

**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**

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**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	Vice Chair	App Apr 2024
	Dr Stephen Whitaker	Vice Chair	Res Apr 2024
	Mrs Alexandra Stokes		
Deputy Churchwardens:	Nr Neil Giles		App Apr 2024
	Mr Matthew Read		App Apr 2024
	Miss Kath Singleton		Res Apr 2024
	Mrs Pam Hand		Res Apr 2024
	Mrs Doina Whitaker		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	16		
Unrestricted income funds		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
	<hr/>	<hr/>	<hr/>	<hr/>
	£2,228	£577	£2,805	£2,062
	<hr/>	<hr/>	<hr/>	<hr/>

5. OTHER INCOME

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

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
	<hr/>	<hr/>	<hr/>	<hr/>
	£91,225	£-	£91,225	£114,769
	<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**

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
					<hr/>
					£18,091
					<hr/>

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
					<hr/>
					£17,656
					<hr/>

11. INVESTMENTS

	2024	2023
	£	£
CBF Deposit Funds	£2,082	£1,505
	<hr/>	<hr/>

12. CASH AT BANK AND IN HAND

	2024	2023
	£	£
CAF Bank	£90,888	£90,282
	<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**

13. CREDITORS: Amounts falling due within one year

	2024	2023
	£	£
Accruals	£3,991	£3,907
	<hr/>	<hr/>

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
	<hr/>	<hr/>

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)
	<hr/>	<hr/>	<hr/>	<hr/>
	£86,897	£20,173	£107,070	£105,536
	<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**

16. ANALYSIS OF CHARITABLE FUNDS

	At 01.01.24 £	Incoming Resources £	Outgoing Resources £	Investment Gains/ (Losses) £	At 31.12.24 £
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
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Unrestricted Funds	86,375	92,365	91,843	-	86,897
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Analysis of Movements in Restricted Funds					
Michael Alderson	19,161	577	-	435	20,173
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Restricted Funds	19,161	577	-	435	20,173
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Funds	£105,536	£92,942	£91,843	£435	£107,070
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

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
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**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.