

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 2022**

Contents

| | |
|----------------|--|
| Page 3 | Reference and Administrative Details of Charity |
| Page 4 | Trustees' Report |
| Page 8 | Statement of Financial Activities |
| Page 9 | Balance Sheet and Notes to Financial Statements |
| Page 11 | Independent Examination Report |

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 (resigned at AGM 11th October 2022)
Stephanie Allen (appointed AGM 11th October 2022)

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 2022

The Trustees present their annual report together with unaudited financial statements for the year ended 31st December 2022.

The Trustees confirm that the annual report and financial statements aim to comply with the governing document, the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2015), the Companies Act 2006 and relevant law and United Kingdom Accounting Standards.

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 the 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 carries 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

Given the country was still recovering from the effects of Covid 19, it was another quiet year in the activities of the Society. As our financial resources have increased significantly, the Friends have decided to approve a grant to the Octagon parish to pay for the insurance of the church until further notice.

During the year a small committee was formed to produce an updated illustrated booklet of the history of the church which will be available for distribution in 2023. This should introduce the church to a wider audience both inside and outside the parish. Accompanying the booklet will be a new set of postcards.

Within the context of the objects of the charity, the committee has been in discussion with Compton & Up Marden CofE School to see where the Society might be able to assist. One of the Trustees, Sally Ablewhite, has met the headmaster who has suggested helping in educational matters beyond the normal means of the school. The Friends are particularly keen for the children to visit the church, understand its history and purpose, and to appreciate its rural setting.

Next year, the Friends are planning a revival of a musical evening in aid of the charity.

The Trustees and the committee thank the Friends and all those involved in the church for their continued support of this beautiful and unspoilt church of St Michael and all Angels

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 continue to be vested with CCLA through the CBF Church of England Investment Fund and Deposit Fund. The performance of the CBF Investment Fund has been satisfactory in difficult market conditions exacerbated by the war in Ukraine, inflation and chaotic politics in the United Kingdom which weakened sterling and the gilt market. The investments have decreased by £63,641 during the calendar year, a fall of 9.2%. By comparison the ARC Steady Growth Charity Index fell by 10.1%. Over the past years, CCLA has generally produced higher returns with less risk (volatility) compared to the peer group. Annualised return over 3 years and 5 years has been 5.55%(benchmark 3.03%) and 7.94%(benchmark 4.32%) respectively.

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

Income of the charity was helped by the remainder of a legacy paid out by the solicitors (£25,000), otherwise donations reverted to levels of previous years.

The charity paid for the quinquennial expenses and associated architects fees. Building insurance is another major cost which the Friends have recently offered to pay by making a grant to the Octagon parish.

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.

Disclosure of Information to the Auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the charity's Independent Examiner is unaware, and,
- that the Trustee has taken all the steps that ought to have been taken as a Trustee to be aware of any relevant information and to establish that the charity's Auditors is aware of such information.



URSULA WESTMACOTT
Chairman of Trustees
March 2023

Signed on behalf of the Trustees

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

| For the year ended 31st December 2022 | NOTES | 2022 | 2021 |
|--|--------------|-----------------|----------------|
| INCOME ACCOUNT | | £ | £ |
| Incoming resources from generated funds: | | | |
| Covenants, Donations and Subscriptions | 2 | 816 | 856 |
| Gift Aid reclaim | 3 | 169 | 0 |
| Interest on CBF Deposit account | | 3 | 0 |
| Dividends from Investments | | 54 | 52 |
| Legacies | 4 | 25,000 | 55,000 |
| TOTAL INCOMING RESOURCES | | 26,042 | 55,908 |
| EXPENDITURE ACCOUNT | | | |
| Less: Costs of generating funds | | | |
| Administration | | 37 | 33 |
| Charitable activities | | | |
| Grants | 5 | 6,177 | 3,925 |
| Governance costs | | | |
| Independent examination | | 528 | 480 |
| TOTAL RESOURCES EXPENDED | | 6,742 | 4,438 |
| NET INCOMING/(OUTGOING) RESOURCES BEFORE OTHER GAINS AND LOSSES | | 19,300 | 51,470 |
| Unrealised gain/(loss) on investment assets | | (63,641) | 122,098 |
| Movement from Income account to Investments | | | (20,000) |
| NET MOVEMENT IN FUNDS | | (44,341) | 153,568 |
| RECONCILIATION OF FUNDS | | | |
| Balance brought forward on 1 January | | 748,247 | 594,679 |
| Balance carried forward on 31 December | | 703,906 | 748,247 |

BALANCE SHEET AS AT 31ST DECEMBER 2022

| | NOTES | 2022 | 2021 |
|---|-------|----------------|----------------|
| FIXED ASSETS | | £ | £ |
| Investments | 6 | 630,028 | 693,669 |
| Fixed Deposits | 7 | 211 | 154 |
| CURRENT ASSETS | | | |
| Cash at bank and in hand | | 74,147 | 54,904 |
| CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | | (480) | (480) |
| TOTAL CHARITY FUNDS | | 703,906 | 748,247 |

NOTES TO FINANCIAL STATEMENTS

For year ended 31st December 2022

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

£169 of Gift Aid was claimed during the year (2021: £nil).

4. Legacies

An additional £25,000 of the Crawshaw legacy was received (2021: £55,000).

5. Grants

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

| | 2022 | 2021 |
|-------------------------|--------------|--------------|
| | £ | £ |
| Architects Fees | 1,008 | 1,728 |
| Insurance | 874 | 849 |
| Maintenance and repairs | 4,013 | 1,348 |
| Miscellaneous | 282 | - |
| Total | 6,177 | 3,925 |

6. Investments

| | Income class shares £ | Acc'n class shares £ | Total £ |
|----------------------------|--|---|--------------------|
| Cost or valuation | | | |
| At 1 January 2022 | 2,067 | 691,602 | 693,669 |
| Valuation changes | (244) | (63,397) | (63,641) |
| At 31 December 2022 | 1,823 | 628,205 | 630,028 |

The investments are CCLA CBF Church of England Fund Shares. At 31 December 2022 the charity held 88.25 Income class shares and 11,459.83 Accumulation class shares.

7. Fixed Deposits

| | 2022 | 2021 |
|-------------------------------------|-------------|-------------|
| | £ | £ |
| CCLA Church of England Deposit Fund | 211 | 154 |

Independent examiner's report For the year ended 31 December 2022

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 2022, 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; 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.



J R Caladine FCCA

Caladine Limited

Chartered Certified Accountants

Chantry House, 22 Upperton Road

Eastbourne, BN21 1BF

Date: 28 February 2023