

Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 December 2023
for
The Parochial Church Council of
St. Michael

Thorne Widgery Accountancy Ltd
Chartered Accountants
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

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for the Year Ended 31 December 2023

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The trustees present their report with the financial statements of the charity for the year ended 31 December 2023. 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity is the legal body constituted to take responsibility for the overall life of the church in the parish and in this regard it has been important that the charity has been fully engaged in current and future plans in the community.

The objects of the charity are the upkeep, restoration, repair and running of the Parish Church of England known as St. Michael and All Angels, Kingsland, together with the church yard, and other consecrated or unconsecrated grounds for the benefit of the local community and the general public.

Significant activities

During the year, the assets and liabilities of the Kingsland PCC were transferred into this organisation. The final financial statements for the Kingsland PCC were prepared up to 31 December 2022 and the organisation ceased at this time.

These financial statements cover the period from 1 January 2023 to 31 December 2023.

Public benefit

In drafting this report the trustees have complied with the duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Church attendance

The number on the electoral roll in 2023 was 116 in comparison to 118 in 2022

Review of the year

2023 has been a year of community engagement with the Treasure's Project (the Lottery Project) - a good neighbourhood scheme has been set up, an embryonic history group has formalised, there is now new Interpretation Material in Church, plus an Info Point (an intranet with information about the church)

There have been weekly services, 16 funerals, 5 baptisms, 2 weddings and school services. Our ministry team has developed. Rev Katie Smith finished her curacy and moved to a posting in Eardisley Group of Parishes. Rev Rosie Roberts joined us as a new curate and Wendy Maddocks was licenced as a reader. Rev Julie Read (priest in charge) has become a Prebendary of the Cathedral.

Fundraising and social events continued with a very successful Flower Festival, steel pan concert, church lunches, ice cream social, Christmas coffee Morning, Spirit of Fire Art Exhibition.

The church has offered a pattern of outreach and pastoral care including Messy Church, Craft and Chat, Steel pans and Pizza, Monthly lunches for the elderly and those who live alone, Lent Lectures. Cliff Davis was awarded the Ethlebert Award for 79 years in the choir.

"The approved accounts are difficult to interpret and suggest, at first glance, that the PCC had a balance of £20,550 at the end of December 2023. It is important to understand that the accounts include the grant money that is still being received, and paid out, in respect of the National Lottery funded restoration work.

In fact, the PCC works on a break-even budget, with falling income requiring us to agree a small budget deficit for the current year. The actual running costs for the church during the 2023 financial year reflect a net surplus of £8k, all of which is free reserves at the year end.

It is also important to recognise that the Parish Share (the sum contributed to the Diocese of Hereford to cover clergy costs etc.) has remained static for the past 3 years at just over £28,000.00. We have had repeated reminders from the Diocese to the effect that our contribution has gone down in real terms, but we have not been in a position to contribute more due to the falling income from Parish Giving, collections and fundraising.

Parishioners should be aware that this real terms reduction in Parish share may have implications for the provision of clergy and organisation of parishes going into the future."

PCC Activities

The PCC met quarterly and all its meetings were quorate.

FINANCIAL REVIEW

Financial position

During the year ended 31 December 2023, the charity reported income of £165,289 and expenditure of £143,269 resulting in net income of £20,550.

Net assets totalled £20,550.

Reserves policy

The charity aims to hold free reserves of two months of expenditure.

At the year end the charity had total funds of £20,550, split between unrestricted funds of £8,689 and restricted funds of £11,861.

FUTURE PLANS

The charity will continue to fulfil its objects in the coming year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is governed by the Parochial Church Council Powers Measure (1956) as amended and Church Representation Rules that came into force on 2 January 1956.

Recruitment and appointment of new trustees

The minimum and maximum number of Trustees and the process of appointment is in accordance with the governing document.

Induction and training of new trustees

Upon appointment, new Trustees are given a briefing about the charity and its purpose. They meet with the Board of Trustees (Kingsland PCC) as soon as is practicable and are signposted to the Charity Commission guidance relevant to their role.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1201953

Principal address


Trustees

P D W King
R Harris
Mrs J Barbour
Rev J Read
Ms C Traynor
Mrs E H Webb
Mrs R Fear
C Fear
J Lovatt
Mrs G Lovatt
D Noon
Mrs C Harris

Independent Examiner

Mrs Lisa Weaver FCCA
Thorne Widgery Accountancy Ltd
Chartered Accountants
2 Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

Approved by order of the board of trustees on 12 May 2024 and signed on its behalf by:


.....
Rev J Read - Trustee

Statement of Trustees' Responsibilities
for the Year Ended 31 December 2023

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping 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 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Examiner's Report to the Trustees of
The Parochial Church Council of
St. Michael

Independent examiner's report to the trustees of The Parochial Church Council of St. Michael

I report to the charity trustees on my examination of the accounts of The Parochial Church Council of St. Michael (the Trust) for the year ended 31 December 2023.

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.



Mrs Lisa Weaver FCCA

Thorne Widgery Accountancy Ltd
Chartered Accountants
2 Wyevale Business Park
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Herefordshire
HR4 7BS

Date: 12/5/24

Statement of Financial Activities
for the Year Ended 31 December 2023

	Notes	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	2	44,556	99,977	144,533
Other trading activities	3	20,347	-	20,347
Investment income	4	409	-	409
Total		65,312	99,977	165,289
 EXPENDITURE ON				
Raising funds		5,422	-	5,422
Charitable activities				
Upkeep, restoration, repair and running costs		51,201	86,646	137,847
Total		56,623	86,646	143,269
 Net gains/(losses) on investments		-	(1,470)	(1,470)
 NET INCOME		8,689	11,861	20,550
 TOTAL FUNDS CARRIED FORWARD		8,689	11,861	20,550

The Parochial Church Council of
St. Michael

Balance Sheet
31 December 2023

	Notes	Unrestricted funds £	Restricted funds £	Total funds £
CURRENT ASSETS				
Debtors	7	4,853	85	4,938
Investments	8	-	11,348	11,348
Cash at bank and in hand		9,704	20,833	30,537
		<u>14,557</u>	<u>32,266</u>	<u>46,823</u>
CREDITORS				
Amounts falling due within one year	9	(5,868)	(20,405)	(26,273)
		<u>8,689</u>	<u>11,861</u>	<u>20,550</u>
NET CURRENT ASSETS				
		8,689	11,861	20,550
TOTAL ASSETS LESS CURRENT LIABILITIES		8,689	11,861	20,550
NET ASSETS		<u>8,689</u>	<u>11,861</u>	<u>20,550</u>
FUNDS	10			
Unrestricted funds				8,689
Restricted funds				<u>11,861</u>
TOTAL FUNDS				<u>20,550</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 12 May 2024 and were signed on its behalf by:


.....
J Read - Trustee

Notes to the Financial Statements
for the Year Ended 31 December 2023

1. 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.

Going Concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the company has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

The charity has taken advantage of the following disclosure exemption 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.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

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

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

1. ACCOUNTING POLICIES - continued

Creditors and provisions are recognised where the charity 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. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2. DONATIONS AND LEGACIES

	£
Gifts	16,363
Donations	9,585
Gift aid	3,347
PCC fees	13,004
Donated services and facilities	39,665
Grants received	62,534
Other Income	35
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	144,533
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Included in donated services and facilities are the amounts transferred from the Kingsland PCC entity early in 2023.

3. OTHER TRADING ACTIVITIES

	£
Fundraising events	15,966
Book stall	4,381
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	20,347
	<hr/>

4. INVESTMENT INCOME

	£
Deposit account interest	409
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5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2023.

6. STAFF COSTS

The average monthly number of employees during the year was as follows:

Admin	1
Organist	1
	<hr/>
	2
	<hr/>

No employees received emoluments in excess of £60,000.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2023

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Trade debtors	£ 4,938
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8. CURRENT ASSET INVESTMENTS

Unlisted investments	£ 11,348
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9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Other creditors	£ 26,273
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10. MOVEMENT IN FUNDS

	Net movement in funds £	At 31.12.23 £
Unrestricted funds		
General fund	8,336	8,336
Designated Funds	353	353
	<u>8,689</u>	<u>8,689</u>
Restricted funds		
Restoration Fund	(16,473)	(16,473)
Other Restricted Funds	28,334	28,334
	<u>11,861</u>	<u>11,861</u>
TOTAL FUNDS	<u>20,550</u>	<u>20,550</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	64,131	(55,795)	-	8,336
Designated Funds	1,181	(828)	-	353
	<u>65,312</u>	<u>(56,623)</u>	<u>-</u>	<u>8,689</u>
Restricted funds				
Restoration Fund	61,964	(78,437)	-	(16,473)
Other Restricted Funds	38,013	(8,209)	(1,470)	28,334
	<u>99,977</u>	<u>(86,646)</u>	<u>(1,470)</u>	<u>11,861</u>
TOTAL FUNDS	<u>165,289</u>	<u>(143,269)</u>	<u>(1,470)</u>	<u>20,550</u>

11. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2023.

The Parochial Church Council of
St. Michael

Detailed Statement of Financial Activities
for the Year Ended 31 December 2023

£

INCOME AND ENDOWMENTS

Donations and legacies

Gifts	16,363
Donations	9,585
Gift aid	3,347
PCC fees	13,004
Donated services and facilities	39,665
Grants received	62,534
Other Income	35
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	144,533

Other trading activities

Fundraising events	15,966
Book stall	4,381
	<hr/>
	20,347

Investment income

Deposit account interest	409
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Total incoming resources	165,289
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EXPENDITURE

Other trading activities

Book stall	5,422
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Charitable activities

Wages/ Honorarium	3,029
Utilities and insurance	6,323
Parish Offer	28,321
Other Costs	1,971
Vicars and other expenses	5,193
Liturgical items	287
Annual Memberships	801
Fund raising expenses	3,892
Minor property repairs	1,816
Church yard maintenance	1,776
Charity giving	3,301
Grants expenditure	78,437
	<hr/>
	135,147

Support costs

Governance costs

Accountancy and legal fees	2,700
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Total resources expended	143,269
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Net income before gains and losses	22,020
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This page does not form part of the statutory financial statements

The Parochial Church Council of
St. Michael

Detailed Statement of Financial Activities
for the Year Ended 31 December 2023

	£
Realised recognised gains and losses	
Realised gains/(losses) on fixed asset investments	(1,470)
Net income	<u>20,550</u>

