANALYSIS OF NET ASSETS BY FUND

	Unrestricted	Restricted	2021	2020
	Funds	Funds	Total	Total
	£	£	Funds	Funds
	£	£	£	£
Investment assets	-	18,542	18,542	17,154
Current assets	89,483	2,978	92,461	107,207
Current liabilities	(3,082)	-	(3,082)	(4,080)
	<hr/>	<hr/>	<hr/>	<hr/>
	£86,401	£21,520	£107,921	£120,281
	<hr/>	<hr/>	<hr/>	<hr/>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2021**

16. ANALYSIS OF CHARITABLE FUNDS

	At 01.01.21 £	Incoming Resources £	Outgoing Resources £	Investment Gains/ (Losses) £	At 31.12.21 £
Analysis of Movements in Unrestricted Funds					
General funds	100,634	59,047	73,280	-	86,401
Total Unrestricted Funds	100,634	59,047	73,280	-	86,401
Analysis of Movements in Restricted Funds					
Michael Alderson	19,647	485	-	1,388	21,520
Total Restricted Funds	19,647	485	-	1,388	21,520
Total Funds	£120,281	£59,532	£73,280	£1,388	£107,921

Unrestricted funds are funds which the PCC is free to spend on any of its activities. The PCC can, from time to time, designate unrestricted funds for particular purposes. The PCC may subsequently choose to re-designate unrestricted funds for another purpose.

Restricted funds are those which the PCC can only spend on purposes determined by the terms on which a fund is set up, typically as a trust fund. The Michael Alderson Trust is to support training principally but not exclusively for the clergy.

Accounts

**THE PAROCHIAL CHURCH COUNCIL OF
THE ECCLESIASTICAL PARISH OF
ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

ANNUAL REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2020**

Registered Charity Number: 1180694

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2020**

CONTENTS

	Page
Trustees' Annual Report	1 - 9
Independent Examiner's Report	10
Statement of Financial Activities	11
Balance Sheet	12
Notes to the Financial Statements	13 - 23

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

TRUSTEES ANNUAL REPORT

**FOR THE YEAR ENDED
31 DECEMBER 2020**

The trustees present their Annual Report and Financial Statements of The Parochial Church Council of the Ecclesiastical Parish of St Michael the Archangel, Southampton for the year ended 31 December 2020.

The Financial Statements comply with the Trust Deed, the Church Accounting Regulations 2006, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity Name: The Parochial Church Council of the Ecclesiastical Parish of
St Michael the Archangel, Southampton

Registered Charity Number: 1180694

The PCC is a charity and registered with the Charity Commission on 14 November 2018.

Correspondence Address: 55 Bugle Street
Southampton
SO14 2AG

PCC members (trustees) who have served from 1 January 2020 until the date this report was approved are:

Incumbent:	Rev'd David Deboys	Vicar and Chairman	
Other Clergy:	Rev'd Philip Hand	Non-Stipendiary	
	Rev'd Mohan Uddin	Non-Stipendiary	
	Rev'd Jackie Sellin	Curate	Res Jan 2020
Licenced Lay Minsters:	Mr Duncan Bradley		
Church Wardens:	Dr Stephen Whitaker	Lay Chair	
	Mrs Pam Hand		Res Oct 2020
	Mrs Alexandra Stokes		App Oct 2020
Deputy Church Wardens:	Miss Kath Singleton		
	Mr Mark Sellin		Res Oct 2020
	Mrs Glenda Gardiner		Res May 2020
	Mrs Pam Hand		App Oct 2020

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

REFERENCE AND ADMINISTRATIVE INFORMATION (CONTINUED)

Deanery Synod Representatives:	Dr Elisabeth Schroeder-Butterfill Mrs Margaret Deboys			
Other Elected	Mrs Glenda Gardiner	Secretary		Res May 2020
	Mr Alan Pitfield	Treasurer	App Oct 2020	
	Mrs Alexandra Stokes			Res Oct 2020
	Mrs Lorna Brown			
	Mrs Pam Hand		App Oct 2020	
	Mrs Jenny Hughes			
	Jacques Momnougui			Res Oct 2020
	Mr Christopher Ricketts			
	Mr Mark Sellin			Res Oct 2020
	Miss Kath Singleton			
	Mr John Williams		App Oct 2020	
	Rev'd Mohan Uddin (Co-opted)	(Not specifically linked to this parish)		
Safeguarding Officer:	Mrs Margaret Deboys			
Our Advisors: Independent Examiner:	Abraham & Dobell 230 Shirley Road Southampton SO15 3HR			
Bankers:	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ			
Investment Managers:	CCLA Investment Management Ltd Senator House 85 Queen Victoria Street London EC4V 4ET			

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

OBJECTIVES AND ACTIVITIES

People have been worshipping at St Michael the Archangel in the Old Town Southampton for almost 950 years.

St Michael's offers a welcome to 'all sorts of conditions' of people Sunday by Sunday.

The sacraments are celebrated reverently and joyfully and received as God's good gifts.

We seek to engage with our local community and the wider world through involvement in schools, the Southampton Council of Faiths, Peace Walks and the dispersed Community of the Cross of Nails (based at Coventry Cathedral).

We seek to develop our relationship with the Catholic City Centre parish through shared soup lunches with St Joseph's Church, which support CAFOD and Christian Aid.

Public Benefit Statement

All of our activities are undertaken to further our charitable purposes for the public benefit. In planning our activities for the year we have considered the Charity Commission's guidance on public benefit, including the guidance 'Public Benefit: Running a Charity (PB2)' and, in particular, the supplementary guidance on charities for the advancement of religion.

ACHIEVEMENTS AND PERFORMANCE

Fellowship Numbers

There were 81 members on the Electoral Roll at 31 December 2020. Of these, 17 live in the parish.

Review of the Year

It is very tempting to call 2020 the 'lost year'. This Report must acknowledge the immense sense of disappointment that almost none of the activities planned to celebrate the 950th anniversary of St Michael's Church happened. Of course, we are mindful that this loss is small in comparison to the loss of livelihood or even life experienced by many others because of the pandemic.

However, what provoked astonishment and anger, is that when the government eventually imposed a national lockdown which included forbidding public worship... the Archbishops of Canterbury and York went further and banned clergy from entering the churches for which they were responsible to pray! A deeply troubling decision.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Review of the Year (Continued)

The Vicar entered St Michael's regularly – as he permitted to do so! – *to ventilate the building*, to run water so that no nasties built up. But he wasn't allowed to pray while doing that. He did, however, light the new Paschal candle on Easter Day and posted the photo on the church WhatsApp group.

As St Michael's wasn't set up for streaming services, we couldn't. We did continue publishing the weekly news sheet, Take Away News, both electronically and posted or delivered to those without computers. Deep thanks to Pam and Phil Hand for resourcing this.

How many lockdowns? How did they work? In one of the gaps, with another looming a baptism happened; and a wedding happened. A handful of funerals also happened.

As congregational singing was forbidden, we saw no point in attempting to hold Carol services. However, we did host Midnight Mass at Christmas, allocating 'tickets' for the first time ever to ensure social distancing compliant numbers.

We did eventually manage to hold the Annual Parochial Church Meeting. Pam Hand stood down after a very intense period of service to St Michael's which included all the drama of the City Centre Parish coming to an end and St Michael's being set up as a Parish in its own right. Deep gratitude is due to Pam for her indefatigable labours. Alex Stokes was elected alongside Stephen Whitaker, who has been willing to continue in post – thank you Stephen! – as Churchwardens.

Visitors there were none – in the sense of persons coming solely (or principally) to visit Southampton's oldest building. Covid kyboshed that. During one period of lockdown we were open twice a week for private prayer – but few came.

We are deeply grateful to those who give in a planned way to support St Michael's: this has been a godsend, in that we haven't been hit as other 'closed' churches by nothing coming in via the collection plate. We are also deeply grateful to those who cleaned the church, to comply with government regulations before we re-opened. With no Cantores singing, and no congregational singing, we have been most grateful to Duncan for his inspirational playing on the organ – at one point probably the only legitimate live music in Southampton!

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Review of the Year (Continued)

The one major triumph of 2020 was the replacement of the lighting system. Not only do all the chandeliers work, they can also be dimmed. And the spire has been lit: not as previously with all faces illuminated, but alternative faces – which is very dramatic. We are most grateful to Jean who gifted the cost of the nave lighting in memory of her husband John; and to another benefactor (unknown personally to us) who gifted sufficient for the spire lighting.

A strange year, with literally more light by the end than at the start!

Father David

FINANCIAL REVIEW

2020 proved to be another challenging year for different reasons beyond our planning and the control of the parish. The COVID-19 virus made its first appearance in England in January 2020, resulting in the first national lockdown in March 2020, which had a major effect on both the life of the Church and its parishioners through lockdown and then restricted numbers with Sunday services only.

2020 was to have been a year of major celebration to mark the 950th anniversary of St Michael's, which also coincided with the 400th anniversary of the sailing of the Mayflower. Through the hard work of Keith Davis, 2020 was to have been celebrated by a programme of 24 concerts during the year, culminating on 3 October with a concert by Cantores Michaelias with guest artist Joe Stilgoe.

Unfortunately, as a result of COVID-19, on best advise the concert season had to be cancelled after only the 4th concert in March, although it was proposed to have a major event to end the celebrations later in 2020 but, again, through COVID-19 this also had to be cancelled.

The concert programme should have produced a positive impact on church funds and importantly raised awareness of the Church to the wider community throughout Southampton. In round figures the cancellation of the concert programme cost the Church about £5,000 in preparatory set up costs over 2019 and 2020, mainly printing.

The effect of COVID-19 also meant that in 2020 the Church was not open to visitors so there was no revenue from visitor donations.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

FINANCIAL REVIEW (CONTINUED)

How did we do in 2020?

Surprisingly, despite the negative impact of COVID-19, the Church continued to remain solvent due to the continued support and generosity of its members and we have to make a special mention to all those who continued to contribute through the Parish Giving Scheme, standing orders, plate giving and many who kindly supplemented their regular giving by one-off donations. We are continually grateful to the kind generosity of everyone in supporting the wellbeing of our Church.

Whilst there was a decrease in some overhead costs due to COVID-19, restrictions on Church activity, expenditure such as our Parish Share to the Diocese, insurance and utilities continued through the year.

The independently reviewed Accounts details the overall financial position of the church but the following highlight some of the main figures extracted from the Accounts:

	2020	2019
	£	£
Total Income	66,444	56,848
Total expenditure	68,568	55,981
Net (expenditure)/income for the year	(2,124)	867
Net gains on investment	950	1,887
Total income/(expenditure)	(1,174)	2,754

Major One-Off Expenditure

As part of essential and improvement upgrade work, mainly electrical, £28,633 was spent in 2020 funded from the Church accounts and donations. The improvement to the safety of the electrical system, including lighting upgrades, was paramount and the changes to the lighting through improved vibrancy is immediately visible to those attending church.

This work was in part off-set by donations of £13,839 with additional funds drawn down from the deposit account.

Moving Forward into 2021

The COVID-19 virus will still have a major impact on church life into 2021 and we await developments which are in the hands of the Government and Diocese on the opening up of churches and church-life.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

FINANCIAL REVIEW (CONTINUED)

Investment Powers and Policy

The PCC holds those funds which are not in the CAF Bank current or deposit account with the Central Board of Finance of the Church of England (CBF). There are some long-term investments held in the form of CBF share investment accounts.

Other investments and deposits as we continue to hold relate solely to restricted funds and this includes specific deposit accounts relating to restricted funds.

Reserves Policy and Going Concern

It is the policy of the PCC to maintain unrestricted funds at a level which will enable the PCC to cover its on-going direct charitable expenditure and its management and administration costs. This should be at least 3 months running costs, ideally 6 months. In 2020 the average monthly expenditure was £5,714, thus the reserves should be at least £17,142 and preferably £34,284. We currently have £100,188 in our CAF Bank deposit account. The trustees are of a view that the PCC is a going concern.

PLANS FOR FUTURE PERIODS

As we have reported above the 950th celebratory events for 2020 had to be curtailed due to COVID-19 and at the end of 2020 the church was still treading water into 2021. The COVID-19 epidemic is very fluid and as a result it has been deemed impossible to plan precisely as operational matters are beyond the power of the Parish.

As a result, outline plans originally considered for 2020 are currently held pending in the hope that they can be revised as 2021 progresses.

The long term aim to place the parish in a more pivotal role within the Community is still central to the parish and to ensure that as COVID-19 is worked through, the church can ensure it looks after its existing parishioners as well as building for the future.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Parochial Church Council of the Ecclesiastical Parish of St Michael the Archangel, Southampton ('the PCC') is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure.

The PCC is a registered charity number 1180694.

Recruitment and Appointment of Trustees

Members of the PCC are either ex-officio or elected at the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules. Elected members serve for three years and approximately one third are elected each year, ensuring an appropriate element of continuity.

Trustee Induction and Training

New members are briefed by existing members as appropriate and from time to time the PCC holds an away day to review its work and discuss future plans.

Risk Management

The PCC was registered as a charity on 14 November 2018. As such no work on risk management has been undertaken. However the major risks to which the charity is exposed, will be identified by the trustees and will be reviewed and systems or procedures established to manage those risks. A safeguarding policy and a lone working policy are in place.

Organisational Structure

The PCC has the responsibility of co-operating with the clergy in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. It also has maintenance responsibilities for St Michael's Church. The PCC has one sub-committee: a Standing Committee as required by law, with powers to transact business between PCC meetings, subject to the direction of the PCC.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**TRUSTEES ANNUAL REPORT
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

RESPONSIBILITIES OF THE TRUSTEES

The trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare Financial Statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing those Financial Statements the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for maintaining proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the charity and to enable them to ensure that the Financial Statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the provisions of the trust deed and the Church Accounting Regulations 2006. They are also responsible for safeguarding the assets of the charity and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT EXAMINER

A resolution to re-appoint Abraham & Dobell as independent examiner for the ensuing year will be proposed at the Annual Church Meeting.

Approved by the trustees on 19 May 2021 and signed on their behalf by:

.....
**REV'D D DEBOYS
VICAR & CHAIRMAN**

.....
**MR A PITFIELD
TREASURER**

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

I report to the charity's trustees on my examination of the accounts of The Parochial Church Council of the Ecclesiastical Parish of St Michael the Archangel, Southampton ('the PCC') for the year ended 31 December 2020.

RESPONSIBILITIES AND BASIS OF REPORT

As trustees of the PCC 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 PCC's accounts carried out under section 145 of the 2011 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; 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.

.....
DAVID J MANT FCA
INSTITUTE OF CHARTERED ACCOUNTANTS IN ENGLAND & WALES

230 Shirley Road
Southampton
SO15 3HR

19 May 2021

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

STATEMENT OF FINANCIAL ACTIVITIES

**FOR THE YEAR ENDED
31 DECEMBER 2020**

	Notes	Unrestricted Funds	Restricted Funds	2020 Total Funds	2019 Total Funds
INCOME					
Donations and legacies	2	63,988	-	63,988	53,474
Charitable activities	3	1,858	-	1,858	2,697
Investment Income	4	84	514	598	677
TOTAL INCOME		65,930	514	66,444	56,848
EXPENDITURE					
Raising funds		-	-	-	147
Charitable activities	6	68,568	-	68,568	55,834
TOTAL EXPENDITURE		68,568	-	68,568	55,981
NET GAINS/(LOSSES) ON INVESTMENTS	9	-	950	950	1,887
NET INCOME FOR THE YEAR/NET MOVEMENT IN FUNDS FOR THE YEAR		(2,638)	1,464	(1,174)	2,754
RECONCILIATION OF FUNDS					
Total funds brought forward		103,272	18,183	121,455	118,701
Total funds carried forward		£100,634	£19,647	£120,281	£121,455

The notes on pages 13 to 23 form part of these Financial Statements

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Note	2020		2019	
		£	£	£	£
FIXED ASSETS					
Investment assets	10		17,154		16,204
			-----		-----
TOTAL FIXED ASSETS			17,154		16,204
CURRENT ASSETS					
Investments	11	2,493		1,979	
Cash at bank and in hand	12	104,714		107,718	
			-----		-----
TOTAL CURRENT ASSETS		107,207		109,697	
LIABILITIES					
Creditors: Amounts falling due within one year	13	4,080		4,446	
			-----		-----
NET CURRENT ASSETS			103,127		105,251
			-----		-----
TOTAL ASSETS LESS CURRENT LIABILITIES/ TOTAL NET ASSETS	15		£120,281		£121,455
			-----		-----
THE FUNDS OF THE CHARITY					
Unrestricted income funds	16		100,634		103,272
Restricted income funds			19,647		18,183
			-----		-----
TOTAL CHARITY FUNDS			£120,281		£121,455
			-----		-----

Approved by the trustees on 19 May 2021 and signed on their behalf by:

.....
REV'D D DEBOYS
VICAR & CHAIRMAN

.....
MR A PITFIELD
TREASURER

The notes on pages 13 to 23 form part of these Financial Statements

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2020**

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the Financial Statements are as follows:

(a) Basis of Preparation

The PCC is a public benefit entity within the meaning of FRS 102.

The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Church Accounting Regulations 2006.

The Financial Statements have been prepared under the historical cost convention except for the valuation of investment assets which are shown at market value where applicable.

The Financial Statements include all transactions, assets and liabilities for which the PCC is responsible in law.

They do not include the Financial Statements of Church groups that owe their main affiliation to another body, nor those that are informal gatherings of Church members.

The Financial Statements are prepared in sterling, which is the functional currency of the PCC. Monetary amounts are rounded to the nearest £.

(b) Income Recognition Policies

(i) Donations and Legacies

Collections are recognised when received by or on behalf of the PCC.

Planned giving receivable under Gift Aid is recognised only when received.

Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement, the amount due is quantifiable, its ultimate receipt by the PCC is reasonably certain and when any pre-conditions preventing their use have been met.

Donated services and facilities are included at the value to the PCC where this can be quantified. The value of services provided by volunteers has not been included in these Financial Statements.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON

NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)

FOR THE YEAR ENDED
31 DECEMBER 2020

1. ACCOUNTING POLICIES (CONTINUED)

(b) **Income Recognition Policies (Continued)**

(ii) Charitable Activities

Income from fees and other charitable activities is recognised when it is received.

Rental income from the letting of church premises is recognised when the rental is due.

(iii) Other Trading Activities

Income from the fête, garden party and similar events are accounted for gross.

Sales of books and magazines from the church bookstall are accounted for gross.

(iv) Investment Income

Dividends are accounted for when due and payable. Interest entitlements are accounted for as they accrue.

Tax recoverable on such income is recognised in the same accounting year.

(v) Gains and Losses on Investments

Realised gains and losses are recognised when investments are sold.

Unrealised gains and losses are accounted for on revaluation of investments at 31 December.

(c) **Expenditure**

Expenditure is recognised on an accruals basis where there is a legal or constructive obligation and settlement is probable and quantifiable. Expenditure includes VAT as the PCC is not VAT registered and is reported as part of the expenditure to which it relates.

(i) Grants

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation to the PCC.

(ii) Charitable Activities

The Parish Share is accounted for when payable. Any Parish Share unpaid at 31 December is provided for in these Financial Statements as an operational (though not a legal) liability and is shown as a creditor in the Balance Sheet.

(iii) Support Costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON

NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)

FOR THE YEAR ENDED
31 DECEMBER 2020

1. ACCOUNTING POLICIES (CONTINUED)

(c) **Expenditure (Continued)**

(iv) Governance Costs

These include those costs associated with meeting the statutory requirements of the PCC.

(d) **Tangible Fixed Assets**

(i) Consecrated Land and Buildings and Movable Church Furnishings

Consecrated and beneficed property of any kind is excluded from the statutory definition of 'charity' by section 10(2)(a) and (c) of the Charities Act 2011.

All expenditure incurred on consecrated or beneficed buildings is written-off in the year that it is incurred.

No value is placed on movable church furnishings held by the church wardens on special trust for the PCC and which require a faculty for disposal since the PCC considers 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 SOFA and separately disclosed.

(ii) Other Fixtures, Fittings, Office Equipment and Consumables

Equipment and consumables used within the church premises are depreciated on a straight line basis over four years where capitalised.

Individual items with a purchase price of £1,000 or less are written off when the asset is acquired.

(e) **Investments**

Investments are valued at market value at 31 December.

(f) **Debtors**

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors less any provision for amounts that may prove uncollectible.

(g) **Current Asset Investments and Cash at Bank**

Current asset investments and cash include cash held on deposit either with the CBF Church of England Funds or at the bank.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

1. ACCOUNTING POLICIES (CONTINUED)

(h) Creditors and Provisions

Creditors and provisions are recognised where the PCC has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

(i) Taxation

The PCC is exempt from taxation on its charitable activities.

(j) Fund Accounting

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

Designated funds are general funds set aside by the PCC for use in the future.

Restricted funds comprise:

- (a) income from endowments which is to be expended 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 these funds have unspent balances, interest on their pooled investment is apportioned to the individual funds on average balance basis.

(k) Financial Instruments

The PCC only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(l) Significant Judgements and Estimates

Preparation of the Financial Statements may require the trustees to make significant judgements and estimates. There are no items in the Financial Statements where judgements and estimates would have a significant effect on amounts recognised in the Financial Statements.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

2. DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £	2019 Total Funds £
Planned giving	34,535	-	34,535	31,249
Income Tax recoverable on planned giving	10,436	-	10,436	10,152
Collections (open plate) at all services	4,430	-	4,430	5,273
Sundry donations	14,587	-	14,587	6,800
	-----	---	-----	-----
	£63,988	£-	£63,988	£53,474
	-----	---	-----	-----

There were no donated services and facilities receivable which could be quantified in the year.

3. CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £	2019 Total Funds £
Fees	1,045	-	1,045	778
Church lettings etc	50	-	50	1,350
Other activities to generate funds	763	-	763	569
	-----	---	-----	-----
	£1,858	£-	£1,858	£2,697
	-----	---	-----	-----

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

4. INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £	2019 Total Funds £
Dividends from investments	-	504	504	526
Bank interest and interest from investments	84	10	94	151
	—	—	—	—
	£84	£514	£598	£677
	—	—	—	—

5. COST OF RAISING FUNDS

	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £	2019 Total Funds £
Stewardship and other costs	£-	£-	£-	£147
	—	—	—	—

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2020 Total Funds £	2019 Total Funds £
Parish share	23,494	-	23,494	24,906
Celebrations and events	760	-	760	4,845
Clergy expenses	-	-	-	20
Church running expenses	9,207	-	9,207	10,817
Church maintenance	270	-	270	4,872
Upkeep of services	987	-	987	2,588
Major repairs and building work	28,633	-	28,633	-
Salaries/organist/cantores	3,550	-	3,550	5,950
Support costs	877	-	877	766
Governance costs	790	-	790	1,070
	£68,568	£-	£68,568	£55,834

7. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

The PCC identifies the costs of its support function. It then identifies those costs which relate to the governance function. The PCC allocates the support and governance costs entirely to the unrestricted expenditure (note 6).

	General Support £	Governance £	Total Funds £	Basis of Apportionment
Office expenses	877	-	877	Usage
Professional costs	-	730	730	Governance
PCC meetings hall hire	-	60	60	Governance
	£877	£790	£1,667	

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

8. TRUSTEES' REMUNERATION AND EXPENSES

No payments were made to trustees by way of remuneration or expenses during the period.

9. GAINS OR LOSSES ON INVESTMENT

	2020	2019
	£	£
Unrealised gain/(loss) on CBF Investment	£950	£1,887
	—	—

10. INVESTMENT ASSETS

Holding	Market Value at 31 December 2020			
	(5 Months)			£
CBF Fixed Interest	2,999	units	@ £1.6962	5,087
CBF Investment Fund	589	units	@ £20.4873	12,067
				—
				£17,154
				—

Holding	Market Value at 31 December 2019			
				£
CBF Fixed Interest	2,999	units	@ £1.6384	4,914
CBF Investment Fund	589	units	@ £19.1691	11,290
				—
				£16,204
				—

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

11. INVESTMENTS

	2020	2019
	£	£
CBF Deposit Funds	£2,493	£1,979
	<hr/>	<hr/>

12. CASH AT BANK AND IN HAND

	2020	2019
	£	£
CAF Bank	104,561	107,555
Cash	153	163
	<hr/>	<hr/>
	£104,714	£107,718
	<hr/>	<hr/>

13. CREDITORS: Amounts falling due within one year

	2020	2019
	£	£
Trade creditors	-	646
Accruals	2,318	1,520
Other creditors	1,762	2,280
	<hr/>	<hr/>
	£4,080	£4,446
	<hr/>	<hr/>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

14. FINANCIAL INSTRUMENTS

Financial instruments measured at amortised cost comprise the following:

	2020	2019
	£	£
Financial assets that are debt instruments	-	-
Financial liabilities that are debt instruments	4,080	4,446
	<u> </u>	<u> </u>

15. ANALYSIS OF NET ASSETS BY FUND

	Unrestricted	Restricted	2020	2019
	Funds	Funds	Total	Total
	£	£	Funds	Funds
	£	£	£	£
Investment assets	-	17,154	17,154	16,204
Current assets	104,714	2,493	107,207	109,697
Current liabilities	(4,080)	-	(4,080)	(4,446)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	£100,634	£19,647	£120,281	£121,455
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST MICHAEL THE ARCHANGEL, SOUTHAMPTON**

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

16. ANALYSIS OF CHARITABLE FUNDS

	At 01.01.20 £	Incoming Resources £	Outgoing Resources £	Investment Gains/ (Losses) £	At 31.12.20 £
Analysis of Movements in Unrestricted Funds					
General funds	103,272	65,930	68,568	-	100,634
Total Unrestricted Funds	103,272	65,930	68,568	-	100,634
Analysis of Movements in Restricted Funds					
Michael Alderson	18,183	514	-	950	19,647
Total Restricted Funds	18,183	514	-	950	19,647
Total Funds	£121,455	£66,444	£68,568	£950	£120,281

Unrestricted funds are funds which the PCC is free to spend on any of its activities. The PCC can, from time to time, designate unrestricted funds for particular purposes. The PCC may subsequently choose to re-designate unrestricted funds for another purpose.

Restricted funds are those which the PCC can only spend on purposes determined by the terms on which a fund is set up, typically as a trust fund. The Michael Alderson Trust is to support training principally but not exclusively for the clergy.