

Charity Number 289333

**The Society of Friends of St Michael's Church
Up Marden**

**Trustees' Annual Report and Financial
Statements**

**For the year ended
31st December 2021**

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Reference and Administrative Details of the Charity, its Trustees and Advisers

Trustees

Ursula Westmacott Chair
Valerie Seddon
Sally Abelwhite

Hon. Treasurer

Tom Maier

Hon. Secretary

Andrew Stamp

Principal Address for Correspondence (Hon. Treasurer)

Hucksholt Farmhouse
Compton
West Sussex
PO18 9NS

Independent Examiner

J R Caladine FCCA
Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

Bankers

Natwest
Chichester Branch
5 East Street
Chichester
West Sussex
PO19 1HH

TRUSTEES' REPORT

For year ended 31st December 2021

The Trustees present their annual report together with unaudited financial statements for the year ended 31st December 2021.

The Trustees confirm that the financial statements have been prepared in accordance with the accounting policies in note 1 and comply with the governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

The Society of Friends of St Michael's Church, Up Marden is registered with the Charity Commissioners (No.289333). The charity is governed by its registered constitution.

Objectives and Activities

The Charity's objectives are twofold:

- (i) the acquisition, construction, extension, improvement, development, maintenance, repair, fitting out and furnishing of buildings and property to be used for them charitable purposes of St Michael's Church in the ecclesiastical parish of The Octagon.
- (ii) Additionally, to promote religious, cultural, historic, educational and charitable works and events to encourage people's interest in and knowledge of St Michael's church and its overall purpose.

Strategy

It is the strategy of the Society to make payments to or for such charitable purposes or objects in its governing document as the Friends (which include the Trustees) may from time to time in its absolute discretion think fit. The primary role of the Society is to maintain the upkeep of the church as a public benefit. In keeping with the Church of England's strategy of carrying out a quinquennial report, the Society's main aim is to support the Octagon parish by providing grants to enable any ensuing work from the report to be executed. Additionally, the Society may fund additional projects to broaden the interest and knowledge of the church.

From time to time, the Society may hold events and fund-raising activities to promote the work of the charity.

Activities for achieving the strategy

The charity makes grants to charitable organisations or carry out activities themselves to fulfil its objectives. In considering the activities and grants made during the year, the Trustees have paid due regard to the published Charity Commission guidance on the operation of the Public Benefit requirements of the Charities Act 2011.

Achievements and performance

Review of activities

2021 has been another quiet year in the history of the Society owing to restrictions placed upon it by the global pandemic of Covid 19. There have been no fund-raising events and there has been limited access to the church. Consequently, expenses and grants made by the charity were relatively small.

The regular quinquennial repairs were progressed during the year as agreed by the Octagon Parochial Parish Council. The Society has already given agreement in principle to fund these works. One of the principal roles of the Trustees is to maximise their grant giving capacity as each quinquennial programme materialises. This has always been the prime consideration when establishing the charity's investment strategy and determining the reserves policy to provide a sustainable funding programme.

The Society received smaller additional funds from the same legacy mentioned in the 2020 Annual Report and Accounts. The Trustees and Friends have been discussing various proposals for grant giving beyond the regular quinquennial funding. They are particularly keen to strengthen the relationship between Compton and Up Marden Church of England Primary School with St Michael's church.

Investment strategy, performance and risk

The investments held by the charity have been managed in accordance with the powers available to the Trustees. Given that substantial grants are made every five years in line with quinquennial reports and given the charity is currently better funded to meet expected future needs, Trustees have determined the investment strategy should be relatively long term with a low dependence on regular cash flow from investments.

The funds have been vested with CCLA through the CBF Church of England Investment Fund and Deposit Fund. The performance of the CBF Investment Fund has been satisfactory. The investments have increased by £122,098 during the calendar year, an increase of 21.3%.

This includes an investment of £20,000 from cash held in the charity's bank account. By comparison the ARC Steady Growth Charity Index increased by 13.7%. Over the past 3 years, CCLA has generally produced higher returns with less risk (volatility) compared to the peer group.

A small proportion of the charity's assets are invested in the CCLA Church of England Deposit Fund.

The Trustees have considered the risk profile of the charity's investments and believe the investment strategy prudent in the context of the charity's objectives and its ongoing financial needs.

Reserves Policy

The Society has determined that their primary role is the upkeep of the church. A high level of reserves is considered appropriate to be able to contribute towards unscheduled but expected levels of expenditure over periods of five-year intervals. Given the age of the building and its architectural importance, the cost of any schedule of works will always be significant compared to the annual income capable of being derived from the charity's capital. The Trustees, therefore, have concluded it is prudent to adopt a cautious reserves policy especially when income derived from perceived low-risk investments, such as Government bonds, is nominally low and negative in real terms. The Trustees will monitor the reserves policy annually using the latest quinquennial report as the basis for assessing ongoing risks.

Financial Review

Income and Expenditure

During the year, the income of the charity has changed significantly owing to the legacy bequeathed in 2020. Further funding from this legacy was received this year and further smaller amounts are expected in 2022 and beyond.

Donations and subscriptions were marginally lower during the year despite a concerted effort to widen the membership of Friends.

Expenses were marginally higher, mainly made up of insurance, regular maintenance and architectural fees relating to the quinquennial works.

The charity has no creditors.

Trustees' statements

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the situation of the charity, and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and 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.



URSULA WESTMACOTT
Chairman of Trustees
March 2022

Signed on behalf of the Trustees

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating the Income and Expenditure Account)

For the year ended 31st December 2021	NOTES	2021	2020
		£	£
INCOME ACCOUNT			
Incoming resources from generated funds:			
Covenants, Donations and Subscriptions	2	856	1,302
Gift Aid reclaim	3	0	392
Interest on CBF Deposit account		0	0
Dividends from Investments		52	51
Legacies	4	55,000	450,000
TOTAL INCOMING RESOURCES		55,908	451,745
EXPENDITURE ACCOUNT			
Less: Costs of generating funds			
Administration		33	23
Charitable activities			
Grants	5	3,925	2,619
Governance costs			
Independent Examination		480	480
TOTAL RESOURCES EXPENDED		4,438	3,122
NET INCOMING/(OUTGOING) RESOURCES BEFORE OTHER GAINS AND LOSSES		51,470	448,623
Unrealised gain/(loss) on investment assets	6	102,098	39,816
NET MOVEMENT IN FUNDS		153,568	488,439
RECONCILIATION OF FUNDS			
Balance brought forward on 1 January		594,679	106,240
Balance carried forward on 31 December		748,247	594,679

BALANCE SHEET AS AT 31ST DECEMBER 2021

	NOTES	2021	2020
FIXED ASSETS		£	£
Investments	6	693,669	571,571
Fixed Deposits	7	154	102
CURRENT ASSETS			
Cash at bank and in hand		54,904	23,486
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
Accruals		(480)	(480)
TOTAL CHARITY FUNDS		748,247	594,679

NOTES TO FINANCIAL STATEMENTS

For year ended 31st December 2021

1. Accounting policies

- i) The accounts have been prepared on an accruals basis.
- ii) Income is recognised when the Society is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.
- iii) Legacy income is recognised when the legacy is received or when there is sufficient certainty that the legacy will be received, and the income can be measured with sufficient reliability.
- iv) Investments are stated at mid-market value with investment income shown on an accruals basis.

2. Covenants, Donations and Subscriptions

No Covenants were received

3. Gift Aid Reclaim

No gift aid yet has been claimed for 2021

4. Legacies

A smaller additional legacy from the same source is expected but has not been included as information on timing and amount is considered too uncertain.

5. Grants

To Compton and Up Marden Local Parish Council (part of the Octagon Parish)

	2021	2020
	£	£
Architects Fees	1,728	1,485
Insurance	849	1,134
Maintenance and repairs	1,348	-
Total	3,925	2,619

6. Investments

	Income class shares £	Acc'n class shares £	Total £
Cost or valuation			
At 1 January 2021	1,808	569,763	571,571
Additions	-	20,000	20,000
Valuation changes	259	101,839	102,098
At 31 December 2021	2,067	691,602	693,669

The investments are CCLA CBF Church of England Fund Shares. At 31 December 2021 the charity held 88.25 Income class shares and 11,459.83 Accumulation class shares.

7. Fixed Deposits

	2021	2020
	£	£
CCLA Church of England Deposit Fund	154	102

Independent examiner's report

For the year ended 31 December 2021

I report to the trustees on my examination of the accounts of Society of Friends of St Michael's Church Up Marden ("the Charity") for the year ended 31 December 2021, which are set out on pages 8 to 10.

Responsibilities and basis of report

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

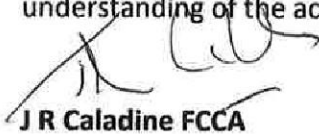
I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

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 Charity as required by section 130 of the Act; or
2. the accounts do not accord with those records
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.



J R Caladine FCCA

Caladine Limited

Chartered Certified Accountants

Chantry House, 22 Upperton Road

Eastbourne, BN21 1BF

Date: 9 April 2022