

**Annual Report and Financial
Statements
Year ended 31 December 2018

St Michael's Church Tilehurst**

St Michael's Church

Annual Report and Financial Statements

Contents

	Page
Members of the Parochial Church Council (PCC) and Advisers	3
Report of the Members of the PCC	4
Independent Examiners Report	7
Statement of Financial Activities	8
Balance Sheet	9
Accounting Policies	10 to 11
Notes to Accounts	12 to 16

St Michael's Church

Annual Report and Financial Statements

Members of the Parochial Church Council (PCC) and Advisers

Members of the PCC are either ex officio or elected by the Annual Parochial Church Meeting (APCM). The names of the members of the Council who have served since the commencement of the 2018 financial year and, with the exception of The Reverend John Rogers were members when the accounts were approved:

Rector	Reverend Dr. Elizabeth Ratcliffe, Appointed September 2018
LLM's	Mrs Jenny Foakes
Churchwardens	Mr John Morris Mrs Sarah (Sally) Cairns
Treasurer	Mr Patrick Woodlock
Secretary	Mrs Joan Crossman
Deanery Synod	Mr Trevor Greaves Mrs Rosemary Cooper Mrs Jane Masson
Elected Members	Mr Sozzie Kasozimusoke Mr Giles Winter (from 2016 for two years) Ms Dee Anderson (from 2016 APCM) Mr David Bardwell (from 2016 APCM) Dr Laurie Hasler (from 2016 APCM) Mrs Linda Toms (from 2016 APCM) Mrs Joan Jenks (from 2017 APCM) Mrs Diane Morris (from 2017 APCM) Mrs Sue Stevenson (from 2017 APCM) Mr Gordon Cooper (from 2017 APCM) Mrs Eillen White (from 2017 APCM) Mrs Pat MacDonald (from 2017 APCM) Mrs Christine Emerson (from 2018 APCM) Mrs Jackie Marsh (from 2018 APCM) Mrs Sarah Morris (from 2018 APCM) Mr John Stevenson (from 2018 APCM) Mrs Mary Plowman (from 2018 APCM)
Bankers	Lloyds TSB Tilehurst Reading
Independent examiner	Shahzad Niazi Suite 86 105 London Street Reading RG1 4QD
Investment Advisors	CCLA Senator House

85 Queen Victoria Street
London
EC4V 4ET

Charity Commission Number

1131421

St Michael's Church Tilehurst

Trustees' Annual Report

For the year ended 31 December 2018

Aim and purposes

St Michael's Parochial Church Council (PCC) has the responsibility of cooperating with the incumbent, the Reverend John Rogers, in promoting in the ecclesiastical parish, the whole mission of the Church, pastoral, evangelistic, social and ecumenical. The PCC is also specifically responsible for the maintenance of the Church, the Church Hall and Tilston Lodge. Rev. Dr. Elizabeth Ratcliffe was appointed Rector in September 2018

Objectives and activities

The PCC is committed to enabling as many people as possible to worship at our church and to become part of our parish community at St Michael's. The PCC maintains an overview of worship throughout the parish and wider community and makes suggestions on how our services can involve the many groups that live within our parish. Our services and worship put faith into practice through prayer and scripture, music and sacrament.

When planning our activities for the year, we try to enable people to live out their faith as part of our parish community through:

- Worship and prayer; learning about the gospel; and developing their knowledge and trust in Jesus.
- Provision of pastoral care for our membership and people living in the parish.
- Missionary and outreach work.

To facilitate this work it is important that we maintain the fabric of the Church and the Church Hall.

Achievements and performance

Worship and prayer

All are welcome to attend our regular services. At present there are 194 parishioners on the Church Electoral Roll, 107 of whom are not resident within the parish.

As well as our regular services, we enable our community to celebrate and thank God at the milestones of the journey through life. Through baptism we thank God for the gift of life, in marriage public vows are exchanged with God's blessing and through funeral services friends and family express their grief and give thanks for the life which is now complete in this world and to commend the person into God's keeping.

Church Hall

The Church Hall continues to be well used by various local groups and provides the church with valuable income which amounted to £26,874 in the year.

Pastoral care

Some members of our parish are unable to attend church due to sickness or age. Reverend Liz has visited all church members who have requested it, to celebrate communion with them either at their homes or in hospital; this Ministry is supported by authorised church members who offer communion to the housebound.

Mission and evangelism

Our focus has and will continue to be to improve all aspects of our worship in order to encourage new and existing members to benefit from their experience at St Michael's.

Helping those in need is a demonstration of our faith. The Mission and charitable giving this year was some £7,374.

Our parish magazine is widely distributed and keeps our parishioners informed of the important matters affecting our Church and articles that help develop our knowledge and trust in Jesus.

Financial review

Total receipts on unrestricted funds were £ 293,883 from voluntary donations, and Gift Aid. This includes a substantial legacy of over £120,000 which is to be used for the fabric of the church. Tilston Lodge continues to be let, which provided a net income of £11,331.

Unrestricted funds increased by £200,347 to £922,942. This increase in unrestricted funds includes £197,500 of revaluation in respect of Tilston Lodge and the Church Hall which has been provided for in these accounts. It is the policy to revalue these assets on a 5-yearly basis.

Volunteers

We would like to thank all the volunteers who work so hard to make our church the lively and vibrant community it is.

Structure, governance and management

The Parochial Church Council is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure. The PCC is a Registered Charity with the Charity Commission, registration number 1131421.

The PCC members are responsible for making decisions on all matters of general concern and importance to the parish including deciding on how the funds of the PCC are to be spent. New members receive initial training into the workings of the PCC.

The full PCC met 10 times during the year with an average level of attendance of 70%. Given its wide responsibilities the PCC has a number of committees dealing with particular aspects of parish life. These committees are all responsible to the PCC and report back to it regularly with minutes of their decisions being received by the full PCC and discussed as necessary.



Approved by the PCC on 4th March 2019

and signed on their behalf by Patrick Woodlock

Independent Examiner's Report to the PCC of St Michael's Church, Tilehurst

I report on the accounts for the year ended 31st December 2018 which are set out on pages 8 to 16.

Respective responsibilities of the PCC and Independent Examiner

As trustees of the charity, the members of the PCC are responsible for the preparation of the accounts. They consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commissioners section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of Independent Examiner's Statement

My examination was carried out in accordance with the General Directions given by the Charity Commission.

An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the management committee concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in a full audit, and consequently I do not express an audit opinion on the accounts.

Independent Examiner's Statement

In connection with my examination, no matters have come to my attention

1. which give me reasonable cause to believe that in any material respect the requirements

- to keep accounting records in accordance with s.130 of the 2011 Act; or
- to prepare accounts which accord with these accounting records have not been met; or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Shahzad Niazi
Berkshire Accountants Limited
Suite 86
105 London Street
Reading
RG1 4QD

St Michael's Church Tilehurst

Statement of Financial Activities

For the year ended 31 December 2018

		Unrestricted	Restricted	Total	Total
		funds	funds	2018	2017
Incoming Resources	Notes				
Receipts from generated funds:					
Voluntary income	2a	258,542	5,049	263,591	180,439
Activities for generating funds	2b	35,341	0	35,341	41,596
Investment income	2c	<u>11,331</u>	<u>0</u>	<u>11,331</u>	<u>9,212</u>
Total Incoming Resources		<u>305,214</u>	<u>5,049</u>	<u>310,263</u>	<u>231,247</u>
Resources Expended					
Church activities	3a	189,162	7,122	196,284	183,389
Cost of generating	3b	69	0	69	<u>5,842</u>
Voluntary income					
Governance costs	3c	<u>505</u>	<u>0</u>	<u>505</u>	<u>1,383</u>
Total Resources Expended		<u>189,736</u>	<u>7,122</u>	<u>196,858</u>	<u>190,614</u>
Net Incoming Resources					
Before recognised					
Gains and losses		115,478	(2,073)	113,405	40,633
Movements on					
Tangible Assets	5a	<u>197,500</u>	<u>0</u>	<u>197,500</u>	<u>0</u>
Gains on investment					
Assets	5b	<u>(261)</u>	<u>0</u>	<u>(261)</u>	<u>714</u>
Net Movement of Funds		<u>312,713</u>	<u>(2,073)</u>	310,640	41,347
Balances brought forward				<u>859,069</u>	<u>817,722</u>
Balances carried forward				<u>1,169,709</u>	<u>859,069</u>

St Michael's Church Tilehurst
Balance Sheet
For the year end 31 December 2018

		2018	2017
		£	£
	Notes		
Fixed Assets			
Tangible	5a	850,000	652,500
Investments	5b	<u>17,111</u>	<u>17,378</u>
		<u>867,111</u>	<u>669,878</u>
Current Assets			
Cash at bank and in hand		305,549	194,143
Debtors	6	<u>0</u>	<u>10,000</u>
		305,549	204,143
Liabilities			
Creditors – amounts falling due within one year	7	<u>2,951</u>	<u>9,951</u>
Net Current Assets		<u>302,598</u>	<u>194,192</u>
Creditors- amounts falling due after one year	7	<u>0</u>	<u>5,000</u>
Total Net Assets		<u>1,169,709</u>	<u>859,070</u>
Parish Funds			
Unrestricted		922,942	722,596
Restricted	8	76,356	118,770
Endowment	9	17,111	17,379
Designated	10	<u>153,300</u>	<u>325</u>
Total Parish Funds		<u>1,169,709</u>	<u>859,070</u>

The notes on pages 12 to 16 form part of these accounts.

These financial statements were approved by the PCC on 4th March 2019

The Reverend Dr Elizabeth Ratcliffe

The Treasurer Patrick Woodlock

St Michael's Church Tilehurst
Statement of Accounting Policies
For the year ended 31 December 2018

1 Accounting policies

Basis of financial statements

The financial statements have been prepared under the Church Accounting Regulations 2006 in accordance with applicable accounting standards and the current Statement of Recommended Accounting Practice Accounting and Reporting by Charities (SORP 2005).

The financial statements have been prepared under the historical cost convention except for investment assets, which are shown at market value. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include accounts of church groups that owe their affiliation to another body, nor those that are informal gatherings of the church.

Fund Accounting

Endowment funds are funds, the capital of which must be retained either permanently or at the PCC's discretion; the income derived from the endowment is to be used either as restricted or unrestricted income funds depending upon the purpose for which the endowment was established in the first place.

Restricted funds comprise (a) income from endowments which is to be expended only on the restricted purpose intended by the donor and (b) revenue donations or grants for a specific PCC activity intended by the donor. Where these funds have unspent balances, interest on their pooled investments apportioned to the individual funds on an average balance basis.

Unrestricted funds are income funds which are to be spent on the PCC's general purposes.

Designated funds are general funds set aside by the PCC for use in the future. Project funds are designated for particular projects for administration purposes only. Funds designated as invested in fixed assets for the PCC's own use abated in line with assets annual depreciation charges in the SOFA. Designated funds remain unrestricted and the PCC will move any surplus to other funds.

Incoming Resources

Planned giving, collections and similar donations are recognised when received. Tax refunds are recognised when the income resource to which they relate is received. Grants and legacies are accounted for when the PCC is entitled to the use of the resources, their ultimate receipt is considered reasonably certain and the amounts due are reliably, quantifiable. Dividends are accounted for when declared receivable, interest as and when accrued by the payer. All incoming resources are accounted for gross.

Resources expended

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. The diocesan parish share expected to be paid over is accounted for when due.

All other expenditure is generally recognised when it is incurred and is accounted for gross.

St Michael's Church Tilehurst
Statement of Accounting Policies
For the year ended 31 December 2018

Fixed Assets

Consecrated and benefice property is not included in the accounts in accordance with s.10(2)(a) and (C) of the Charities Act 2011.

Movable church furnishings held by the vicar and churchwarden on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the church's inventory, which can be inspected (at any reasonable time). For anything acquired prior to these accounts there is insufficient cost information available and therefore such assets are not valued in the financial statements. Subsequently no individual item has cost more than £1,000 so all such expenditure has been written off when incurred.

The Church Hall and Tilston Lodge are included in the accounts at historic cost and have not been revalued. Both buildings are being depreciated over 50 years, their expected useful lives, from 2012.

St Michael's Church Tilehurst
Notes to the Financial Statements
For the year ended 31 December 2018

2 INCOMING RESOURCES

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2018 £	Total 2017 £
2 (a)					
Voluntary					
Income					
Planned giving	48,218			48,218	50,534
Tax recoverable	17,535			17,535	22,209
Collections	25,277			25,277	24,991
Donations and appeals	124,912	5,049		129,961	42,893
Other	5,428	-		5,428	9,354
church activities	<u>37,172</u>	<u>-</u>		<u>37,172</u>	<u>30,458</u>
	<u>258,542</u>	<u>5,049</u>		<u>263,591</u>	<u>180,439</u>
2 (b)					
Activities for					
Generating					
Funds					
Spring Fayre	1,554			1,554	1,717
Coffee	1,332			1,332	1,504
Lent lunches	-			-	603
Christmas bazaar	2,176			2,176	1,897
Christmas cards	231			231	307
Hall lettings	26,874			26,874	33,932
Sundry	2,359			2,359	780
Magazine	<u>815</u>	<u>-</u>		<u>815</u>	<u>856</u>
	<u>35,341</u>	<u>-</u>		<u>35,341</u>	<u>41,596</u>
2 (c)					
Investment					
Income					
Interest	94			94	75
Dividends				-	1,438
Rent	<u>11,237</u>			<u>11,237</u>	<u>7,608</u>
	<u>11,331</u>			<u>11,331</u>	<u>9,212</u>
Total Funds	<u>305,214</u>	<u>5,049</u>		<u>310,263</u>	<u>231,247</u>

St Michael's Church Tilehurst
Notes to the Financial Statements
For the year ended 31 December 2018

3 RESOURCES EXPENDED

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2018 £	Total 2017 £
3 (a)					
Church activities					
Missionary and					
Charitable giving					
Missionary societies	7,374			7,374	7,036
Other donations	1,260			1,260	811
Parish Share	71,787			71,787	75,565
Church running					
Expenses	59,699			59,699	45,904
Churchyard	1,100			1,100	3,843
Hall costs	13,779			13,779	18,789
Hall repairs	12,939			12,939	3,463
Depreciation Hall	0			0	9,000
Church repairs	4,586	7,122		11,708	9,240
Clergy and staffing	<u>16,638</u>	<u>-</u>		<u>16,638</u>	<u>9,738</u>
	<u>189,162</u>	<u>7,122</u>		<u>196,284</u>	<u>183,389</u>
3 (b)					
Cost of					
Generating					
Funds					
Depreciation Tilston	0			0	5,500
Cost of events	<u>69</u>			<u>69</u>	<u>342</u>
	<u>69</u>			<u>69</u>	<u>5,842</u>
3 (c)					
Governance costs					
Card services	505			505	593
Blagrave Trust	0			0	290
Examiners Fees	<u>0</u>			<u>0</u>	<u>500</u>
	<u>505</u>			<u>505</u>	<u>1,383</u>

St Michael's Church Tilehurst
Notes to the Financial Statements
For the year ended 31 December 2018

4 (a) STAFF COSTS

	2018 £	2017 £
Wages and salaries	<u>7,503</u>	<u>7,380</u>

During the year the PCC employed a church administrator part time but no payments made were large enough to attract social security costs.

4 (b) PAYMENTS TO PCC MEMBERS

No payments or expenses were paid to any PCC Member or persons closely connected to them or related parties.

5 FIXED ASSETS

5 (a) Tangible Assets

	Church Hall £	Tilston Lodge £	Total £
Revaluation			
31 December 2018	500,000	350,000	850,000
Disposals			
Additions	<u>-</u>	<u>-</u>	<u>-</u>
Cost 31 December 2018	<u>500,000</u>	<u>350,000</u>	<u>850,000</u>
Depreciation			
As at 31 December 2018	0	0	0
Charge for year	0	0	0
As at 31 December 2018	<u>0</u>	<u>0</u>	<u>0</u>
Net book value			
As at 31 December 2018	<u>500,000</u>	<u>350,000</u>	<u>850,000</u>
As at 31 December 2017	<u>405,000</u>	<u>247,500</u>	<u>652,500</u>

5 (b) Investments

Market value as at 1 January 2018	<u>17,378</u>
Unrealised Loss	<u>261</u>
Market value as at 31 December 2018	<u>17,117</u>

St Michael's Church Tilehurst
Notes to the Financial Statements
For the year ended 31 December 2018

6 CURRENT ASSETS

	2018	2017
	£	£
Debtors		
Tax recoverable	0	10,000
Churchlands Pledge	<u>0</u>	<u>0</u>
	<u>10,000</u>	<u>10,000</u>

7 LIABILITIES

Amounts falling due within one year	2018	2017
	£	£
Creditors	<u>2,951</u>	<u>9,951</u>
Amounts falling due after one year		
Loans	<u>0</u>	<u>5,000</u>

8 RESTRICTED FUNDS

	Brought Forward	Incoming Resources	Resources Used	Carried Forward
	£	£	£	£
Arising from donations:				
Restoration projects	<u>118,770</u>	<u>5,049</u>	<u>47,463</u>	<u>76,356</u>

9 ENDOWMENT FUNDS

	Brought Forward	Gain	Dividends	Transfer	Carried Forward
	£	£	£	£	£
Church Pightle	1,398	127	50	(50)	1,525
Churchyard Endowment	2,826	256	100	(100)	3,082
Bishop Bequest	1,803	165	64	(64)	1,968
EF & FH Beard Trust	<u>9,910</u>	<u>894</u>	<u>351</u>	<u>(351)</u>	<u>10,804</u>
Total	<u>15,939</u>	<u>1441</u>	<u>565</u>	<u>(565)</u>	<u>17,378</u>

10 DESIGNATED FUNDS

	Brought Forward	Incoming Resources	Resources Used	Carried Forward
	£	£	£	£
Designated funds	<u>325</u>	<u>177,280</u>	<u>24,305</u>	<u>153,300</u>

St Michael's Church Tilehurst
Notes to the Financial Statements
For the year ended 31 December 2018

**11 ANALYSIS OF NET ASSETS
BY FUNDS**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Designated Funds £	Total £
Tangible assets	850,000	-	-	-	850,000
Investments	-	-	17,111	-	17,111
Current assets	75,893	76,356	-	153,300	305,549
Liabilities	<u>(2,951)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,951)</u>
	<u>922,942</u>	<u>76,356</u>	<u>17,111</u>	<u>153,300</u>	<u>1,169,709</u>

12 CAPITAL COMMITMENTS

There are no current capital commitments.

13 CONTINGENT LIABILITIES

There were no obligations arising from events occurring before the date of the balance sheet whose existence will be confirmed only by the occurrence of events not wholly within the Church's control.

14 POST BALANCE SHEET EVENTS

There are no material post balance sheet events that require disclosure.