

**ST MILDRED'S PARISH CHURCH
PCC ANNUAL ACCOUNTS**

For the year ended 31 December 2022

INDEPENDENT EXAMINER'S REPORT TO THE PAROCHIAL CHURCH COUNCIL OF ST. MILDRED'S, ADDISCOMBE

I report to the trustees on my examination of the accounts of St. Mildred's Parish Church for the year ended 31 December 2022.

Responsibilities and basis of report

As the Charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of your Charity's accounts as carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 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 2011 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) Regulation 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.

Signature:
Name:	Osbert Klass
Relevant professional body:	Association of Chartered Certified Accountants
Address:	18 Mounthurst Road, Hayes, Bromley, Kent BR2 7QN
Date:	

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2022

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds £	2021 Total £
Income					
Church and centre income, fundraising and donations		238,662	9,591	248,253	246,270
Investment		14,004	414	14,418	10,917
Total income	3	252,666	10,005	262,671	257,187
Expenditure					
Charitable activities		269,291	10,466	279,757	220,523
Total expenditure		269,291	10,466	279,757	220,523
Income less expenditure	4	(16,625)	(461)	(17,086)	36,664
Unrealised (loss)/gains on investments	6	(12,371)	(433)	(12,804)	34,354
Net movement in funds		(28,996)	(894)	(29,790)	71,018
Fund balances brought forward	2	503,144	52,382	555,526	484,508
Fund balances carried forward at 31 December 2022	9	474,148	51,488	525,636	555,526

The notes on pages 5 to 13 form part of these accounts.

STATEMENT OF FINANCIAL POSITION

As at 31 December 2022

	Note	2022		2021	
		£	£	£	£
Fixed Assets					
Tangible Assets					
Centre Assets	7		2,702		3,525
Church Equipment	7		45,314		53,195
Church Assets	7		0		92
			<u>48,016</u>		<u>56,812</u>
Investments					
Charifund investments			261,812		274,616
			<u>309,828</u>		<u>331,428</u>
Current Assets					
Associated Accounts	18	23,243		24,124	
Debtors	8	9,272		8,972	
Short-term investments		173,200		125,953	
Cash and Bank		<u>22,473</u>		<u>75,850</u>	
		228,188		234,899	
Current Liabilities					
Creditors and accruals		<u>(12,380)</u>		<u>(10,801)</u>	
			215,808		224,098
			<u>525,636</u>		<u>555,526</u>
Represented by:					
Unrestricted funds	9		474,148		503,144
Restricted funds	9		<u>51,488</u>		<u>52,382</u>
			<u>525,636</u>		<u>555,526</u>

Approved by the PCC on

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The notes on pages 5 to 13 form part of these accounts.

NOTES TO THE ACCOUNTS

For the year ended 31 December 2022

1) Accounting policies

(a) Basis of preparing accounts

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: 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) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

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

The trustees consider that there are no material uncertainties about the Church's ability to continue as a going concern.

(b) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether, in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102, a restatement of comparative items was needed. No restatements were required. In accordance with the requirements of FRS 102 a reconciliation of opening balances and net income/(expenditure) for the year is provided with the net income/(expenditure) under previous GAAP adjusted for the presentation of investment gains/(losses) as a component of reported income.

Funds

- (a) Unrestricted funds represent funds of the charity that are not subject to any restrictions regarding their use and are available for application on the general purposes of the charity.
- (b) Restricted funds represent funds of the charity that were received with restrictions so that use can be only for the purposes stated.

Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable 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 settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Fixed assets

Assets costing over £300 are capitalised and depreciated as follows:

Equipment (computer & electronic)—10%-33% per annum.

Fixtures and fittings (including furniture)—10%-20% per annum.

The church and centre buildings are not reported as fixed assets in the statement of financial position; all expenditure on maintaining the buildings is recognised as an expense when incurred.

Investments

Investments are held in the statement of financial position at market value at the year end. Any change from market value at the previous reporting date or from cost if purchased during the year, is included in the Statement of Financial Activities.

Fund accounting

Restricted funds represent monies received for specific projects undertaken by the charity. General unrestricted funds of the charity are available for the general purposes of the charity.

2) Comparative of Statement of Financial Activities - 2021

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Income			
Church and centre income, fundraising and donations	239,924	6,346	246,270
Investment	10,548	369	10,917
Total income	250,472	6,715	257,187
Expenditure			
Charitable activities	210,658	9,865	220,523
Total expenditure	210,658	9,865	220,523
Unrealised gains on investments	33,438	916	34,354
Transfers	396	(396)	0
Net movement in funds	73,648	(2,630)	71,018
Fund balances brought forward	429,496	55,012	484,508
Fund balances carried forward at 31 December 2021	503,144	52,382	555,526

3) Income from unrestricted funds

	Note	2022 £	2021 £
Income from church activities	11	99,446	104,169
Income from centre activities	12	91,113	85,150
Income: Property Fund	13	12,881	10,482
Income: Outreach Fund	17	8,075	8,463
Income: Big 'Our Church' Project	16	0	1,930
Income: Organ Fund	14	40,984	40,185
Other income		167	93
Total income from unrestricted funds		252,666	250,472

4) Income and expenditure on unrestricted funds

	Note	2022 £	2021 £
Deficit on church activities (£9,985) - depreciation of church assets and equipment £7,973)	11	(17,958)	(8,337)
Deficit on centre activities (£14,604) - depreciation of centre assets £823)	12	(15,427)	(116)
Property fund: investment income	13	12,881	10,482
Outreach fund (income less expenditure)	17	66	1,276
Income over expenditure on church and centre activities		<u>(20,438)</u>	<u>3,305</u>
Other income (net of expenditure):			
Organ fund	14	3,813	39,183
Big 'Our Church' Project	16	0	(2,674)
Total income over expenditure on unrestricted funds		<u><u>(16,625)</u></u>	<u><u>39,814</u></u>

5) Staff costs

	2022 £	2021 £
Salaries (including pensions)	44,452	56,930
Social security costs	0	0
	<u>44,452</u>	<u>56,930</u>
	No.	No.
Staff	<u>4</u>	<u>4</u>

6) Revaluation of investments

	2022 £	2021 £
(Decrease)/increase in market value of Charifund investments during year (unrestricted funds)	<u>(12,371)</u>	<u>33,438</u>
	<u><u>(12,371)</u></u>	<u><u>33,438</u></u>

7) Tangible fixed assets

	Centre Assets £	Church Equipment £	Church Assets £	Total £
Cost				
At 1 January 2022	66,687	83,478	22,339	172,504
Additions	0	0	0	0
At 31 December 2022	<u>66,687</u>	<u>83,478</u>	<u>22,339</u>	<u>172,504</u>
Accumulated Depreciation				
At 1 January 2022	63,162	30,283	22,247	115,692
Charge for the year	823	7,881	92	8,796
At 31 December 2022	<u>63,985</u>	<u>38,164</u>	<u>22,339</u>	<u>124,488</u>
Net Book Value				
At 31 December 2022	<u>2,702</u>	<u>45,314</u>	<u>0</u>	<u>48,016</u>
At 31 December 2021	<u>3,525</u>	<u>53,195</u>	<u>92</u>	<u>56,812</u>

Church equipment includes the audio visual system in the church, purchased in 2018.

8) Debtors

	2022 £	2021 £
Centre rent and other income owing	6,727	7,150
Gift aid tax recoverable	2,545	2,002
Christmas market advances	(0)	(180)
	<u>9,272</u>	<u>8,972</u>

9) Funds as at 31 December 2022

	Note	Closing Balance £	Unrestricted £	Restricted £
St. Mildred's fund	10	81,165	81,165	
Property fund	13	192,344	192,344	
Organ fund	14	96,402	96,402	
Outreach fund	17	46,294	46,294	
Big 'Our Church' Project	16	0	0	
Fabric fund	15	19,927	9,927	10,000
Organ scholarship fund		15,265		15,265
Flower fund		2,980		2,980
Centre assets	7	2,702	2,702	
Church equipment	7	45,314	45,314	
Church assets	7	0	0	
<u>Funds for Associated Accounts</u>				
Drop-in for homeless	18	20,573		20,573
Choir association	18	2,172		2,172
Ladies choir	18	190		190
Toddlers group	18	308		308
		<u>525,636</u>	<u>474,148</u>	<u>51,488</u>

10) St. Mildred's Fund

St. Mildred's fund is for the general upkeep and running of the church and centre.

	Note	2022 £	2021 £
Fund at 1 January		105,754	104,690
Transfer from Big 'Our Church' Project fund	16	0	326
Transfer from Sunday School fund	18	0	396
Deficit on church activities	11	(9,985)	(364)
(Deficit)/surplus on centre activities	12	(14,604)	706
Fund at 31 December		81,165	105,754

11) Church activities (for information only)

	2022 £	2021 £
Income		
Pledged giving	60,551	58,801
Non-pledged giving	5,893	5,826
Gift aid tax refund	14,735	14,172
Church rent	10,856	8,527
Baptisms weddings funerals	2,989	2,646
Donations and other	3,022	2,187
Diocese support – utility costs	1,400	0
Coronavirus Job Retention Scheme	0	12,010
Total income	99,446	104,169
Expenditure		
Parish Support Fund pledge ¹	60,000	55,000
Heat, light & water	9,458	8,090
Church repairs	1,902	479
Choir music, organ and organist	6,803	6,629
Printing and other administration (incl. website)	10,103	8,686
Parish office wages	10,176	17,667
Altar sundries and clergy expenses	2,084	788
Insurance	3,547	3,380
Baptisms weddings funerals costs	1,498	1,254
Other church expenditure	3,860	2,560
Total expenditure	109,431	104,533
Deficit on church activities for the year	(9,985)	(364)

¹ The Diocese Parish Support Fund self-financing pledge in 2022 was £81,900 (2021 - £80,300).

12) Centre activities (for information only)

	2022	2021
	£	£
Income		
Centre rent	79,713	61,001
Flat rent	11,400	9,775
Site development donations	0	234
Coronavirus Job Retention Scheme	0	14,140
Total income	91,113	85,150
Expenditure		
Routine maintenance	12,359	10,915
Cleaning	14,946	10,885
Heat, light & water	21,095	18,383
Staff costs	30,028	35,249
Insurance	3,547	3,380
Administration costs	3,175	4,492
Centre repairs	20,567	1,140
Total expenditure	105,717	84,444
(Deficit)/surplus on centre activities for the year	(14,604)	706

13) Property Fund

This fund includes amounts set aside for the future purchase of a property. Those amounts are invested in Charifund income units.

	2022	2021
	£	£
Fund at 1 January	191,741	155,247
Income: Dividends and interest	12,881	10,482
(Decrease)/increase in value of Charifund investments	(12,278)	26,012
Fund at 31 December	192,344	191,741

14) Organ Fund

This fund includes amounts donated, raised and designated for the restoration of the organ. A 15% deposit was paid in 2020 and a further payment was made in 2022 on commencement of the restoration.

	2022	2021
	£	£
Fund at 1 January	92,589	53,406
Income: donations and fundraising (plus gift aid)	36,839	40,185
Interest	1,123	0
Christmas market 2022	3,022	0
	40,984	40,185
Used for: organ restoration	(37,171)	(1,002)
Fund at 31 December	96,402	92,589

15) Fabric Fund

This fund was established with a legacy from James Arthur Diplock. £10,000, representing the original capital, is to remain untouched except in the event of a major unforeseen emergency. £5,000 of the original capital is invested in Charifund accumulation units (market value on 31 December 2022 £46,314).

	2022	2021
	£	£
Fund at 1 January	20,020	12,594
(Decrease)/increase in value of investments during year	(93)	7,426
Fund at 31 December	<u>19,927</u>	<u>20,020</u>
Of which:		
Unrestricted	9,927	10,020
Restricted - original legacy	10,000	10,000

16) Big 'Our Church' Project

This project was launched to redecorate the church and replace the wiring, lighting, stage, choir stalls and audio visual system. The work was largely completed in 2018, with additional work done on the vicar's vestry and flower vestry in 2019 and the choir stalls installed in 2020. The project was funded through donations, grants, the sale of Charifund income units and part of the proceeds from the sale of 13 Selwood Road.

	2022	2021
	£	£
Fund at 1 January	0	3,000
Income		
Big 'Our Church' Project donations (plus gift aid)	0	1,930
Transfer to St. Mildred's fund	(0)	(326)
Used for Big 'Our Church' project expenditure		
Church decorating, lighting, rewiring, stage	0	4,604
Fund at 31 December	<u>0</u>	<u>0</u>

17) Outreach Fund

This fund is for use for outreach (see below). The fund includes amounts received in 2022 that will be spent in the future.

	2022	2021
	£	£
Fund at 1 January	46,228	44,952
Income		
Donations – St. Mildred’s Community Garden	503	705
Donations – Children’s Society	282	302
Donations – St. Mildred’s Christmas lunch	700	0
Donations – St. Mildred’s eat/heat project	2,651	0
Donations – St. Mildred’s warm hub	125	0
Donations – Christian Aid	1,567	0
Donations – Bishops Lent Appeal	1,103	740
Donations – Mothers Union Appeal	0	590
Donations – Shrublands Food Bank	0	375
Donations – Croydon Refugee Day Centre	0	690
Patronal festival – Croydon Samaritans and Unicef	417	0
Christmas market – MIND	220	0
Christmas pantomime – Daniel Spargo-Mabbs Foundation	507	0
Diocese grant – St. Mildred’s Community Garden	0	5,000
Other	0	61
Total income	8,075	8,463
Used for:		
WOW church	493	688
St. Mildred’s Community Garden	1,789	3,570
Children’s Society	282	302
St. Mildred’s Christmas lunch	251	0
St. Mildred’s eat/heat project	1,250	0
Christian Aid	1,567	0
Bishops Lent Appeal	1,233	901
Croydon Samaritans	202	0
Unicef Africa	215	0
Daniel Spargo-Mabbs Foundation	507	0
MIND	220	0
Mothers Union Appeal	0	590
Shrublands Food Bank	0	375
Croydon Refugee Day Centre	0	700
Other	0	61
Amounts used for donations and outreach	8,009	7,187
Fund at 31 December	46,294	46,228

18) Associated Accounts

	2022		2021	
	£	£	£	£
ST MILDRED'S DROP-IN FOR THE HOMELESS				
Opening balance		20,726		22,085
Income: donations	<u>650</u>	650	<u>15</u>	15
Expenditure:				
Food	(783)		(0)	
Clothes and other costs	(20)		(374)	
Donation – Croydon Refugee Day Centre	<u>(0)</u>	(803)	<u>(1,000)</u>	(1,374)
Closing balance at 31 December		<u>20,573</u>		<u>20,726</u>
 SUNDAY SCHOOL				
Opening balance		0		421
Expenditure	(0)		(25)	
Transfer to St. Mildred's Fund	<u>(0)</u>	(0)	<u>(396)</u>	(421)
Closing balance at 31 December		<u>0</u>		<u>0</u>
 CHOIR ASSOCIATION				
Opening balance		2,739		5,024
Income	7,926		5,763	
Expenditure	<u>(8,493)</u>	(567)	<u>(8,048)</u>	(2,285)
Closing balance at 31 December		<u>2,172</u>		<u>2,739</u>
 LADIES CHOIR				
Opening balance		220		220
Income	0		0	
Expenditure	<u>(30)</u>	(30)	<u>(0)</u>	0
Closing balance at 31 December		<u>190</u>		<u>220</u>
 TODDLERS GROUP				
Opening balance		439		693
Income	890		165	
Expenditure	<u>(1021)</u>	(131)	<u>(419)</u>	(254)
Closing balance at 31 December		<u>308</u>		<u>439</u>