

Charity registration number 1190499

SAINT MELANGELL SHRINE CHURCH AND CENTRE

Annual report and unaudited financial statements

For the year ended 31 December 2022

SAINT MELANGELL SHRINE CHURCH AND CENTRE

Legal and administrative information

Trustees	Mr P Morris J Sharpe C Hainsworth The Venerable Dr B F Wilson F Jones D Griffiths M McKenzie Rev. C Browne K Reynolds	(Appointed 29 June 2022) (Appointed 29 June 2022) (Appointed 3 May 2023) (Appointed 31 October 2022)
Charity number	1190499	
Principal address	The Melangell Centre Pennant Melangell Llangynog Oswestry SY10 0HQ	
Independent examiner	Cadwallader & Co LLP Eagle House 25 Severn Street Welshpool Powys SY21 7AD	

SAINT MELANGELL SHRINE CHURCH AND CENTRE

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SAINT MELANGELL SHRINE CHURCH AND CENTRE

Trustees' report

For the year ended 31 December 2022

The trustees present their annual report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "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).

Objectives and activities

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Saint Melangell's Shrine Church and Centre is a Christian Charity in the Tanat Valley for people of all faiths or none, which supports individuals and groups through reflection, listening and pastoral care. We provide services, a space for reflection and spirituality, and facilities for education, training events, retreats and quiet days, with some residential accommodation available.

Achievements and performance

During the period the charities, St Melangell Church and St Melangell Centre merged with the funds and assets of each being transferred on the 10th June 2022.

In accordance with the Charities SORP the results are merged for the whole period, with the split of pre and post merger results disclosed in the notes.

At the end of the year the charity had capital funds £178,052. The Trustees intend that the funds will be utilised in future periods in accordance with the charity's objectives.

Financial review

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Structure, governance and management

The charity is a Charitable Incorporated Organisation.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr P Morris

J Sharpe

C Hainsworth

The Venerable Dr B F Wilson

F Jones

D Griffiths

(Appointed 29 June 2022)

M McKenzie

(Appointed 29 June 2022)

Rev. C Browne

(Appointed 3 May 2023)

K Reynolds

(Appointed 31 October 2022)

The Trustees are appointed according to the charity's governing document and are referred to as the "Council of Management".

K Reynolds performs administrative duties for which she is remunerated, see the notes to these accounts for more information.


SAINT MELANGELL SHRINE CHURCH AND CENTRE

Trustees' report (continued)

For the year ended 31 December 2022

The trustees' report was approved by the Board of Trustees.

Mr P Morris
Trustee

A handwritten signature in black ink, appearing to read 'P. W. Morris'.

12 October 2023

SAINT MELANGELL SHRINE CHURCH AND CENTRE

Independent examiner's report

TO THE TRUSTEES OF SAINT MELANGELL SHRINE CHURCH AND CENTRE

I report to the trustees on my examination of the financial statements of Saint Melangell Shrine Church and Centre (the charity) for the year ended 31 December 2022.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

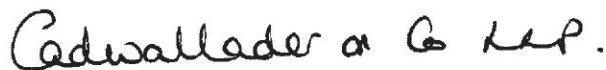
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

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

I have completed my examination. I confirm that no 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 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements to be reached.



Cadwallader & Co LLP

Eagle House
25 Severn Street
Welshpool
Powys
SY21 7AD

Dated: 12 October 2023

SAINT MELANGELL SHRINE CHURCH AND CENTRE

Statement of financial activities Including income and expenditure account

For the year ended 31 December 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:							
Donations and legacies	2	22,832	1,000	23,832	55,298	826	56,124
Investments	3	74	-	74	4	-	4
Total income		22,906	1,000	23,906	55,302	826	56,128
Expenditure on:							
Governance costs	4	6,100	-	6,100	1,651	-	1,651
Charitable activities		32,119	60	32,179	22,665	1,755	24,420
Total expenditure		38,219	60	38,279	24,316	1,755	26,071
Net (outgoing)/incoming resources		(15,313)	940	(14,373)	30,986	(929)	30,057
Other recognised gains and losses							
Revaluation of tangible fixed assets		80,000	-	80,000	-	-	-
Net movement in funds		64,687	940	65,627	30,986	(929)	30,057
Fund balances at 1 January 2022		232,393	18,554	250,947	201,407	19,483	220,890
Fund balances at 31 December 2022		297,080	19,494	316,574	232,393	18,554	250,947

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

SAINT MELANGELL SHRINE CHURCH AND CENTRE

Balance sheet

As at 31 December 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	8		392,949		315,093
Investments	9		2,244		2,222
			<u>395,193</u>		<u>317,315</u>
Current assets					
Debtors	10	705		1,062	
Cash at bank and in hand		67,690		71,046	
		<u>68,395</u>		<u>72,108</u>	
Creditors: amounts falling due within one year	11	(12,261)		(3,723)	
Net current assets			56,134		68,385
Total assets less current liabilities			451,327		385,700
Creditors: amounts falling due after more than one year	12		(134,753)		(134,753)
Net assets			<u>316,574</u>		<u>250,947</u>
Income funds					
Restricted funds			19,494		18,554
<u>Unrestricted funds</u>					
General unrestricted funds		124,360		139,673	
Revaluation reserve		172,720		92,720	
		<u>297,080</u>		<u>232,393</u>	
			<u>316,574</u>		<u>250,947</u>

The financial statements were approved by the Trustees on 12 October 2023

Mr P Morris
Trustee

P. W. Morris

SAINT MELANGELL SHRINE CHURCH AND CENTRE

Notes to the financial statements

For the year ended 31 December 2022

1 Accounting policies

Charity information

Saint Melangell Shrine Church and Centre is a charitable incorporated organisation. The CIO was registered on 21st July 2020.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

SAINT MELANGELL SHRINE CHURCH AND CENTRE

Notes to the financial statements (continued)

For the year ended 31 December 2022

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	10% on cost
Fixtures and fittings	25% reducing balance / 15% reducing balance / 2% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

SAINT MELANGELL SHRINE CHURCH AND CENTRE

Notes to the financial statements (continued)

For the year ended 31 December 2022

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

SAINT MELANGELL SHRINE CHURCH AND CENTRE

Notes to the financial statements (continued)

For the year ended 31 December 2022

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Donations and gifts	19,694	1,000	20,694	55,474	826	56,300
Gift aid donations	861	-	861	290	-	290
Other	2,277	-	2,277	(466)	-	(466)
	<u>22,832</u>	<u>1,000</u>	<u>23,832</u>	<u>55,298</u>	<u>826</u>	<u>56,124</u>
Grants receivable for core activities						
Gift aid tax relief	422	-	422	(466)	-	(466)
Shepherd hut income	1,855	-	1,855	-	-	-
	<u>2,277</u>	<u>-</u>	<u>2,277</u>	<u>(466)</u>	<u>-</u>	<u>(466)</u>

SAINT MELANGELL SHRINE CHURCH AND CENTRE

Notes to the financial statements (continued)

For the year ended 31 December 2022

3 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Interest receivable	74	4

4 Governance costs

	Governance costs 2022	Governance costs 2021
	£	£
Accountancy	4,660	1,651
Legal and professional	1,440	-
	6,100	1,651

5 Trustees

K Reynolds, who was appointed as a Trustee on 31st October 2022, is employed by the Charity and remunerated for performing administrative duties. During the period the total remuneration paid was £10,880 (2021: £8,737).

6 Employees

The average monthly number of employees during the year was:

2022	2021
Number	Number
1	1

7 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

SAINT MELANGELL SHRINE CHURCH AND CENTRE

Notes to the financial statements (continued)

For the year ended 31 December 2022

8 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Total £
Cost			
At 1 January 2022	311,800	30,309	342,109
Revaluation	80,000	-	80,000
At 31 December 2022	391,800	30,309	422,109
Depreciation and impairment			
At 1 January 2022	6,720	20,296	27,016
Depreciation charged in the year	1,680	464	2,144
At 31 December 2022	8,400	20,760	29,160
Carrying amount			
At 31 December 2022	383,400	9,549	392,949
At 31 December 2021	305,080	10,013	315,093

During the period, a professional valuation of the property was carried out by Morris Marshall & Poole with Norman Lloyd which valued the property known as Iscoed House at £365,000.

In 2016 a mortgage deed was drawn up agreeing on Equitable Ownership Ratio of 54.32% in favour of the Centre and 45.68% in favour of the St Asaph Diocesan Board of Finance, it was further agreed that, should the property be sold, then the Centre would repay 45.68% of the sale proceeds to the Board of Finance.

The value disclosed in the accounts represents 100% of the value of the property.

Had the revaluation not been undertaken the historical cost of the property is £217,229.

9 Fixed asset investments

	Unlisted investments £
Carrying amount	
At 31 December 2022	2,244
At 31 December 2021	2,222

SAINT MELANGELL SHRINE CHURCH AND CENTRE

Notes to the financial statements (continued)

For the year ended 31 December 2022

10 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	705	342
Prepayments and accrued income	-	720
	<u>705</u>	<u>1,062</u>

11 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	12,261	2,661
Amount owed to parent undertaking	-	1,062
	<u>12,261</u>	<u>3,723</u>

12 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Trade creditors	<u>134,753</u>	<u>134,753</u>

A loan of £134,753 from The St Asaph Diocesan Board of Finance is included within Trade Creditors; amounts falling due after more than one year. This loan is secured over the property and is only repayable on the future sale of the Centre.

13 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:					
Tangible assets	384,379	8,570	392,949	315,093	315,093
Investments	-	2,244	2,244	2,222	2,222
Current assets/(liabilities)	56,134	-	56,134	68,385	68,385
Long term liabilities	(134,753)	-	(134,753)	(134,753)	(134,753)
	<u>305,760</u>	<u>10,814</u>	<u>316,574</u>	<u>-</u>	<u>250,947</u>

14 Related party transactions

See the details provided in the note regarding the merger.

SAINT MELANGELL SHRINE CHURCH AND CENTRE

Notes to the financial statements (continued)

For the year ended 31 December 2022

15 Volunteers

The Charity has a small number of volunteers who give up their free time to assist the centre on the few occasions that they are required.

16 Merger

On the 10th June 2022, St Melangell Church and St Melangell Centre merged to form the new Charitable Incorporated Organisation, Saint Melangell Shrine Church and Centre.

In accordance with the Charities SORP, the Statement of Financial Activities is reporting the results as if the merger was for whole year. Please see below the breakdown of pre and post merger results and net assets at the date of transfer.

31st December 2022	St Melangell Church (pre- merger)	St Melangell Centre (pre- merger)	St Melangell Shrine and Church (post- merger)	Combined Total
	£	£	£	£
Total income	15,510	529	7,867	23,906
Total expenditure	12,033	10,428	15,818	38,279
Net income/ (expenditure)	3,477	(9,899)	(7,951)	(14,373)
Other gains/ (losses)	-	-	80,000	80,000
Net movement in funds	3,477	(9,899)	72,049	65,627

31st December 2021	St Melangell Church	St Melangell Centre	Combined Total
	£	£	£
Total income	36,242	19,886	56,128
Total expenditure	7,398	18,673	26,071
Net income/ (expenditure)	28,844	1,213	30,057
Other gains/ (losses)	-	-	-
Net movement in funds	28,844	1,213	30,057

Net Assets at Date of Merger	St Melangell Church	St Melangell Centre	Combined Total
Net Assets	19,593	224,932	244,525
Represented by:			
Unrestricted funds	19,593	113,658	133,251
Restricted funds		18,554	18,554
Revaluation reserve		92,720	92,720
Total Funds	19,593	224,932	244,525

SAINT MELANGELL SHRINE CHURCH AND CENTRE

Detailed income and expenditure account

For the year ended 31 December 2022

		2022		2021
	£	£	£	£
Turnover				
Donations, Gifts and Sale of Small Goods		19,694		55,474
Covenants / Gift Aid Certificated Donations		860		290
Tax Rebate from Gift Aid Certificated Donations		422		(466)
Bank Interest		75		4
Shepherd hut income		2,855		826
		<u>23,906</u>		<u>56,128</u>
Cost of sales				
Grants and Donations	430		72	
Repairs and Renewals	798		1,335	
Insurance	1,159		1,014	
Telephone	722		737	
Heating and Lighting	1,191		1,634	
Water	218		-	
Office Expenditure	294		127	
Wages	10,880		8,737	
Accountancy Fees	6,100		1,651	
Parish share	13,062		7,399	
Sundry Expenses	1,281		425	
Loan Interest	-		720	
Depreciation	2,144		2,221	
		<u>(38,279)</u>		<u>(26,072)</u>
Excess of (Expenditure)/Income over Expenditure/(Income)		<u>(14,373)</u>		<u>30,056</u>