

St Michael's Church Braintree
Charity registration number:1132702

Financial Statement
of the
Parochial Church Council
for the year ended 31 December 2019

Priest in Charge

Revd. Nigel Adams

St Michael's Vicarage
10a Marshalls Road
Braintree
CM7 2LL

Bank

The co-operative bank
PO Box 250
Skelmersdale
WN8 6WT

Independent examiner:

Alan C Radford FCA DChA

Chartered Accountant
Needham Cottage
Needham Green
Hatfield Broad Oak
CM22 7JT

COVID-19

On 1 April 2020 the Charities SORP-making body issued a new set of guidelines aimed at helping trustees understand the pandemic's potential ramifications to its annual accounts.

It suggests that during "these unprecedented times" when preparing a set of accounts to be approved, trustees "should consider whether information needs to be included to explain the impact of the Covid-19 situation on" our charity.

Following the "advisory only" guidance we believe that the impact of the pandemic has caused difficulties with our day to day finances but, depending on how long the situation continues, should not jeopardise the long term future of the charity.

Due to the virus control measures the Church has been closed for several weeks and this has affected the income from our weekly collections. However, our regular planned giving and donation income has held up well in the circumstances.

Also due to the virus control measures our church hall has been closed, and with no way of knowing when we may be able to re-open for outside bookings, this will have a major effect on funding the maintenance of that building.

Although some of our staff had to be furloughed, due to the contributions that volunteers make to the running of the church this continued effectively.

The trustees have maintained vigorous financial control but intend to closely monitor all future financial transactions in order to maintain appropriate reserves.

Although as a church we are part of several wider networks we do not envisage these having any detrimental impact upon the finances in our control.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

STATEMENT OF FINANCIAL ACTIVITIES

	2019				2018	
	Unrestricted Fund (General)	Designated Fund (Capital Projects)	Other Restricted Funds	Endowment Fund	Total Funds	Total Funds
	£	£	£	£	£	£
INCOME						
Voluntary income	117,877.18	12,476.79	62.50		130,416.47	150,852.57
Legacies					0.00	0.00
Church activities	46,345.40				46,345.40	18,852.87
Income from investments	4,422.48				4,422.48	4,142.14
Surplus on sale of investments					0.00	0.00
TOTAL INCOME	168,645.06	12,476.79	62.50	0.00	181,184.35	173,847.58
EXPENDITURE						
Church activities	184,104.80	25,700.00	2,659.80		212,464.60	175,373.41
TOTAL EXPENDITURE	184,104.80	25,700.00	2,659.80	0.00	212,464.60	175,373.41
NET INCOME(EXPENDITURE) BEFORE INVESTMENT GAINS	-15459.74	-13223.21	-2597.30	0.00	-31280.25	-1525.83

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

STATEMENT OF FINANCIAL ACTIVITIES

	2019				2018	
	Unrestricted Fund (General)	Designated Fund (Capital Projects)	Other Restricted Funds	Endowment Fund	Total Funds	Total Funds
	£	£	£	£	£	£
NET INCOME(EXPENDITURE) BEFORE INVESTMENT GAINS	-15,459.74	-13,223.21	-2,597.30		-31,280.25	-1,525.83
Net gains (losses) on investments		17,519.13		1,363.53	18,882.66	-1,636.66
NET INCOME (EXPENDITURE) BEFORE FUND TRANSFERS	-15,459.74	4,295.92	-2,597.30	1,363.53	-12,397.59	-3,162.49
TRANSFERS BETWEEN FUNDS	499.26		-499.26		0.00	0.00
NET MOVEMENT IN FUNDS	-14,960.48	4,295.92	-3,096.56	1,363.53	-12,397.59	-3,162.49
TOTAL FUNDS BROUGHT FORWARD	45,413.78	147,853.71	186,431.20	8,433.00	388,131.69	391,294.18
TOTAL FUNDS CARRIED FORWARD	30,453.30	152,149.63	183,334.64	9,796.53	375,734.10	388,131.69

Unrestricted Fund:

GENERAL FUND - INCOME & EXPENDITURE ACCOUNT

Notes		2019 £	2018 £	Increase %
	INCOME			
	Voluntary income			
2	Planned Giving			
	Gift Aid donations	71,431.87	64,978	
	Tax recoverable	20,690.66	18,435	
	Other planned giving	8,141.70	14,143	
		100,264.23	97,556	3%
	Collections	17,612.95	12,607	40%
		117,877.18	110,163	7%
3	Gift Day and Thanksgiving Weekend		4,150	-100%
	Total donations	117,877.18	114,313	3%
	Church activities			
	Magazine sales	1,000.06	694	44%
	Fees for weddings and funerals	3,928.00	4,247	-8%
	Contributions to Church costs	345.00		100%
	Church House hire	11,552.92	9,866	17%
	Church House activities	560.00		
	Car park fees	1,175.00	1,320	-11%
	Feed in tariff - solar panels	797.45	1,106	-28%
	Refreshments	664.37	557	17%
	Course books		437	
	Miscellaneous receipts	17,724.11	627	14%
	Grants from 2018	8,598.49		100%
	Total income from Church activities	46,345.40	18,853	
	Income from investments			
	Interest & dividends received	4,422.48	80	5438%
	TOTAL INCOME	168,645.06	133,245	27%

ST MICHAELS BRAINTREE PAROCHIAL CHURCH COUNCIL
 FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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		2,019	2018	Increase
<i>Unrestricted Fund:</i>		£	£	%
EXPENDITURE				
Church activities				
Giving	PCC Donations	11,109.73	11,675	-5%
	Donations from congregation passed on	986.20		
Ministry	Diocesan Quota	82,367.04	82,371	0%
	Vicar and Vicarage	532.85	448	19%
	Administrative assistant	8,348.40	5,470	53%
	Church running costs	47,334.55	12,962	265%
	Church House running cost	9,996.12	9,100	10%
	Printing	2,631.82	3,031	-13%
	Other ministry costs	20,798.09	4,517	360%
TOTAL EXPENDITURE		184,104.80	129,575	42%
SURPLUS BEFORE FUND TRANSFERS		-15459.74	3,671	
	TRANSFER TO TRAINING & OUTREACH FUND	-1767.25	(944)	
	TRANSFER FROM TITHE CHANCEL TRUST	2266.51	251	
SURPLUS/(DEFICIT)		-14960.48	2,978	
	BALANCE AT 1 JANUARY 2019	45,413.78	35,070	
BALANCE AT 31 DECEMBER 2019		30,453.30	38,048	

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

<u>Designated Fund:</u>	2019	2018
	£	£
CAPITAL PROJECTS FUND		
INCOME		
Income from investments		3,439
Retiring collection at funeral	205.24	
Legacies received	12,271.55	1,000
TOTAL INCOME	<u>12,476.79</u>	<u>4,439</u>
EXPENDITURE		
Organ		699
Church laptops		1,104
Office furniture		554
Grant for Bells	20,000.00	
Projector	5,700.00	
Drawdown		
TOTAL EXPENDITURE	<u>25,700.00</u>	<u>2,357</u>
SURPLUS (DEFICIT) BEFORE FUND TRANSFERS	<u>-13,223.21</u>	<u>2,082</u>
Net (loss) gain on revaluation of investment assets	17,519.13	(1,418)
BALANCE AT 1 JANUARY 2019	147,853.71	147,189
BALANCE AT 31 DECEMBER 2019	<u>152,149.63</u>	<u>147,854</u>
<i>Comprising:</i>		
CBF Investment Fund shares at market value (cost: £80,000)	111,083.04	93564
CBF deposit account	29,174.41	58600
Barclays Bank deposit account		-4310
Co-operative Bank deposit	11,892.18	
	<u>152,149.63</u>	<u>147854</u>

These funds have been set aside by the PCC to be spent on specific items of equipment or specific projects.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
	£	£
<u>Restricted Fund:</u>		
YOUTH FUND		
INCOME		
Gift Aid donations		6,628
Other planned donations		140
Gift aid one off		435
SMASH Club fees and donations		335
Stand By Me donations		195
Interest		
Tax recoverable		1,886
TOTAL INCOME	-	<u>9,619</u>
EXPENDITURE		
Youth worker and Children & Families worker - salaries		14,700
Children & Families worker - rent and water rates		
Youth worker and Children & Families worker - expenses		
Stand By Me donations		180
Other youth work costs		610
SMASH Club costs		
TOTAL EXPENDITURE	-	<u>15,490</u>
DEFICIT BEFORE FUND TRANSFERS		(5,872)
TRANSFER FROM GENERAL FUND		-
TRANSFER TO GENERAL FUND	(7,366)	
SURPLUS (DEFICIT)	(7,366)	(5,872)
BALANCE AT 1 JANUARY 2019	7,366	<u>13,238</u>
BALANCE AT 31 DECEMBER 2019	(0)	<u><u>7,366</u></u>

Close scrutiny of the status of this Fund has revealed that it is not restricted

The PCC decided in 2019 to no longer run this as a separate fund.

All figures relating to Youth work are now held within the General Fund itself

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
Restricted Funds:		
PROPERTY FUND		
INCOME		
Grant from Trotter Trust		25,922
Insurance Claim		
EXPENDITURE		
Electrical work on Church House		17,359
Roof Repair		
Fire and roof alarms		8,563
Depreciation of solar panels	753.00	753
DEFICIT BEFORE FUND TRANSFERS	-753.00	(753)
 (DEFICIT) SURPLUS	 -753.00	 (753)
BALANCE AT 1 JANUARY 2019	181,492.64	182,246
 BALANCE AT 31 DECEMBER 2019	 180,739.64	 181,493

Comprising:

Church House and church hall (original cost)	58,030.64	58,031
2011: Church House disabled access	12,387.00	12,387
2012: Church House improvements (toilets, kitchen, former courtyard, heating and plumbing)	99,029.00	99,029
2015: solar panels on hall roof (cost less depreciation)	11,293.00	12,046
2019: Church House roof repair		
	180,739.64	181,493

This fund may only be used for the purchase or improvement of property that is owned by the PCC.

MANNA FUND**INCOME**

Gift Aid donations	50.00	220
Tax recoverable	12.50	
TOTAL INCOME	62.50	220

EXPENDITURE

Grants paid		
	62.50	220
BALANCE AT 1 JANUARY 2019	1,537.55	1,318
 BALANCE AT 31 DECEMBER 2019	 1,600.05	 1,538

The Manna Fund, which is supported entirely by specific donations, is for the relief of acute financial hardship amongst members of the church, or occasionally, others within our pastoral ambit.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2019 2018

Restricted Funds:**TRAINING & OUTREACH FUND (A. GREGORY BEQUEST)****INCOME ACCOUNT**

INCOME

Donations received

Income from investments

1,767.25 300

TOTAL INCOME

1,767.25 300

EXPENDITURE

Expenditure on outreach and evangelism

(1,277)

(DEFICIT) SURPLUS

1,767.25 (977)

TRANSFER BETWEEN FUNDS

-1,767.25 944

BALANCE AT 1 JANUARY 2019

33

BALANCE AT 31 DECEMBER 2019

0.00 -

*This fund is held in a Central Board of Finance Deposit Account.**It may be spent on Training and Outreach.***MUSIC AND WORSHIP FUND**

INCOME

Donations received

- -

EXPENDITURE

- -

SURPLUS

- -

BALANCE AT 1 JANUARY 2019

277.50 278

BALANCE AT 31 DECEMBER 2019

277.50 278

This fund may be spent on resources for music and worship.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

<u>Restricted Funds:</u>	2019	2018
	£	£
BARTRAM BIBLES FUND		
INCOME		
Interest receivable		4
EXPENDITURE		
Bibles and Confirmation material	139.55	-
	-139.55	4
SURPLUS		
BALANCE AT 1 JANUARY 2019	857.00	853
BALANCE AT 31 DECEMBER 2019	717.45	857
<i>The purpose of this fund expired after 70 years. The PCC has decided in 2019 to reduce the fund to zero over the coming years through Bible materials being purchased.</i>		
TITHE CHANCEL TRUST		
INCOME		
Income from investments	0.00	99
Surplus on sale of investment assets		
NET INCOME BEFORE INVESTMENT GAINS	0.00	99
Net gains (losses) on investments		(49)
NET INCOME BEFORE FUND TRANSFERS	0.00	50
TRANSFER TO GENERAL FUND RE CHANCEL INSURANCE		(251)
SURPLUS (DEFICIT)	0.00	(201)
BALANCE AT 1 JANUARY 2019	2,266.51	2,468
Less transfer to General Funds	-2,266.51	
BALANCE AT 31 DECEMBER 2019	0.00	2,267
Capital account	120.25	120
Income account	2,146.26	2,146
Less transfer to General Funds	-2,266.51	
	0.00	2,267

This Trust was established under the Tithe Act 1936.

Under Section 28, Charities Act 2011 this Trust, due to the small amount of capital in the fund, may be spent entirely on repairs to the Chancel.

The Diocese of Chelmsford has now closed this Trust.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
<i>Permanent Endowment Fund:</i>	£	£
<hr/>		
TRAINING & OUTREACH FUND (A. GREGORY BEQUEST)		
CAPITAL ACCOUNT		
BALANCE AT 1 JANUARY 2019	8,433.00	8,603
(Loss) gain on revaluation of investment assets	1,363.53	(170)
BALANCE AT 31 DECEMBER 2019	<u>9,796.53</u>	<u>8,433</u>
<i>Comprising:</i>		
CBF Investment Fund shares at market value (cost: £5,355)	8,463.64	7,129
CBF Fixed Interest Securities Fund shares at market value (cost: £1,339)	1,332.89	1,304
	<u>9,796.53</u>	<u>8,433</u>

According to our records the restrictions on this fund expired in 2000.

The capital is now available for general expenditure.

The income is added to the Income Account.

BALANCE SHEET

31 DECEMBER 2019

	2019	2018
	£	£
FIXED ASSETS		
Tangible	180,739.64	181,493
Investments	120,879.57	104,988
	<u>301,619.21</u>	<u>286,481</u>
CURRENT ASSETS		
Debtors and prepayments	12,881.09	7,328
Short term deposits	38,776.27	68,283
Cash at bank and in hand	90,849.38	41,459
	<u>142,506.74</u>	<u>117,070</u>
LIABILITIES		
Creditors - amounts falling due in one year	<u>-68,391.85</u>	<u>(15,418)</u>
NET CURRENT ASSETS	<u>74,114.89</u>	<u>101,651</u>
TOTAL NET ASSETS	<u>375,734.10</u>	<u>388,132</u>
PARISH FUNDS		
Unrestricted funds:		
General Fund	30,453.30	38,048
Designated fund: Capital Projects	152,149.63	147,854
		-
Total unrestricted funds	<u>182,602.93</u>	<u>185,902</u>
Restricted funds:		
Youth Fund	0.00	7,366
Property Fund	180,739.64	181,493
Manna Fund	1,600.05	1,538
Training & Outreach Fund Income	0.00	-
Music & Worship Fund	277.50	278
Bartram Bibles Fund	717.45	857
Tithe Chancel Trust closed June 2019		2,267
Total restricted funds	<u>183,334.64</u>	<u>193,797</u>
Endowment fund:		
Training & Outreach Fund Capital	9,796.53	8,433
TOTAL CHURCH FUNDS	<u>375,734.10</u>	<u>388,132</u>

The notes on pages 10 to 19 form part of these accounts.

Approved by the Parochial Church Council on 27th October 2020 and signed on its behalf by:

Revd. Nigel Adams

David Marriott (Churchwarden)

ST MICHAELS BRAINTREE PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

ACCOUNTING POLICIES

The PCC is a public entity within the meaning of FRS102. The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006 governing the individual accounts of PCCs and with the Regulations "true and fair view" provisions, together with FRS102 (2016) as the applicable accounting standards and the 2016 version of the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP)(FRS 102).

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at market value. The financial statements include all transactions, assets and liabilities for which the PCC is responsible by law. They do not include the accounts of church groups that owe their main affiliation to another body, nor those that are informal gatherings of church members. The PCC considers that there are no material uncertainties over their ability to continue as a going concern.

FUNDS

Endowment funds are funds, the capital of which must be maintained; only income arising from investments of the endowment may be used either as restricted or unrestricted funds depending on the purpose for which the endowment was established.

Restricted funds represent (a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of trust or bequest, and (b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given.

Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund. The PCC does not usually invest separately for each fund.

Unrestricted funds are general funds which can be used for PCC ordinary purposes and designated funds are amounts set aside by the PCC for fixed assets or a future project.

INCOME

Planned giving, collections and donations are recognised when received. Tax recoverable is recognised when the income to which it relates is received. Grants and legacies are accounted for when the PCC is entitled to the amounts due. Dividends are accounted for when receivable, interest is accrued. All other income is recognised when it is receivable. All income is gross. The value of voluntary help received is not included in the accounts.

EXPENDITURE AND LIABILITIES

Liabilities are recognised as soon as there is a legal or constructive obligation and settlement is probable and quantifiable. Grants and donations are accountable for when paid over, or when awarded, if that creates a binding or constructive obligation on the PCC. The diocesan parish share is accounted for when due. All other expenditure is generally recognised when it is incurred and is accounted for gross.

**ST MICHAELS BRAINTREE PAROCHIAL CHURCH COUNCIL
NOTES TO THE FINANCIAL STATEMENTS
FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019**

FIXED ASSETS

Consecrated and benefice property is not included in the accounts in accordance with s.10(2)(a) of the Charities Act 2011. Movable church furnishing held by the vicar (priest in charge) and churchwardens 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). All expenditure incurred during the year on consecrated or benefice property and movable church furnishings, whether maintenance or improvement, is written off as expenditure in the financial statements. The Church House and Hall are stated at cost. No depreciation is provided as the depreciation charge and accumulated depreciation would not be material because residual value of the assets is at least as much as their carrying amount. The solar panels on the church hall roof are depreciated on a straight line basis over 20 years. Equipment used within the church premises is depreciated on a straight line basis over 4 years. Individual items of equipment with a purchase price of £10,000 or less are written off when the asset is acquired. Investments are stated at market value at 31 December.

CURRENT ASSETS

Short term deposits comprise cash held on deposit with the CBF Church of England Funds.

NOTES TO THE FINANCIAL STATEMENTS

FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
	£	£
PLANNED GIVING		
There are 60 continuing Gift Aid Declarations (2018: 60).		
There were two one-off donation under Gift Aid (2018: 5).		
Other planned giving includes giving through the Charities Aid Foundation and Stewardship, both of which are tax efficient.		
 GIFT DAY AND THANKSGIVING WEEKEND		
Other donations		4,150
	0.00	4,150
 PCC DONATIONS		
<i>Missionary and charitable giving - overseas</i>		
A Rocha		
ACTS (Burkina Faso)		
Barnabas Fund		
CMS		
Crosslinks (BCMS)	1,004.00	500
Langham Partnership International		
Stand By Me - Myanmar (Burma)	180.00	
Tear Fund		
Open Doors		
Chain Foundation		
Available from 2019	4,099.73	5,006
	5,283.73	5,506
 <i>Missionary and charitable giving - home</i>		
Association Churches		13
Braintree Street Pastors		
Braintree Youth Project Charity	330.00	360
CPAS Patronage Fund		
CYO Braintree	3,000.00	3,000
Make Jesus Known (Tim & Charissa Cooke)	2,496.00	2,496
St. Michael's School Governors - Building Fund		
Emma Nash		250
SASRA		50
	5,826.00	6,169
 Overall total	11,109.73	11,675

NOTES TO THE FINANCIAL STATEMENTS

FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
DIOCESAN QUOTA		
Amount due and paid to the Diocese	82,367.04	82,371
The Quota that we will have to pay to the Diocese in 2020 is £85,888		
VICAR AND VICARAGE		
Car expenses and travel (net of private use)	532.85	379
Telephone		26
Postage and stationery		43
	532.85	448
ADMINISTRATIVE ASSISTANT		
Salary	7,661.00	5,190
Pension	687.40	280
	8,348.40	5,470
CHURCH RUNNING EXPENSES		
Cleaning and toiletries	3,703.57	2,330
Insurance	4,316.01	5,019
Membership fee	22.50	
Light and heat	3,078.79	3,290
Music	359.00	
Other costs	551.00	
Architect and oversight fees	2,645.01	
Repairs and Maintenance	32,658.67	2,322
	47,334.55	10,640
CHURCH HOUSE RUNNING EXPENSES		
Cleaning and toiletries	1,723.69	1,045
Insurance	1,471.43	1,593
Light and heat	1,787.05	3,235
Repairs and maintenance	3,972.97	2,245
Software	33.12	33
Telephone	479.83	435
Water rates	528.03	514
	9,996.12	9,100

NOTES TO THE FINANCIAL STATEMENTS

FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
PRINTING		
Paper and ink	1,458.35	2,330
Link & publicity	255.95	89
Printing machine maintenance	917.52	612
	<u>2,631.82</u>	<u>3,031</u>
OTHER MINISTRY COSTS		
Visiting speakers	220.00	
Reimbursed expenses	155.00	
Statutory fees	2,931.92	2,091
Hon. Curate	1,000.00	700
Copyright renewal fee	561.71	321
ICO	35.00	35
Freewill Offering envelopes	34.46	34
Away Day hall hire		30
Knitted church frame		48
Church linen		50
Church equipment		144
Communion wine	189.71	7
Catering costs	14.70	74
Software		49
Miscellaneous costs	227.60	228
Youth worker's salary	15,180.00	
Light Party & Smash Club	247.99	
Books		707
	<u>20,798.09</u>	<u>4,517</u>

STAFF COSTS

During the year, the PCC employed:

- a part-time Youth worker ;
- a part-time administrative assistant
- a part-time verger; and
- a part-time cleaner (2018: the same).

The total wages amounted to £24,583 (2018: £25,755).

Social security costs were fully covered by the Employment Allowance.

The staff are on the Diocese's payroll and the costs are recharged to the PCC.

The administrative assistant is participating in the Diocesan pension scheme

NOTES TO THE FINANCIAL STATEMENTS

FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

PAYMENTS TO PCC MEMBERS

The Treasurer was paid £0 (2018: £0) in reimbursement of expenses.

The Vicar was paid £533 (2018:£448) in reimbursement of working expenses.

Salaries were paid to the Youth Worker, the costs of which are included in the figure quoted in note 11, and he was reimbursed expenses of £481 (2018: £0).

No other payments were made to any PCC member, persons closely connected to them, or related parties.

FIXED ASSETS

Tangible (all restricted)

	2019		
	Freehold land and buildings	Solar panels	<i>Total</i>
COST			
1 January 2019	169,446.64	15,058.00	184,504.64
Additions	0.00	0.00	0.00
31 December 2019	<u>169,446.64</u>	<u>15,058.00</u>	<u>184,504.64</u>
DEPRECIATION			
1 January 2019		3,012.00	3,012.00
Depreciation for the year	0.00	753.00	753.00
31 December 2019	<u>0.00</u>	<u>3,765.00</u>	<u>3,765.00</u>
NET BOOK VALUE			
31 December 2019	<u>169,446.64</u>	<u>11,293.00</u>	<u>180,739.64</u>
31 December 2018	<u>169,446.64</u>	<u>12,046.00</u>	<u>181,492.64</u>

NOTES TO THE FINANCIAL STATEMENTS

FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
	£	£
<u>Investments</u>		
Market value 1 January	104,987.79	106,526
Purchases at cost		99
Net gains (losses) on revaluation	15,891.78	(1,637)
Market value 31 December	<u>120,879.57</u>	<u>104,988</u>

The holdings at 31 December comprise:

	Cost	Market value 2019	Market value 2018
<u>Designated fund:</u>			
5,807.96 CBF Investment Fund shares	80,000	111,083.04	93,564
<u>Restricted fund:</u>			
0 (2018: 185.22) CBF Investment Fund shares	435	0.00	2,991
<u>Endowment fund:</u>			
442.52 CBF Investment Fund shares	5,355	8,463.64	7,129
815.37 CBF Fixed Interest Securities Fund shares	1,339	1,332.89	1,304
	<u>87,129</u>	<u>120,879.57</u>	<u>104,988</u>

NOTES TO THE FINANCIAL STATEMENTS

FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

	2019	2018
	£	£
DEBTORS		
Unrestricted funds:		
Tax recoverable		1,926
Planned giving		1,798
Prepayments and accrued income	5,758.75	3,605
Other debtors	7,122.34	
	<u>12,881.09</u>	<u>7,328</u>
Designated funds:		
Other debtors	0.00	-
Total unrestricted funds	<u>12,881.09</u>	<u>7,328</u>
Restricted funds:		
Tax recoverable		
	<u>12,881.09</u>	<u>7,328</u>

LIABILITIES

Amounts falling due in one year (unrestricted funds):		
Accruals for utility and other costs	5,133.82	5,554
Specific donations to be passed on to other charities	52.00	347
Trotter Trust		3,598
Accruals for future projects	44,869.50	
Prepaid fees	3,784.81	
Other creditors	14,551.72	5,918
	<u>68,391.85</u>	<u>15,418</u>

NOTES TO THE FINANCIAL STATEMENTS

FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

DONATIONS BY MEMBERS OF THE CONGREGATION

<i>Amounts received and paid over to other charities. (Not included in the Statement of Financial Activities)</i>	2019	2018
	£	£
<i>Missionary and charitable giving - overseas</i>		
ACTS (Burkina Faso)		
Chain Foundation	120.00	
Emma Nash		500
Open Doors	156.20	
Stand By Me	360.00	30
Tearfund		
	<u>636.20</u>	<u>530</u>
<i>Missionary and charitable giving - home</i>		
Barnabas Fund		500
Bells Conservation Fund	320.00	
CPAS		15
Essex Clergy Charity		
Fishermen's Mission	10.00	
Mary's Fund		
Royal British Legion		
Salvation Army		
SASRA (Remembrance Sunday)	10.00	135
Street Pastors	10.00	
	<u>350.00</u>	<u>650</u>
Overall total	<u>986.20</u>	<u>1,180</u>

Related Party Transactions

NOTES TO THE FINANCIAL STATEMENTS

FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

ANALYSIS OF NET ASSETS BY FUND

	Unrestricted Funds	Designated Funds	Restricted Funds	Endowment Funds	TOTAL 2019
	£	£	£	£	£
Tangible fixed assets			180,739.64		180,739.64
Investment fixed assets		111,083.04	0.00	9,796.53	120,879.57
Current assets	99,385.15	41,066.59	2,595.00		143,046.74
Liabilities falling due in one year	-68,931.85				-68,931.85
	<u>30,453.30</u>	<u>152,149.63</u>	<u>183,334.64</u>	<u>9,796.53</u>	<u>375,734.10</u>

Church Workers Pension Fund (CWPF) December 2019 Year End

St Michael's PCC, Braintree participates in the Pension Builder Scheme section of CWPF for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

Pension Builder Scheme for St Michael's PCC, Braintree

The Pension Builder Scheme of the Church Workers Pension Fund is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes.

Pension Builder Classic provides a pension for members for payment from retirement, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Bonuses may also be declared, depending upon the investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme.

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent was carried out as at 31 December 2016.

For the Pension Builder Classic section, the valuation revealed a deficit of £14.2m on the ongoing assumptions used. At the most recent annual review, the Board chose not to grant a discretionary bonus, which will have acted to improve the funding position. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £1.8m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, St Michael's PCC, Braintree could become responsible for paying a share of that employer's pension liabilities.

ST MICHAEL'S BRAINTREE PCC - ANNUAL REPORT FOR 2019

Information

Address St Michaels Lane, Braintree, Essex, CM7 1EY
 Website <http://stmichaelsbtree.co.uk>
 Email admin@stmichaelsbtree.co.uk

The Parish of St Michael Braintree in one of four which make up the town of Braintree & Bocking in North Essex

The population of St Michael's parish is approximately 13,000. St Michael's Church was founded and Braintree received its market charter in 1199.

The Church Office address is:

St Michael's Church House
 St Michaels Lane
 Braintree CM7 1EY
 Telephone: 01376 321248

Objects and Activities

Mission Statement:

"To know Jesus and make Him known".

St Michael's is a Gospel believing, Bible preaching Church with a concern for the wider community to which we belong. We desire to grow as Christians by learning together from God's Word.

We long that more people of all ages will come to know and love Jesus, our risen Saviour and Lord, and find a welcome in the family of Saviour and Lord, and find a welcome in the family of the Church.

More specific information about our activities can be found in our parish profile, which is available on our website at www.stmichaelsbtree.co.uk

PCC Membership

Ex Officio Members

Nigel Adams (Vicar, Chair)
 David Marriott (*Churchwarden, Lay Chair*)
 Lin Terris (*Churchwarden*)

Deanery Synod (also ex-officio)

Terry Clark	David Huxter	Lin Terris	John Turton
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Elected Members

From April 2019	Cyril Bamforth	Jenny Chapman	David Cridland	
From April 2018 - April 2019	Philip Bartlett-Rawlings	Roger Cooke	Rod Davey	David Mahood
From April 2018 - April 2019	Sam Allen	Kieron Davey	Helen Hopkins*	Helen Kemp
* Until October 2019	June Kirk*	Ann Mahood	Emma Nash	Ade Odupitan
	Peter Schaad	Barbara Wells		

Co-opted Members

Andy Carter	Lesley Davey (Treasurer)
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Non-members

Sandra Savill (*Electoral Roll Officer*)

Structure, Governance and Management

Parochial Church Council (PCC)

The PCC is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure (1956) as amended, and is a registered charity (Registered number 1132702). Membership of the PCC is constituted in accordance with the Church Representation Rules. Wardens are elected annually, Deanery Synod members triennially. One-third of elected members retire each year. The PCC may co-opt up to three members.

PCC Proceedings 2019

The PCC met 6 times during 2019, The meetings were chaired by Revd. Nigel Adams. Andy Carter was co-opted after the APCM. Lesley Davey was co-opted as PCC treasurer following the APCM. Helen Hopkins and June Kirk resigned from the PCC in October 2019.

The matters that dominated discussions were the Youth and Children's worker, St. Michael's vision, church finances, mission support and the physical estate.

In the Summer of 2019 Andy Carter announced his intention to step down as Youth and Children's worker. There subsequently were several meetings to clarify the new role and to confirm the capacity the church had to support it. As a result, Rachel Grove-Smith was employed as a part-time Youth and Children's worker from Jan 2020.

At the January 2020 away day, the PCC reviewed and discussed the progress of the summary vision of the church direction.

During the year the church house letting policies and procedures were updated to include clearer terms and conditions and simplified rates.

We decided in November to hold a gift day to support the capital projects in the Church and Church House. We did end the year with an operational deficit as shown in the finance report.

The new Mission support structure started to take place and as a result there were a number of visiting groups, a Mission Support weekend where all the missions supported by the PCC were promoted. Financially the PCC is supporting a number of Missions and the adjustment to make it reflect the financial income of the church is now taking place.

The details of the challenges for the physical estate are detailed in the Church Wardens report.

Other matters discussed were reports from the various committees, officers, and the diocese, including the Standing Committee, The Deanery and Diocesan Synods and the Evangelism group.

Regular reports have been received from the Diocesan and Deanery Synods, reflecting the views from the Diocese and other parishes about the future for the churches in Essex, and the MMU.

Vicar's Report 2020

Firstly, may I extend my thanks to so many people who do a huge amount in God's service at St Michael's Church. I am very grateful for all that is done, whether in roles that are readily seen or in less visible, but equally valuable roles.

I have greatly valued the work done by the staff team during the past year. Particular thanks go to Andy Carter, for all he has done as Children's & Youth Worker. Andy stood down from his paid role as at the end of December but continues to be involved in our children's & youth work in a voluntary capacity. We are very grateful for his 16 years and for all he has taught and shared with many children & young people. I am also grateful to Rachel Grove Smith, who joined us as our new Children's & Youth Worker in January 2020 and is already making a significant impact in this area, both at church and in our schools.

Many thanks as well to Lesley Davey, who stood down after 4 years as churchwarden, but continues as our treasurer, and to Lin Terris who took Lesley's place as churchwarden. I am grateful to Dave Marriott and Lin Terris, who as churchwardens have done a huge amount to maintain and improve our church building and Church House, overseeing work on the audio-visual side, the church roof (with Cyril Bamforth) and many other ways. Thanks, are also due to Helen Hopkins (Vicar's Personal Assistant) who performs a vital role in our church office and Jo Adams (our volunteer Pastoral Assistant). My gratitude also goes to Revd Stephen Bailey, our honorary curate, for all he continues to do and for our Readers and others who lead and preach at our services.

We continue to have a range of Home Groups and the new Bible Reading Group is reading right through the Bible for the second time. It's been a privilege to be involved in a number of seekers and discipleship courses, namely, Life Explored, Christianity Explored, Discipleship Explored and the Identity Course, as well as Talking Jesus during Lent 2020.

We have started two new events during 2019. Coffee@StMichael's, on the first Thursday of each month, has been attended by a really good number of people from the outset, enjoying the edible delights and drinks. It's been really good to see many of our young people, as well as our regular congregation, attending our monthly All-Age Tonight service. I am grateful to the Coffee@StMichael's and All-Age Tonight teams for their commitment and imagination in starting these new initiatives.

It was very encouraging to have a Confirmation service at St Michael's in September, with Rt Revd Rod Thomas, the Bishop of Maidstone. Our seven candidates shared how, in different ways, God had broken into each of their lives and changed them.

We have, as a church family, suffered a number of bereavements – a reminder both of the fallen and broken world in which we live, but also of the glorious hope of eternal life we have in Jesus. We continue to pray for all who have lost loved ones.

Our Verse of the Year is Matthew 6:21, "For where your treasure is, there your heart will be also." My hope and prayer is that each of us will find our treasure in the living Lord.

Lastly, we give thanks to God, for his love that led him to send his Son Jesus, to live, die and rise for us

Fabric

Church and Churchyard

2019 was a year with some big projects starting.

The Bell ringers started the refurbishment of the bells and the internal bell tower.

The roof repairs were completed, allowing for repair works inside the church to take place, and work has started on the internal walls and the organ.

The church lighting project and audio-visual updates started, and we are expecting the lights in the church to be updated in March 2020 replacing the 40-year-old lights with a new efficient solution.

The audio-visual started faster than expected when the main projector failed in the church in the run up to Christmas, the replacement has already made a marked difference to the ability to present and the clarity for people to read.

We would like to thank those that gave for the gift day to help create a legacy for the current and next generation of the congregation, as lights and Audio-Visual are essential expensive items.

Church House report

Following on from the review and updates to the electrics in Church House last year, we tendered for and appointed a contractor to update the lights in the building. As I write this, the main hall is still to be completed, however I expect is complete by the time you get to read this! The new lights are more efficient and importantly for us, turn off and on very quickly. (The toilets are all on sensors to turn off and on by themselves!)

We have been slowly decorating the inside of church house, and the corridors have had most of the work over the last year, and the odd bit of filling following the lighting upgrade.

The garden has seen little change and the large amounts of cutting back in the previous year has helped to make it easier to look after.

Our more frequent work parties and the odd Friday workgroups have helped to keep maintenance jobs under control and general progression in the building.

Signed on behalf of the PCC

Revd. Nigel Adams

27th October 2020

ST MICHAELS BRAINTREE PAROCHIAL CHURCH COUNCIL

Independent Examiner's report to the Parochial Church Council (PCC) of St Michaels Church, Braintree

I report to the members of the PCC on their financial statements for the year ended 31 December 2019, which comprise the Statement of Financial Activities, the Income and Expenditure accounts, the Balance Sheet and related notes.

Respective responsibilities of trustees and independent examiner

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

Having satisfied myself that the financial statements of the PCC are not subject to audit and are eligible for independent examination, it is my responsibility to:

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

Basis of independent examiner's report

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 financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements and seeking explanations from you in respect of any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent Examiner's statement

In connection with my examination, no material matter has come to my attention, which gives me cause to believe that in any material respect:

- accounting records were not kept in accordance with section 130 of the 2011 Act;
- the accounts do not accord with such records;
- the accounts have not been prepared in accordance with the statement: Accounting and Reporting by Charities: Statement of Recommended Practice - Charities SORP (FRS 102)

I confirm there are no 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.

Alan C Radford
Chartered Accountant
Needham Cottage
Needham Green
Hatfield Broad Oak
Bishops Stortford
Herts. CM22 7JT

27th October 2020