

**REPORT OF THE TRUSTEES AND  
UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021  
FOR  
ST MARY DE CASTRO LEICESTER PCC**

Duncan & Toplis Limited  
3 Princes Court  
Royal Way  
Loughborough  
Leicestershire  
LE11 5XR

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FOR THE YEAR ENDED 31 DECEMBER 2021**

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## **ST MARY DE CASTRO LEICESTER PCC**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021**

The trustees present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

#### **BACKGROUND**

The Collegiate and Parish church of St Mary de Castro, Leicester, is an ancient parish church and the second oldest place of worship in the City of Leicester. It has been a place of prayer for over 900 years and combines splendid interior architecture and an intriguing history with a warm welcome to all who come to join us in worship or simply to have a look around.

St Mary's is regarded as one of the finest Norman churches in England having been first built as a chapel within the precinct of the bailey of Leicester Castle by Robert Beaumont, 1st Earl of Leicester, and has been part of the major events in the history of the City of Leicester. We warmly welcome all visitors who want to enjoy the beautiful surroundings of this historic church whether to view the architecture, study the history, or simply spending some quiet time away from the hustle and bustle of the city centre. St Mary's is on the Richard III and Heritage Walking trail and is open for some part of every day.

The Parochial Church Council of St Mary de Castro is a body corporate established by the Church of England. The PCC operates under the Parochial Church Councils (Powers) Measure 1956. The PCC is a charity and all the members of the PCC are charity trustees. The PCC is registered with the Charity Commission as a Charity.

#### **OBJECTIVES AND ACTIVITIES**

##### **Aims and purposes**

In pursuance of its charitable objects (particularly the advancement of the Christian religion for the public benefit) and in accordance with the Parochial Church Councils (Powers) Measure 1956 and the Synodical Government Measure 1969:

"It shall be the duty of the incumbent and the Parochial Church Council to consult together on matters of general concern and importance to the parish. The functions of the PCC shall include: Co-operation with the Incumbent in promoting in the parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical; the consideration and discussion of matters concerning the Church of England or any other matters of religious or public interest, but not the declaration of the doctrine of the Church on any question; making known and putting into effect any provision made by the Diocesan/Deanery Synod on any matter referred to the Council; raising such matters as the Council consider appropriate with the Diocesan/Deanery Synod. In the exercise of its function, the PCC shall take into consideration any expression of opinion by any Parochial Church Meeting."

##### **Public benefit**

When planning objectives and activities for the year, the Priest in Charge, the Churchwardens and the PCC have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion.

## **ST MARY DE CASTRO LEICESTER PCC**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021**

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Objectives and activities**

St Mary de Castro PCC fulfils its aims and purposes through activities associated with four main objectives.

St Mary de Castro PCC provides:

#### **1. Regular public worship open to all**

The restrictions resulting from the Covid 19 pandemic has brought about changes to the number of services that can be held each week.

The Holy Eucharist forms the centre of our spiritual life as a parish and is celebrated twice each week. In addition to these regular services, we also keep a number of Holy Days and Feasts:

##### **Sundays**

11:00a.m. Sung Eucharist with sermon

##### **Wednesdays**

11:00a.m. Holy Eucharist

#### **2. Sacred space for personal prayer and contemplation**

The PCC ensures:

- a) Our church and grounds are well kept and welcoming to all
- b) The Parish Church is normally open to members of the public every day (Monday to Friday 12:00 to 14:00, Saturday 14:00 to 16:00; Sunday as above). This is currently not possible because of the restrictions placed on us by Covid- 19.

#### **3. Pastoral work, including visiting the sick and the bereaved**

The PCC supports the work of our group of Clergy who are responsible for Pastoral Care in the Parish

- a) All who desire our pastoral services receive a ministry of care and welcome
- b) Baptism and confirmation of children and adults involves full preparation, a warm welcome and ongoing care
- c) Couples marrying in church receive full preparation and are prayed for in church
- d) Holy Communion is taken to anyone sick at home, in hospital or in rest homes who desires it
- e) The clergy are notified and parishioners are visited when in hospital or bereaved
- f) The last rites are administered when appropriate
- g) The bereaved are visited prior to every funeral and their loved ones remembered

#### **4. Promotion of Christianity through events, meetings and the distribution of literature**

The PCC promotes the full range of its activities through a weekly notice sheet, a website, social media, church noticeboards and the church sometimes features in articles in the Leicester Mercury.

## **ST MARY DE CASTRO LEICESTER PCC**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021**

#### **FINANCIAL REVIEW**

##### **Financial position**

The main sources of income continue to be regular giving by the congregation together with gift aid, donations and gifts arising from Open Door. Expenditure is closely controlled in order to ensure that it is covered by income.

In the year the church made a small deficit in the day to day activities, as shown in the SoFA due to significant repair costs incurred in the year. Without these repairs, the church would have made a healthy surplus.

However, there was a surplus in the restricted funds, due to the receipt of a one-off grant towards improving the security of the church, which will be spent in 2022.

Despite this, the Church restoration fund, and consequently the overall funds of the church are still showing as overdrawn as at 31st December 2021. This is largely due to the Diocese loan of which there was £18,000 outstanding at this date.

As noted in note 16 to the accounts, the trustees are pleased to confirm that this amount was paid in full in February 2022 following receipt of a substantial donation to cover this, and as such the trustees are satisfied that at the date of signing, the church is solvent.

##### **Reserves policy**

The PCC seeks to maintain adequate reserves to ensure all reasonable day to day running costs can be met as and when they fall due, recognising the basic financial principle that the PCC is responsible for ensuring that solvency is maintained.

The PCC has adopted a reserves policy of retaining sufficient liquidity to cover two months unrestricted expenditure. Adoption of the Parish Giving Scheme is expected to enable the PCC to extend this policy.

At the year end the charity held unrestricted reserves of £9,000 including cash at bank and in hand of £14,449. This is considered sufficient in line with the above policy for unrestricted funds.

The restricted reserves at the year-end were in deficit by £17,613, made up of a £19,863 deficit in the Restoration Fund offset with a £2,250 grant received to the Security Fund. This is due to an overrun on the costs to date of the restoration project. The cash at bank and in hand in the Restoration Fund is overdrawn by £1,863, however the net cash at bank and in hand of the Charity is £14,836. The majority of the deficit in this fund is due to an outstanding loan of £18,000 owed to Leicester Diocese.

The total reserves of the charity at the year-end are in deficit by £8,613 owing to the above.

However, as noted above and in Note 16, a substantial donation was received after the year-end which allowed the charity to repay this loan in full, which has brought the overall funds of the charity back into surplus.

## **ST MARY DE CASTRO LEICESTER PCC**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021**

#### **FUTURE PLANS**

We will continue to hold services on Wednesday and Sunday with the celebrant being one of our "College of Priests" all of whom gave wonderful service during 2021. The priests who were part of the "College" in 2021 were:

Father Philip O'Reilly.  
Father Johannes Arens  
Father Chris Oxley  
Father Alan Hawker  
Father Jeff Hopewell  
Father Herbert Fadrluela

A core group within the "College" will continue to look after Pastoral matters, including confessions, sick communions, last rites and other matters about which members of the congregation seek support, help and guidance from their parish priest. This core group contains Father Philip O'Reilly, Father Johannes Arens and Fr Chris Oxley.

The day to day administration of the parish will continue to be led by the Standing Committee and the wider Parochial Church Council as described elsewhere in this report.

Development of the Action points agreed by the PCC during 2021 will continue. In summary these action points are:

- Building stronger links with the student population at De Montfort University, including devising services attractive to students
- Expanding our Open Door Programme and providing training to new and existing volunteer Stewards
- Further work with the website including increasing our presence on social media
- Expanding the number of events taking place at St Mary's including hosting external services and concerts
- Developing our heritage opportunities in conjunction with both De Montfort University and Leicester Cathedral
- Continuing to work with Sound Cafe Leicester who as noted elsewhere are now based at St Mary de Castro. Sound Cafe will be launching a film at St Mary de Castro on 24 June. The film is entitled "Speaking of Homelessness" and Sound Cafe have been working on this project for some 18 months assisted by an Arts Council grant. Significant parts of the film have been recorded inside the church and in the immediate area surrounding the church.
- Enhance the provision of music at services - with the pipe organ now defunct an Allen organ has been purchased to replace it with an Archdeacon's 2-year faculty secured. This gives time to consider the longer-term position. We will also continue the work designed to produce a "College of Organists" and additional regular members of the choir. Our relationship with the De Montfort University Chamber choir will also be further developed.
- Encourage visits from other community groups, organisations and schools. It is anticipated that Leicester Cathedral will be bringing their schools work to St Mary de Castro

Work will also continue to grow the regular congregation and to build a sound financial base.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The Parochial Church Council of St Mary de Castro is a body corporate established by the Church of England. The PCC operates under the Parochial Church Councils (Powers) Measure 1956. The PCC is a charity and all the members of the PCC are charity trustees. The PCC is registered with the Charity Commission as an unincorporated Charity.

##### **Charity constitution**

The Parochial Church Council is a body corporate established by the Church of England. The PCC operates under the Parochial Church Council (Powers) Measure 1956. The PCC is a charity and its gross income has reached the £100,000 threshold required for registration with the Charity Commission. Registration was completed in November 2019. Our Charity Registration Number is: 1186446.

The Church Representation Rules (CRR) have been updated and the PCC will now be required to follow the CRR 2020 legislation. Full details of which can be found at: <https://www.churchofengland.org/>

## **ST MARY DE CASTRO LEICESTER PCC**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Organisational structure**

The way in which the PCC organises itself in order to carry out its aims and objectives can be seen from the information below:

##### **MEETINGS 2021**

- 24 February
- 25 April
- 24 June
- 9 September
- 9 December

#### **BUSINESS CONDUCTED**

All meetings of the Council received reports from the Churchwardens and Standing Committee, the Treasurer, the Deanery Synod representatives, Challenge 900 and the Parish Safeguarding Officer.

In the absence of a Priest in Charge the meetings are chaired by Chris Phillips, the PCC Vice-Chairman.

There was detailed discussion of the guidance from the House of Bishops COVID-19 Recovery Group and its application to St Mary de Castro. The church was open when this was permitted with a variety of measures taken in order to keep the congregation safe.

The death of Yvette Adams on 31 January required the urgent appointment of a new person to the key role of Parish Safeguarding Officer. Michal Kmet was appointed to the role. He has presented excellent reports to the PCC so the PCC has complied with its duty under section 5 of the Safeguarding and Clergy Discipline Measure 2016.

The Action document which resulted from consideration of the Quo Vadis document was unanimously supported by all our Priests and all members of the PCC. Various actions have resulted including the production of a Parish Handbook; the return of OpenDoor; the relationship with Sound Cafe Leicester who are now basing their main activities in our church - Sound Cafe is a charity which provides safe creative spaces for homeless and vulnerable people and is the beneficiary of a Bishops Mission Order from the Bishop of Leicester who is the Patron of the charity; the development of a new church website; updating of the Book of Remembrance; and a developing relationship in relation to heritage with both De Montfort University and Leicester Cathedral.

Several faculty applications were submitted in 2021; and the PCC were delighted at the installation of the server which mainly completes Restoration Phase 1. A draft Phase 2 document was agreed unanimously by the PCC for further discussion with our architect and Gill Elliott (the Leicester Diocese Building Development Enabler) in 2022.

#### **STANDING COMMITTEE: TERMS OF REFERENCE**

At its meeting on 24 February the PCC unanimously agreed that the future management of the parish should be led by the Standing Committee. The membership is the two Churchwardens and the two Deputy Churchwardens with Alan Fletcher acting as Chair. Detailed minutes are taken and circulated to the PCC for consideration and approval of any recommended actions. The Standing Committee met on 4 May, 5 July, 31 August and 29 November

##### **Recruitment, induction and training of PCC members**

The Churchwardens have the main role in this area at St Mary de Castro. They identify members of the congregation who have the time and talents which qualify them to be PCC members and Charity trustees. They ensure that, once elected, new PCC members are familiarised with their responsibilities; and this work is supplemented by PCC members attending courses on a variety of issues offered by the Leicester Diocese. The information received at such training is reported to the PCC at subsequent meetings

## **ST MARY DE CASTRO LEICESTER PCC**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Challenge 900 and The Friends of St Mary De Castro**

This is a separate charity which raises funds in order to assist the PCC in fulfilling the parish mission.

##### **Risk management**

The principal risks and uncertainties facing the PCC are governance risks, operational risks, financial risks and regulatory risks.

In summary the plans and strategies for managing these risks are:

**Governance risks** - these arise in particular in relation to the skills and competence of members of the PCC. Members of the Council are appointed because of their commitment to the mission of St Mary de Castro and because of the diverse range of ability and expertise they bring to the management of the parish. There is a risk that it, in future, it will not always be possible to recruit sufficient people to the charity with the skills required but careful attention is paid at all times to the needs of good succession planning as described above.

**Operational risks** - the risks here are, in particular, in relation to the protection of children and vulnerable adults, and health and safety - especially given the extensive renovation and improvement works planned for the church building. The PCC has a Child and Vulnerable Adults Protection Officer and reviews and approves an appropriate policy annually. The Church Wardens and members of the P.C.C are currently in the process of completing the required Safeguarding training. In addition, there is regular contact with the specialists in this field employed by the Leicester Diocese including attendance at training courses operated by the diocese. An independent Children's Advocate has been appointed by the PCC.

A Health and Safety policy is in the final stages of preparation for approval and adoption by the PCC. In addition, both a policy and training manual for people who volunteer as part of Open Door are being prepared. A Fire Risk Assessment is the course of preparation.

**Financial risks** - there are a variety of risks in relation to the finances of the PCC: to regular giving, reserves and cashflow. The PCC is committed to reviewing Income and Expenditure to ensure that the Parish remains solvent. Reference has been made above to the Parish Giving Scheme which it is expected will make a significant contribution to the mitigation of this risk.

**Regulatory risks** - the main regulatory risks are child and vulnerable adult protection (see above), Health and Safety (see above) and data protection. The General Data Protection Regulations come in force on 25 May 2018. The PCC agreed a GDPR policy at its meeting on the 6th June 2018.

##### **Covid-19**

There has been a global pandemic from the outbreak of Covid-19. The potential impact of this became significant in March 2020 and it has caused widespread disruption to all aspects of economic, social and charitable activity across the world, including the UK.

Owing to the ongoing impact of Covid-19, on the instructions received from the Archbishops of Canterbury and York on 5th January 2021 the church, as with all Anglican places of worship, closed for all public worship and visits. The church reopened for services in April 2021.



## **ST MARY DE CASTRO LEICESTER PCC**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Parochial Church Council have taken a significant variety of measures to enable the church to be open for private prayer only and for services when government Covid regulations have permitted places of worship to be open. It has been essential to take measures which allow all members of the congregation to be safe when they have been at church services; and the guidance from the Bishop of Leicester has been followed at all times. It is important to note that St Mary de Castro is a very large church with a relatively small regular congregation. A detailed general risk assessment was completed and copied to the relevant individuals in the Leicester diocese. In addition, a specific choir risk assessment was completed as part of a communication with the Diocesan Registrar. The church was deep cleaned twice by an external specialist cleaning company and the trustees are grateful to Voluntary Action Leicestershire for the award of a grant towards the costs involved. In addition, the volunteer cleaning team have cleaned the church regularly. Specific measures have included a one- way system inside the church and a seating layout which has ensured social distancing; as specifically requested by the Bishop of Leicester members of the congregation have been discouraged from "mingling" before and after services. The provision of a service sheet for all services to avoid books being distributed. The banning of singing by the congregation with only the choir - three singers maximum but often only one - being allowed to sing. The provision of hand sanitation and the completion of Test and Trace documentation which is destroyed after 21 days as required by NHS regulations.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Charity number**

1186446

##### **Principal address**

15 Castle Street  
Castle View  
Near Castle Park  
Leicester  
LE1 5WN

##### **Trustees**

We are the Parochial Church Council of The Collegiate and Parish Church of St Mary de Castro Leicester located at 15 Castle Street, Castle View, Near Castle Park, Leicester LE1 5WN. The Church Wardens are the people to whom day-to-day management is delegated.

The members of the PCC during the year were as follows:

Chris Phillips (Churchwarden and Vice-Chairman of the PCC)  
Alan Fletcher (Churchwarden, PCC Secretary, Electoral Roll Officer and Deanery Synod Representative)  
Paul Kellett (Deputy Churchwarden)  
Sheila West (Deputy Churchwarden and Open Door co-ordinator)  
Andrew Green (Treasurer and Organist)  
Michal Kmet (Parish Safeguarding Officer)  
Vic Allsop (Deanery Synod representative and Chair of Challenge 900)  
Tony Wells (Gift Aid Officer)  
Mark Haworth

Electoral Roll Officer - Yvette Adams (until 31 January 2021)

**ST MARY DE CASTRO LEICESTER PCC**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Independent Examiner**

Mr N A Kingsley  
ACA  
Duncan & Toplis Limited  
3 Princes Court  
Royal Way  
Loughborough  
Leicestershire  
LE11 5XR

**Bankers**

The PCC bankers are:

NatWest Leicester Hinckley Road Branch  
7 Hinckley Road  
Leicester  
LE3 OTQ;

and

HSBC Oakham Branch  
28 High Street  
Oakham  
LE15 6AR

**Architect**

The retained architect is:

Eleanor McEvedy  
E. B. McEvedy Historic Building Consultants  
The Old Rectory  
8 Water Lane  
Stathern  
Leicestershire  
LE14 4HX

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

Approved by order of the board of trustees on ..... and signed on its behalf by:

.....  
Mr C Phillips - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
ST MARY DE CASTRO LEICESTER PCC**

**Independent examiner's report to the trustees of St Mary de Castro Leicester PCC**

I report to the charity trustees on my examination of the accounts of St Mary de Castro Leicester PCC (the Trust) for the year ended 31 December 2021.

**Responsibilities and basis of report**

As the charity trustees of the Trust 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 Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all 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 Trust 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.

Mr N A Kingsley  
ACA  
Duncan & Toplis Limited  
3 Princes Court  
Royal Way  
Loughborough  
Leicestershire  
LE11 5XR

Date: .....

**ST MARY DE CASTRO LEICESTER PCC**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	3	69,975	3,813	73,788	28,351
<b>Charitable activities</b>					
Charitable Activities		1,317	-	1,317	2,335
Other trading activities	4	-	-	-	507
<b>Total</b>		71,292	3,813	75,105	31,193
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>					
Charitable Activities	5	71,892	1,207	73,099	33,335
<b>NET INCOME/(EXPENDITURE)</b>		(600)	2,606	2,006	(2,142)
<b>Transfers between funds</b>	15	(2,728)	2,728	-	-
<b>Net movement in funds</b>		(3,328)	5,334	2,006	(2,142)
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		12,328	(22,947)	(10,619)	(8,477)
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>9,000</u>	<u>(17,613)</u>	<u>(8,613)</u>	<u>(10,619)</u>

The notes form part of these financial statements

**ST MARY DE CASTRO LEICESTER PCC**

**STATEMENT OF FINANCIAL POSITION  
31 DECEMBER 2021**

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>CURRENT ASSETS</b>					
Debtors	12	25,796	-	25,796	9,670
Cash at bank		<u>14,449</u>	<u>387</u>	<u>14,836</u>	<u>14,870</u>
		40,245	387	40,632	24,540
<b>CREDITORS</b>					
Amounts falling due within one year	13	(31,245)	(18,000)	(49,245)	(35,159)
		<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>9,000</u>	<u>(17,613)</u>	<u>(8,613)</u>	<u>(10,619)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>9,000</u>	<u>(17,613)</u>	<u>(8,613)</u>	<u>(10,619)</u>
		<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>NET ASSETS/(LIABILITIES)</b>		<u>9,000</u>	<u>(17,613)</u>	<u>(8,613)</u>	<u>(10,619)</u>
<b>FUNDS</b>	15				
Unrestricted funds				9,000	12,328
Restricted funds				<u>(17,613)</u>	<u>(22,947)</u>
<b>TOTAL FUNDS</b>				<u>(8,613)</u>	<u>(10,619)</u>

The financial statements were approved by the Board of Trustees and authorised for issue on ..... and were signed on its behalf by:

.....  
Mr A K Fletcher - Trustee

.....  
Mr C Phillips - Trustee

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**1. GENERAL INFORMATION**

The Parochial Church Council of The Collegiate and Parish Church of St Mary de Castro Leicester , known as St Mary De Castro Leicester PCC, is a registered charity in England and Wales. The charity's registered number is 1186446 and principal address is St Mary De Castro Church, Castle Street, Leicester, LE1 5WN.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied to all years presented unless otherwise stated.

The financial statements cover the individual entity.

The entity constitutes a public benefit entity as defined by FRS 102.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The charity has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

**Critical accounting judgements and key sources of estimation uncertainty**

In the application of the charitable company's accounting policies, management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no critical accounting judgements or estimation uncertainty that, in the opinion of the trustees, will have a material effect on the financial statements.

**Income**

Legacies are accounted for as soon as the PCC is notified of its legal entitlement and the amount is quantifiable and its ultimate receipt by the PCC is considered reasonably certain.

Grants and donations are included in the SOFA when any preconditions preventing their use by the PCC have been met. For collections and planned giving this is when the funds are received.

VAT recovered from the Department of Culture, Media and Sport Listed Place of Worship Scheme is included when receipt by the PCC is considered reasonably certain.

Income tax recoverable on Gift Aid is recognised at the same time as the income.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**2. ACCOUNTING POLICIES - continued**

**Income**

Funds raised by fetes and other social events are accounted for gross.

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

The PCC receives substantial practical assistance from individual church members, but the financial value is mainly unquantifiable, and no attempt is made to reflect this in the accounts.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Taxation**

The charity is exempt from tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**Going Concern**

We have had considerable success with the early stages of the implementation of the 5 year plan and the mission of the parish which is central to that plan is developing well.

Our financial position has improved noticeably because:

- Open Door has been re-instated with significant numbers of visitors making financial donations
- We are able to worship as before so our congregation are giving more than previously
- We are increasingly being asked to host external services – such as the Justice service – which attract significant numbers of people who make donations
- We have started hosting schools services run by the Cathedral (which is closed for 2 years) and are sharing the money paid by the schools to the Cathedral
- The De Montfort University connection has been re-established both via the DMU choir and other activities which generate money.
- Sound Café Leicester which is a charity for homeless and vulnerable people are now basing their activities at SMDC and paying rental for the use of the premises
- We received a donation in early 2022 which allowed us to repay the outstanding loan to the Diocesan Board of Finance

For these reasons we consider that the charity is in a position to continue to manage the financial situation and that it is appropriate to prepare the financial situation on a going concern basis.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**3. DONATIONS AND LEGACIES**

	2021	2020
	£	£
Donations	56,589	16,388
Gift aid	2,248	2,626
Legacies	1,000	-
Grants	2,250	-
Planned giving	9,920	7,329
Collections at services	218	471
HMRC DCMS scheme VAT recovered	<u>1,563</u>	<u>1,537</u>
	<u>73,788</u>	<u>28,351</u>

Grants received, included in the above, are as follows:

	2021	2020
	£	£
Allchurches Trust Limited	<u>2,250</u>	<u>-</u>

**4. OTHER TRADING ACTIVITIES**

	2021	2020
	£	£
Fetes and other events	<u>-</u>	<u>507</u>

**5. CHARITABLE ACTIVITIES COSTS**

	Direct Costs (see note 6)	Support costs (see note 7)	Totals
	£	£	£
Charitable Activities	<u>71,169</u>	<u>1,930</u>	<u>73,099</u>

**6. DIRECT COSTS OF CHARITABLE ACTIVITIES**

	2021	2020
	£	£
Church running expenses	14,959	7,459
Church repairs and maintenance	45,892	7,292
Insurance	8,508	8,244
Parish share	-	1,575
Stationery and publications	-	147
Architect fees	1,233	5,757
Interest payable and similar charges	<u>577</u>	<u>677</u>
	<u>71,169</u>	<u>31,151</u>



**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**7. SUPPORT COSTS**

	Governance costs
	£
Charitable Activities	<u>1,930</u>

Support costs, included in the above, are as follows:

**Governance costs**

	2021 Charitable Activities £	2020 Total activities £
Independent examination fees	<u>1,930</u>	<u>2,184</u>

**8. INDEPENDENT EXAMINERS' REMUNERATION**

	2021 £	2020 £
Independent examination	<u>1,930</u>	<u>2,184</u>

**9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

**Trustees' expenses**

The reimbursement of trustees' expenses was as follows:

	2021 Number	2020 Number	2021 £	2020 £
Clergy Expenses- Church running costs	0	1	-	387
Post and stationery	0	1	-	127
Cleaning- Sundries	0	0	<u>-</u>	<u>-</u>
			<u>-</u>	<u>514</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**10. STAFF COSTS**

There were no employees during the current or prior year. Details of trustees and PCC members are noted in the trustees' report.

**11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	18,484	9,867	28,351
<b>Charitable activities</b>			
Charitable Activities	940	1,395	2,335
Other trading activities	<u>507</u>	<u>-</u>	<u>507</u>
<b>Total</b>	19,931	11,262	31,193
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Charitable Activities	<u>19,609</u>	<u>13,726</u>	<u>33,335</u>
<b>NET INCOME/(EXPENDITURE)</b>	322	(2,464)	(2,142)
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	<u>12,006</u>	<u>(20,483)</u>	<u>(8,477)</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>12,328</u></u>	<u><u>(22,947)</u></u>	<u><u>(10,619)</u></u>

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Other debtors	-	8,492
Prepayments and accrued income	<u>25,796</u>	<u>1,178</u>
	<u><u>25,796</u></u>	<u><u>9,670</u></u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021	2020
	£	£
Other loans (see note 14)	18,000	20,000
Other creditors	1,667	1,962
Accrued expenses	<u>29,578</u>	<u>13,197</u>
	<u>49,245</u>	<u>35,159</u>

**14. LOANS**

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year on demand:		
Diocese Loan	<u>18,000</u>	<u>20,000</u>

Interest is being charged on the Diocese loan at 3%. This loan is not secured and is repayable on demand.

**15. MOVEMENT IN FUNDS**

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
<b>Unrestricted funds</b>				
General fund	12,328	(600)	(2,728)	9,000
<b>Restricted funds</b>				
Church Restoration	(22,947)	356	2,728	(19,863)
Security fund	<u>-</u>	<u>2,250</u>	<u>-</u>	<u>2,250</u>
	<u>(22,947)</u>	<u>2,606</u>	<u>2,728</u>	<u>(17,613)</u>
<b>TOTAL FUNDS</b>	<u>(10,619)</u>	<u>2,006</u>	<u>-</u>	<u>(8,613)</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	71,292	(71,892)	(600)
<b>Restricted funds</b>			
Church Restoration	1,563	(1,207)	356
Security fund	<u>2,250</u>	<u>-</u>	<u>2,250</u>
	<u>3,813</u>	<u>(1,207)</u>	<u>2,606</u>
<b>TOTAL FUNDS</b>	<u>75,105</u>	<u>(73,099)</u>	<u>2,006</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**15. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
<b>Unrestricted funds</b>			
General fund	12,006	322	12,328
<b>Restricted funds</b>			
Church Restoration	(20,483)	(2,464)	(22,947)
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>(8,477)</u>	<u>(2,142)</u>	<u>(10,619)</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	19,931	(19,609)	322
<b>Restricted funds</b>			
Church Restoration	11,262	(13,726)	(2,464)
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>31,193</u>	<u>(33,335)</u>	<u>(2,142)</u>

The Church Restoration Fund is monies received and costs incurred towards the ongoing restoration work within the church and other significant repairs and maintenance of the fabric of the church..

The Security Fund is in respect of a grant received from AllChurches Trust towards the improvement of security at the church.

**Transfers between funds**

During the year an amount of £2,728 was transferred from the General fund to the Restoration Fund. This was transferred to cover a repayment of £2,000 plus interest incurred of £728 on the Diocese Loan during the year.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**16. RELATED PARTY DISCLOSURES**

During the year donations totalling £38,975 (2020: £8,961) towards the general repairs and maintenance costs of the church were received from St Mary De Castro Challenge 900 Charitable Trust, a separate charity set up to raise funds for the church, known as "Friends of St Mary" which has mutual trustees.

Included within debtors is a balance of £NIL (2020: £8,492) and within accrued income is a balance of £25,101 (2020: £NIL) owed by St Mary De Castro Challenge 900 Charitable Trust in respect of the above.

The total value of donations without conditions made by the Trustees to the Charity during the period was £6,500 (2020: £840).

**17. POST BALANCE SHEET EVENTS**

In February 2022 the charity received a significant donation which has allowed them to repay in full the £18,000 outstanding loan balance owed to Leicester Diocese.

**ST MARY DE CASTRO LEICESTER PCC**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021 £	2020 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	56,589	16,388
Gift aid	2,248	2,626
Legacies	1,000	-
Grants	2,250	-
Planned giving	9,920	7,329
Collections at services	218	471
HMRC DCMS scheme VAT recovered	<u>1,563</u>	<u>1,537</u>
	73,788	28,351
<b>Other trading activities</b>		
Fetes and other events	-	507
<b>Charitable activities</b>		
Church lettings	470	750
Other church activity	847	190
Insurance claim	<u>-</u>	<u>1,395</u>
	<u>1,317</u>	<u>2,335</u>
<b>Total incoming resources</b>	75,105	31,193
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Church running expenses	14,959	7,459
Church repairs and maintenance	45,892	7,292
Insurance	8,508	8,244
Parish share	-	1,575
Stationery and publications	-	147
Architect fees	1,233	5,757
Diocese Loan interest	<u>577</u>	<u>677</u>
	71,169	31,151
<b>Support costs</b>		
<b>Governance costs</b>		
Independent examination fees	<u>1,930</u>	<u>2,184</u>
Total resources expended	<u>73,099</u>	<u>33,335</u>
<b>Net income/(expenditure)</b>	<u><u>2,006</u></u>	<u><u>(2,142)</u></u>

This page does not form part of the statutory financial statements