

**THE PAROCHIAL CHURCH COUNCIL OF
ST MICHAEL AND ALL ANGELS, BARNES**

Financial Statements

For the year ended 31 December 2019

Page 2	Independent Examiner's report
Page 3 - 12	Annual Report
Page 13	Statement of Financial Activities
Page 14	Balance Sheet
Pages 15 - 25	Notes to the Financial Statements

Incumbent: The Rev'd Stephen Stavrou
The Vicarage
39 Elm Bank Gardens
Barnes
London SW13 0NX

Bank: Barclays Bank
George Street
Richmond
Surrey

Independent Examiner: Alison Jones FCA
Kreston Reeves LLP, Chartered Accountants
One Jubilee Street
Brighton
East Sussex
BN1 1GE

Registered Charity Number: 1133927

INDEPENDENT EXAMINERS REPORT

TO THE PAROCHIAL CHURCH COUNCIL OF ST MICHAEL AND ALL ANGELS, BARNES

I report on the financial statements of the PCC for the year ended 31 December 2019, which are set out on pages 3 to 25.

Respective responsibilities of the Trustees and the Independent Examiner

The charity trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 and that an independent examination is needed.

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 Act').

It is my responsibility to:

- examine the accounts under the Church Accounting Regulations 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 statement

My examination was carried out in accordance with general directions given by the Charity Commission and found in the Church Guidance, 2013 edition. 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 you the 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

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.

Kreston Reeves LLP

Alison Jones FCA
Kreston Reeves LLP, Chartered Accountants
One Jubilee Street
Brighton
East Sussex
BN1 1GE
Date: 18 June 2020

ST MICHAEL AND ALL ANGELS, BARNES

ANNUAL REPORT

For the year ended 31 December 2019

Administrative Information

St Michael and All Angels Church is situated in Elm Bank Gardens, Barnes, London SW13. It is part of the Diocese of Southwark within the Church of England. The correspondence address is The Vicarage, 39 Elm Bank Gardens, Barnes, London SW13 0NX.

PCC members who have served from 1 January 2019 until the date this report was approved are:

Incumbent:	The Rev'd Stephen Stavrou
Assistant Priest:	The Rev'd Judith Roberts
Assistant Curate	The Rev'd Martin Calderbank (appointed July 2019)
Wardens:	Andrew Childs Jane Bennett Powell
Deanery Synod Representatives:	Jane Bennett Powell (appointed April 2019) Bennet Summers (appointed April 2019) Caroline Bull (resigned April 2019)
Ex Officio members:	Jacqueline Russell (Treasurer)
Elected Members:	Marion Kreling Andrew Puddifoot Charles Law Lucy Barnes Phillip Keightley Denise Poulton Frederick Appleby Lizzie Hackett Brown Eleanor Stanier (secretary) Simon Livingstone (appointed April 2019) Gemma Curran (appointed April 2019) Andrew Turton
Parish Safeguarding Officer:	Lucy Barnes (resigned January 2020) Camilla Harries (appointed January 2020)

Structure, governance and management

The PCC is governed by the PCC Powers Measure (1956) as amended and church representation rules. Members of the PCC are either ex officio or elected by the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules. All church attendees are encouraged to register on the Electoral Roll and stand for election to the PCC.

The PCC meets at least four times a year and operates through two sub-committees which meet between full meetings of the PCC. These comprise the Standing Committee and the Finance Committee.

ST MICHAEL AND ALL ANGELS, BARNES

ANNUAL REPORT

For the year ended 31 December 2019

The Parochial Church Council (PCC) is the church's governing body and its members for the time being are de facto the church's Trustees. They are co-trustees with the Diocesan Board of Finance for the Trust Land held by the church. Members of the PCC are elected by members of the congregation on the church's Electoral Roll at the Annual Parochial Church Meeting. PCC membership, in accordance with Church of England practice, will not normally exceed three years.

Objectives and Activities

The PCC of St Michael and All Angels, Barnes has the responsibility to co-operate with the incumbent, Fr Stephen Stavrou, in promoting in the ecclesiastical parish the whole mission of the church, pastoral, evangelistic, social and ecumenical. It also has responsibility for the maintenance of the Church and the control of expenditure.

Achievements and performance

Church Attendance

St Michael's Electoral Roll stands at 169. The average monthly count of the congregation taken on Sundays during October/November 2019 was 102.

VIEW FROM THE VICARAGE 2020

Please note: The report below was written before the outbreak of corona virus in the UK and the subsequent 'lockdown' which resulted in the suspension of services in the church building. I have left the report unchanged as representative of the situation at the time it was written. However, an immediate impact upon the life of St Michael's has been the movement of services online to be accessed by people from their homes, and the delay or cancellation of other activities such as the pilgrimage to Rome, the Midsummer Fete and the Annual Parochial Church Meeting itself. A fuller report on the effects on the parish will be written at an appropriate time.

'O ye angels of the Lord, bless ye the Lord: praise and magnify him forever.'

These words from Benedicite are inscribed in golden Latin script above the High Altar in the apse at Saint Michael's. While every church is first and foremost called to the worship of Almighty God, the dedication of our church to Saint Michael & All Angels points to a particular charism of our community to worship the Lord in the beauty of holiness as a witness to the angelic ministry of eternal praise. It is this vision of heaven which inspires our worship at Saint Michael's, and I have structured this review around our Vision Statement with its three aspects

1. HOLY – A celebration of worship in the beauty of holiness

Our worship may be largely formal in nature, but occasions like Christmas with our famous 'Panto sermon' demonstrates that solemnity is not incompatible with laughter and a sense of fun. Who can ever forget our Curate, Father Martin, and Head Server, Andy Puddifoot, playing the quarrelsome Ugly Sisters just a little too well! In this way, we surprise and delight people who may discover that the Faith has more joy than they realised.

In the last year we have sought to strengthen our music through the launching of a new Choral Scholarships programme. We appointed our first Choral Scholar, Kerensa Briggs, but after a few months Kerensa reluctantly decided to step down due to other commitments. Nevertheless, I am not downhearted. My initial research indicated that it can take several years for such schemes to become established and they are increasingly popular as they become known and young singers work towards them. Thank you to our donors, and we look forward to a new round of recruitment after Easter. Over the last year we have also enjoyed getting to know Philip Berg who plays the organ at some of our evening services.

Our worship has been enriched by a number of visiting preachers. Bishop Christopher of Southwark joined us for our Corpus Christi Open-Air Mass, and Archdeacon John Kiddle came shortly afterwards for the Evensong and Parish Garden party in July. The Dean of Saint Paul's preached at Michaelmas

ST MICHAEL AND ALL ANGELS, BARNES

ANNUAL REPORT

For the year ended 31 December 2019

and the Diocesan Secretary, Ruth Martin, was with us for our October Stewardship Sunday. In Advent we welcomed preachers as diverse as Fr Duncan Dormor of USPG, Fr Robert Stanier (Vicar in Surbiton, and son of Eleanor Stanier in our congregation), Fr Justin White from Westminster Abbey and the Bishop's Chaplain, Fr Joshua Ray. By the time you read this we will have welcomed Fr Andrew Hammond, Chaplain of St John's College, Cambridge as our Holy Week preacher. Such varied preachers bring different perspectives, styles and ideas to enrich our worship.

A group of pilgrims from Saint Michael's visited the Shrine of Our Lady of Walsingham in May for the National Pilgrimage when people from all over the country come together in 'England's Nazareth'. By Divine intervention it smiled with sunshine on the two outdoor services and processions, but the heavens opened in the breaks in-between – prompting us pilgrims to dive for cover! Pilgrimages help us to nurture our faith in the God who is with us in the world and I am looking forward to our pilgrimage to Rome later in 2020.

A particular highlight of the last year for me was an invitation from the Bishop of Southwark, along with a few other Southwark clergy to be present in Rome for the canonisation of Saint John Henry Newman. As the founder of the Oxford Movement, which later developed into the Catholic movement in the Church of England, Newman is a spiritual father for Saint Michael's which stands in that tradition. It was a great honour to be at the canonisation Mass at the Vatican along with other Anglicans, sitting just beside the Papal throne on the steps of Saint Peter's! We were shown particular courtesy and welcome throughout the weekend of celebrations and the whole experience was a deeply moving experience of ecumenical friendship. St John Henry ora pro nobis.

Other memorable services in the year include the wedding of Nicholas Harries and Camilla Tillyard, a very well-attended Choral Requiem for All Souls, and ever more popular Nativity service.

2. ACTIVE – Reaching out to our communities

As well as praise, angels have another purpose, evident by their name which means 'messenger'. From this we may derive our second charism as a church to share the Good News of Christ with the people of our parish.

There are many events throughout the year that act as mission and outreach in our parish. I would particularly like to mention the Barnes Art Fair, now in its second year and doubled in size, which not only raised funds for Saint Michael's, but also brought large numbers of people into the church to see the artistic talent that exists in our community. I pay tribute to the team behind the Midsummer Fete which continues to grow and renew itself – and we have exciting plans for further development in 2020. Let me also mention briefly the Michaelmas Dinner and the Variety Show, both of which were highlights of the last year. Ever since seeing ballet dancer Hannah Childs hit a tambourine with her foot whilst holding it six feet in the air, I have been attempting to do the same, with very different results!

The PCC Away Day in September was again held at St Nicholas', Chiswick, and once again proved its worth in terms of strategic thinking and planning. Entitled 'Authentic Mission', it incorporated Bible study, worship, work on our Church Hall project, and Mission Action Plan. With regard to the latter, we reviewed our current MAP which has come to the end of its three-year life and noted:

- The particular success of the Barnes Art Fair (as described above)
- The somewhat mixed success of the Toddler Group which after a promising start has been discontinued due to lack of attendance.
- The delayed but still intended project to install glass doors at the main entrance to the church on the south side.

There is nothing wrong with this mixed picture. Some projects are successful, and others turn out not to be. We shouldn't be afraid of this, they are a learning experience, and apparent 'failure' is God's way of telling us to think again about the needs of our parish and how to engage with its people. The last part of the day was focused on looking ahead to a new Mission Action Plan which we hope to launch later this year, and we made the following observations with the assistance of input from the congregation:

ST MICHAEL AND ALL ANGELS, BARNES

ANNUAL REPORT

For the year ended 31 December 2019

- There is much more acceptance of change and St Michael's is less resistant to it.
- St Michael's feels more dynamic and there is a sense of momentum and direction.
- Greater openness and inclusivity.
- Our Catholic tradition needs to be celebrated and perhaps explained to some people.
- Increased use of social media which reaches out to people.
- Significant increases in confirmations of both adults and children.
- There is a desire to involve younger people and a wider group of people in the life of the church. More people are involved in activities, but even more needed.
- A desire to move forward with the Church Hall project.
- It is important to keep aware of pastoral issues.

I will leave the Churchwardens to comment further on the Church Hall Project, but back in November I was very encouraged by the second stage of consultation on some initial plans, which were well received by the community. This project is moving slowly, but we seem to be getting the process right and bringing people with us, and it therefore has a greater likelihood of success in the long run.

Our annual programme of confirmation preparation is now well-established and last year 9 children and 4 adults were confirmed. This year 7 children and 3 adults are currently preparing to be confirmed. This recovery of the Sacrament of Confirmation and the increase in people's faith, is a tangible fruit of our mission.

All this is a cause for much positivity, but we need to remain attentive to wider patterns of declining Christian observance and church attendance in our society, which means that we will need to be increasingly creative and intentional about our outreach if we want Saint Michael's to thrive. It is a question of how we can reimagine our Catholic tradition in a compelling and attractive way for our time.

3 OPEN – Welcoming and engaging

The openness of our church building and our churchyard is a practical expression of the welcoming love of God. It was therefore, with particular sadness and distress that, out of the blue, we received an application from a local resident to put a right of way through the churchyard. This ungracious and unnecessary action has rightly been criticised by many people in the church and local community when access to the churchyard has never been in question. Initially Richmond Council found against the application, but the decision was overturned on appeal. It was particularly frustrating to see how much misinformation became current in the community. The nature of the application was such that many people were given the impression that access to the churchyard was somehow under threat. I would like to pay tribute to Saint Michael's which, over many years, has given general access to our churchyard to the public as an act of generosity and kindness. It is such hospitality, given freely rather than by compulsion which binds our community together in service to one another and witness to God. I want to thank those who gave considerably of their time and energy to respond to it. In reality, the presence of a public right of way through our churchyard does not make much practical difference, but it was right to oppose the application in order to uphold Christian values.

One of the most exciting developments over the last year has been the formation of a group of older children/teenagers (aged around 11-14) who have started to come together for 'Youth Socials' held once a term. These have included a time of prayer followed by a fun activity. Most of them know each other through the confirmation classes, and such a group is potentially a means of keeping them engaged with the Christian faith. At a time when this age-group and older teenagers are largely missing from churches in most places, this is very promising, and I am pondering how we might continue to nurture this group of young people. Another area where children of this age (and younger) are increasingly involved is as Altar servers.

We continue to engage with a number of local schools, among them Barnes Primary school. In the last year there was a goodbye to the popular and dynamic headteacher Mark Hartley – the emotion at his farewell assembly and staff leaving party at The Brown Dog was quite remarkable. However, we all rejoiced when we heard that deputy head Sue Jepson had been appointed in his place. Sue is a pleasure

ST MICHAEL AND ALL ANGELS, BARNES

ANNUAL REPORT

For the year ended 31 December 2019

to work with supportive of a strong relationship between St Michael's and Barnes Primary as two important institutions in the local area. We have also recently formed a new relationship with Ibstock Place school which came to us for their carol services for the first time. By the time you read this I will also have attended the consecration of the new and long-awaited chapel at St Paul's Boys' School.

A new role and aspect of outreach for me has been by chaplaincy of the Barnes Air Cadets. It is novel for me to be addressed as 'Padre', but like all chaplaincy it sits on an important boundary between the sacred and the secular where the Church may encounter people who it might not normally meet, and this is perhaps particularly important in relation to teenagers such as those who are part of squadron 39F.

In the context of the wider Church's continuing muddle and disagreement over a wide range of issues related to gender, sexuality and human relationships, the PCC affirmed our long-term commitment to the organisation Inclusive Church. The acceptance of a wide range of people such as those who are gay or divorced, is so normal to us at Saint Michael's that some members of the congregation might be surprised by how angry and hurt many people in our society are by the attitude of some particular churches and the stance of the Church of England more generally – particularly when negative views are shared by various forms of media. My sense is that we need to be much more open and obvious about our inclusivity so that we can combat that impression, let people know not all churches are the same, and stand up for what we believe are Gospel values of Christ-like love and welcome.

It was that same inclusivity which 27 years ago, enabled Mthr Judith Roberts to come to us at a time when most Anglo-Catholic churches such as ours were not accepting of the ordained ministry of women. This year at Pentecost, we had the joy of celebrating the 30th anniversary of Judith's deaconing and 25th as a priest – almost all of that time at Saint Michael's! She kindly shared with us an insightful presentation of how Saint Michael's and the parish has changed over her time here. On the subject of welcome, Fr James Hutchings has now settled into Saint Mary's, Barnes, and his role as Team Rector. The loose but warm partnership between the churches of our team continues. It is a pleasure to have James as a senior colleague and he enjoys visiting Saint Michael's once or twice a quarter. Even more noticeably, we have welcomed Fr Martin Calderbank as our Curate along with his wife Louise and their three daughters. He brings with him many skills, and considering Fr Martin's work in finance, it was particularly amusing that his first two sermons coincided with Gospel passages about money – but he is allowed to preach on other subjects too! Deo volente, we look forward to Fr Martin's ordination to the priesthood and first Mass in July.

Alongside welcomes we must also list our farewells. At Corpus Christi, we said goodbye to Hayley Argles-Grant, our ordinand on placement for three years. The affection for Hayley was manifested in the extremely generous collection for her leaving present – which was such that I had to keep buying more and more! Most notably the 'trousseau' of goodies included a beautiful red stole that was blessed and presented to her by Bishop Christopher. Sadder goodbyes have taken place at various funerals, among them Rosemary Hurry, David Mertens, Stephan de Montaignac and Alan Fraser. In our prayers for them and for the bereaved, we sense how the Church on earth and the Church in heaven are one Church united in love. May they rest in peace.

It is with this love in mind that I look forward with excitement and joy to the year ahead and pray that we may continue to live our values as a church that is holy in its worship, active in service, and open in heart and mind to all that God is doing with us and among us in this place to his glory and honour.

ST MICHAEL AND ALL ANGELS, BARNES

ANNUAL REPORT

For the year ended 31 December 2019

Financial Review

What a difference a month makes. At the Finance Committee in February we reviewed the accounts and reflected on how successful 2019 was, regular giving was up, lettings had risen in all areas and there was a little surplus left over after all church costs. 2020 started well with good fundraising, both from the Quiz and another strong music event as part of the Barnes Festival. However, with churches now shut as part of the Covid 19 pandemic and our Church Hall and Community Centre now empty we have turned from celebration to an exercise to minimise costs. 41 Elm Bank Gardens was without a tenant for a month. Luckily the majority of our church income comes from regular giving through standing order, but with blue envelope income and lettings now ceased for we anticipate at least three months, we are facing a tough 2020 and certainly will deliver a church general fund operational deficit, which we currently anticipate will be in the range of £20k. We will minimise our loss as much as we can by reducing our costs. We are strong enough to come through this, and we have the benefit of having a strong cash position, but the effects will be felt for a couple of years and with limited unrestricted reserves we face some tough challenges when life returns to normal.

Income

Total Income in 2019 was £251,320 compared to £238,805 last year. Regular giving is up following the regular reminders of how important stewardship is at £78,584, a growth of almost 6% which is encouraging.

Grants appeals and legacies were recorded at £10,649, of which £3,125 is restricted as that relates to funds received for our new choral scholarship fund.

Income from fundraising events was up on prior year with the surplus after costs growing strongly to £19,097 from £11,684. The surplus from music events, £4,704 in 2019, is ring fenced for the music fund.

Income from Investments (41 Elm Bank Gardens) has grown slightly to £36,744 from £35,886 however with costs also growing to £13,175 from £10,341 for Elm Bank Gardens, as we foresaw at the end of last year and £12,186 spent on church maintenance, the net return to the Fabric fund fell to £11,383 compared to £21,470.

Investment income was slightly up as a result of reinvesting some of the Arthur Ford funds and we saw income of £4,417. With strong growth at the year end the capital value reflected a £21,012 gain compared to last year's £10,101 loss – but given we are still not expected to withdraw the investment for several years any fluctuations remain just book transactions.

The Church Hall and Community Centre continue to be popular and rental incomes and fees have continued to be strong at £36,528 and £39,541 respectively compared to £32,078 and £35,170 recorded last year. Income we are going to really miss in the months we are now shut from Covid 19.

Total Income – removing the one off grants and legacies – as they are often one off and therefore restricted so we can't rely on them - and including the net return from fundraising rather than the gross fundraising income - was £220,584, an increase from £199,808, the equivalent of £4,242 a week compared to £3,842 last year – a strong 10% uplift.

Expenditure

Total expenditure grew this year to £212,829, from £206,458 predominately because of maintenance items for the church which increased to £12,186 from an unusually low level of £4,075 last year.

ST MICHAEL AND ALL ANGELS, BARNES

ANNUAL REPORT

For the year ended 31 December 2019

Extrapolation of the 3 yr trend in Income and Expenditure since 2017

	2019		2018		2017	
Total Income		£251,320		£238,805		£209,844
Less Fundraising	£39,184	(£39,184)	£41,851	(£41,851)	£28,395	(£28,395)
Fundraising Costs	£20,087		£30,167		£17,342	
Add Fundraising Surplus	£19,097	£19,097	£11,684	£11,684	£11,053	£11,053
		£231,233		£208,638		£192,502
Grants, appeals & legacies		(£10,649)		(£8,830)		(£694)
Underlying Income Trend		£220,584		£199,808		£191,808
Income per week		£4,242	10%	£3,842	4%	£3,689
Total Expenditure		£212,829		£206,458		£232,103
Less Fundraising costs		(£20,087)		(£30,167)		(£17,342)
Less Depreciation		(£14,072)		(£14,072)		(£14,072)
Exceptional costs - organ campaign						
Planning costs		£0		£0		(£6,915)
Underlying Expenditure		£178,670		£162,219		£193,774
Expenditure per week		£3,436	10%	£3,120	-16%	£3,726
Net Surplus/(Deficit) before Depreciation, Legacy Income & Investment loss		£41,914		£37,589		(£1,966)
Surplus/(Deficit) per week		£806		£723		(£38)
Surplus/(Deficit) per month		£3,493		£3,132		(£164)
Splitting Recurring Loss between Income Streams						
Church Hall		£24,545		£20,800		£11,945
Community Centre		£19,827		£19,042		£20,436
Fabric Fund (Surplus on EBG less maintenance)		£11,383		£21,470		(£6,261)
Church		(£13,841)		(£23,723)		(£28,086)
Net Surplus/(Deficit) before Depreciation, Legacy Income & Investment loss		£41,914		£37,589		(£1,966)
Net Church surplus/(loss) after Community Centre		£5,986		(£4,681)		(£7,650)

Ignoring depreciation and removing the costs of fundraising our underlying expenditure trend in the above table shows an increase of 10% but remains less than in 2017. We are averaging expenditure of £3,436 per week, compared to £3,120 and are in surplus, in 2019 by £41,914, which has helped to increase our cash. However when we look at the key source of this we can see that so much of our income and cash growth is due to income from 41 Elm Bank Gardens, and therefore ring fenced for the Fabric Fund for long term maintenance of the church and Community Centre, or from Hall income which we are trying to maximise to set aside for the new development. The good news is that the church loss is entirely covered this year by the Community Centre, with a small annual surplus of £5,986 remaining which reflects the success that was achieved this year by increasing our stewardship, fundraising and lettings – I suspect we are going to need all of this and more to cover the coming year.

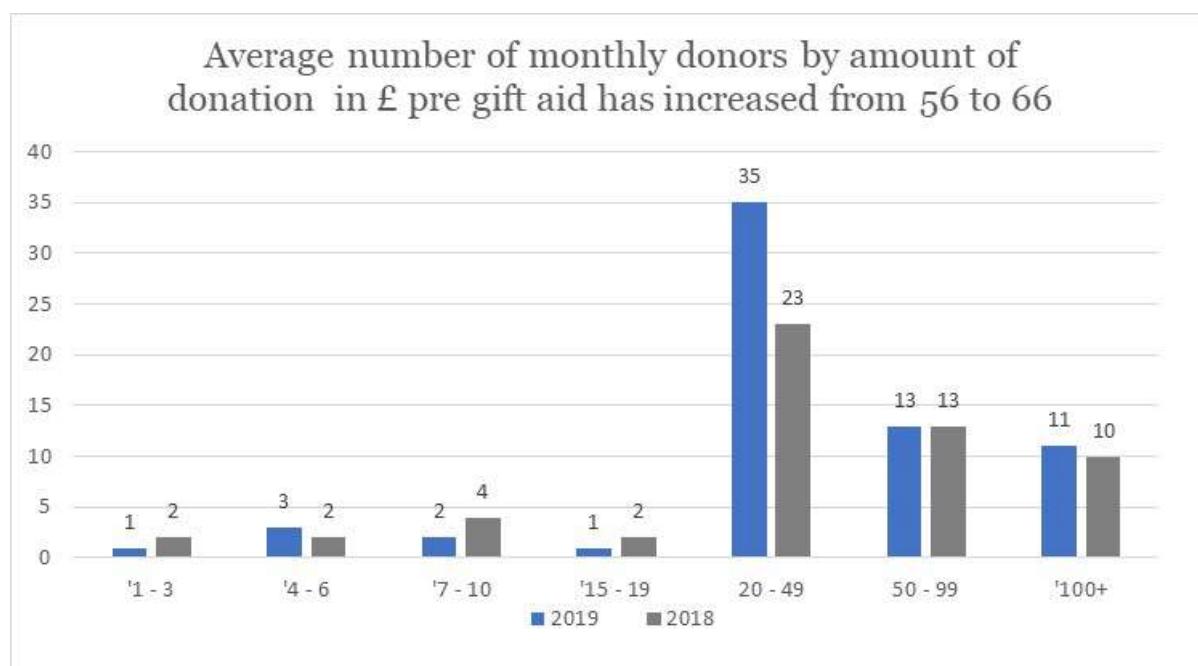
Review of 2019 stewardship and Outlook for 2020

Over the last couple of years', I am pleased to say that through regular discussions on stewardship we are now steadily increasing our planned giving. The number of parishioners now in regular planned giving has increased to 66 from 56, with the majority, around 70% giving via standing order. We have seen a growth in the total number of donations, especially around £20 - £49 amount. The average amount of giving has remained stable with October 2019 noted at £45 compared to the 2018 levels of £46, which is encouraging as it shows we are less reliant on a smaller number. We have more individuals giving with the average remaining, which is a very encouraging trend.

ST MICHAEL AND ALL ANGELS, BARNES

ANNUAL REPORT

For the year ended 31 December 2019



Our new challenge is how we protect our income in 2020 while the church remains shut due to Covid 19 with blue envelope giving ceasing. The majority of our costs remain, namely the costs we pay as our contribution to the Diocese for our clergy, and while we are reducing office costs and utilities with the church shut in the warmer months this will not be as high as hoped. With on-line services, fundraising continuing and giving available via text the opportunities are there but with many facing tough financial situations in their personal lives this is going to be a challenging year, but one I am confident we can come through if we allow ourselves to be flexible.

The drop in lettings income will have a significant effect as the church will now be unable to rely on the income from the Community Centre to purely subsidise it. It is likely that surplus funds from all sources not only the Community Centre but also from 41 Elm Bank Gardens and from the Hall will need to be re directed to support core church activities in 2020. With our fund positions strong at 1 January 2020 at £79,893 for Fabric and £69,446 for the Hall plus £5,086 for the Community Centre if we re direct all surpluses this year we will survive the current crisis and be in a stable position at the end of 2020. We will need to constantly monitor this as we go through next year.

Unrestricted and Designated Funds

Unrestricted funds encompass funds for the general running of the Church, Church Hall and Community Centre and include the Fabric Fund, Music Fund, Hall Renovation Fund and Arthur Ford Community Fund. The deficit from the General Fund is eliminated by a transfer from the Community Fund and from the Church Hall fund if required. Any surplus remaining from the Church Hall fund is transferred to the Hall Renovation Fund.

This year we set up a new choral sponsorship fund to provide choral scholarships to new young members of our choir.

The fabric fund, which is set aside to fund the fabric of the Church and the Community Centre is £79,893. The balance on the Hall Renovation Fund is £69,446.

The fabric fund continues to repay the Arthur Ford following £95,897 borrowed in 2010 to renovate Elm Bank Gardens. £20,000 remains to be repaid having made a further £10,000 transfer this year.

The balance on Arthur Ford Community Fund is now £214,821, all of which is re-designated for the development of the Hall. Arthur Ford's wish was for his funds to be for the needs of the people of the parish and as such we felt allocating these funds to this project was appropriate. As part of the business plan for the Hall we have proposed that once the new Hall is established and generating surpluses we

ST MICHAEL AND ALL ANGELS, BARNES

ANNUAL REPORT

For the year ended 31 December 2019

will allocate a % of any Hall surplus back to a Community fund for ad hoc projects so ensuring his endowment continues into the future.

Endowment Funds

These include the assets of St Michaels. The Campaign for St Michael's which includes the build cost for the Community Centre now reflects the value of the asset of the cloisters, after depreciation, of £521,131. The total value of all funds rose by £59,503 to £1,955,320.

Public Benefit Reporting

The Parochial Church Council confirms that it follows the Charity Commission guidance on public benefit in setting its objectives and believes it has fully fulfilled its obligations with the variety of work and activities undertaken throughout the community. St Michael & All Angels is registered as a Charity under Charity Number 1133927.

Reserves Policy

The policy of the Parochial Church Council is to target a level of reserves in the General Fund equal to three months' running costs of the church, excluding planning hall and community centre costs, which at a run rate of £3,436 per week, equates to a total of £41,232. This remains a target, albeit an ambitious one. The Parochial Church Council have designated any surplus on the Community Centre for the purposes of the church and the general fund and approved the allocation of part of the Hall Surplus to repay the remaining deficit. In 2020 the Parochial Church Council will vote on whether income from Elm Bank Gardens can also be used to offset the deficit.

Investment Policy and Cash Deposits

The Finance Committee have developed what they regard as a mixed risk strategy with all funds invested in the CCLA UK Equity Income Fund/cash deposits with the CCLA and Barclays Bank. The Parochial Church Council reinvested a proportion of the Arthur Ford fund in the CCLA UK Equity Income Fund in 2019 and will review this investment decision approximately six month prior to these funds being required, which is not expect to be until 2021 at the earliest.

Risk Management

The Parochial Church Council has assessed the major risk to which St Michael's might be exposed, in particular those related to the activities and finances of the Church, and is satisfied that there are systems and processes in place to mitigate exposure to any major risk. The Finance Committee reviews the financial position of the church at least quarterly, while the Churchwardens regularly report on the status of the fabric of the church and other buildings to determine appropriate courses of action. Fabric and Finance are standing items on PCC agendas.



Father Stephen Stavrou (Vicar)

On behalf of the PCC

ST MICHAEL AND ALL ANGELS, BARNES

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2019

	Notes	Unrestricted funds 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total funds 2019 £	Total funds 2018 £
<i>Income from:</i>						
Donations and legacies	2(a)	86,108	3,125	-	89,233	87,486
Other trading activities	2(b)	40,079	-	-	40,079	42,916
Investments	2(c)	41,161	-	-	41,161	37,498
Charitable church activities	2(d)	80,847	-	-	80,847	70,902
		-----	-----	-----	-----	-----
TOTAL INCOME		248,195	3,125	-	251,320	238,805
		-----	-----	-----	-----	-----
<i>Expenditure on:</i>						
Raising funds	3(a)	20,087	-	-	20,087	30,167
Managing Investments	3(b)	13,175	-	-	13,175	10,341
Charitable church activities	3(c)	164,799	250	14,518	179,567	165,950
		-----	-----	-----	-----	-----
TOTAL EXPENDITURE		198,061	250	14,518	212,829	206,458
		-----	-----	-----	-----	-----
NET INCOME/(EXPENDITURE) BEFORE INVESTMENT GAINS		50,134	2,875	(14,518)	38,491	(32,347)
		-----	-----	-----	-----	-----
NET GAIN/(LOSS) ON INVESTMENT		21,012	-	-	21,012	(10,101)
		-----	-----	-----	-----	-----
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS		71,146	2,875	(14,518)	59,503	22,246
		-----	-----	-----	-----	-----
TRANSFER BETWEEN FUNDS		-	-	-	-	-
		-----	-----	-----	-----	-----
NET MOVEMENT IN FUNDS		71,146	2,875	(14,518)	59,503	22,246
		-----	-----	-----	-----	-----
BALANCE AT 1.1.2019		308,224	-	1,587,593	1,895,817	1,873,571
		-----	-----	-----	-----	-----
BALANCE AT 31.12.2019		379,370	2,875	1,573,075	1,955,320	1,895,817
		=====	=====	=====	=====	=====

The notes on pages 15 to 25 form part of these financial statements.

ST MICHAEL AND ALL ANGELS, BARNES

BALANCE SHEET As at 31 December 2019

	Note	2019		2018	
		£	£	£	£
Fixed assets:					
Tangible fixed assets	6		772,131		786,203
Investment property	6		800,000		800,000
Investments	7		130,911		109,899
			<u>1,703,042</u>		<u>1,696,102</u>
Current assets:					
Debtors	8	8,112		8,424	
Short term deposits		84,567		80,151	
Cash at bank		<u>183,780</u>		<u>137,099</u>	
		276,459		225,674	
Creditors – Amounts falling due within one year:					
	9	<u>(24,181)</u>		<u>(25,959)</u>	
Net current assets			<u>252,278</u>		<u>199,715</u>
Total assets less current liabilities			1,955,320		1,895,817
Net assets			<u><u>1,955,320</u></u>		<u><u>1,895,817</u></u>
Funds:					
Endowment funds	10,11 & 12		1,573,075		1,587,593
Unrestricted funds	10 & 12		379,370		308,224
Restricted funds	10 & 12		2,875		-
			<u>1,955,320</u>		<u>1,895,817</u>

Approved by the Parochial Church Council on...21st May 2020...and signed on its behalf by:



Jacqueline Russell
(Honorary Treasurer)

The notes on pages 15 to 25 form part of these financial statements.

ST MICHAEL AND ALL ANGELS, BARNES

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2019 (continued)

1 ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with the current Church Accounting Regulations to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes 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 Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

They have also been prepared under the historic cost convention, except for the valuation of fixed assets which are shown on the basis described below.

They include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe an affiliation to another body nor those that are informal gatherings of church members.

Funds

Funds held by the PCC are:

Unrestricted funds:

- Undesignated funds which can be used for PCC ordinary purposes.
- Designated funds – monies set aside by the PCC out of unrestricted funds for specific future purposes or projects. Funds for the day-to-day running of the Church Hall and the Community Centre, and the Fabric Fund, have been designated in this way.

Restricted funds, which comprise either (a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest or (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.

Endowment funds – funds the capital of which must be maintained. Only income arising from the investment of the endowment may be used, either as restricted or unrestricted funds, depending on the purpose set out in the terms of the original endowment. A list of the endowment funds is in note 10 to the financial statements.

ST MICHAEL AND ALL ANGELS, BARNES

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2019 (continued)

Accounting Policies - continued

Income

All income is accounted for gross of taxes.

Donations, legacies and capital sources

Collections are recognised when received by or on behalf of the PCC.

Planned giving receivable under gift aid is recognised only when received.

Income tax recoverable on gift aid donations is recognised when claimable from HMRC.

Grants and legacies are accounted for when the PCC is legally entitled to the amount due, it is probable that the income will be received, and the amount can be measured with sufficient reliability.

Other income

Rental income from the letting of the church hall is recognised when the rental is due.

Investment income

Interest is received gross of taxes and accounted for when receivable.

Rental income from 41 Elm Bank Gardens is recognised when the rental falls due.

Expenditure

Expenditure is accounted for on an accruals basis and is accounted for gross of taxes.

Liabilities are recognised as expenditure where that is a legal or constructive obligation, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Grants and church activities

Grants and donations are accounted for when paid over or when awarded, if that award creates a binding obligation on the PCC. All church activity costs are accounted for on a full accrual's basis and any prepayments or accruals are shown in the balance sheet as either current assets or current liabilities.

Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below;

- Valuation of the investment property has been undertaken by the trustees themselves. The basis for the valuation includes consideration of the declining property market around the area of Barnes they foresee, and the level of work required to bring the property into a resalable condition.

ST MICHAEL AND ALL ANGELS, BARNES

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2019 (continued)

Accounting Policies - continued

Tangible fixed assets and depreciation

Consecrated land and buildings and movable church furnishings

The value of consecrated and beneficed property of any kind is excluded from the financial statements under section 10(2)(a) and (c) of the Charities Act 2011. Moveable church furnishings held by the vicar and church wardens on special trust for the PCC and requiring a faculty for disposal are accounted for as inalienable property, unless consecrated. Inalienable property acquired prior to 2000 is not valued in the financial statements, as there is insufficient information available. From 1 January 2001, the acquisition cost of such an item, where it exceeds £1,000, is capitalised and depreciated over its anticipated useful life.

Other fixtures, fittings and office equipment

Individual items of equipment costing £1,000 or less are written off when the asset is acquired. Items costing more than £1,000 are depreciated over 3 years on a straight-line basis.

Land

No depreciation is charged on the value attributed to land.

St Michael's Community Centre

Depreciation is provided to write off the cost of the Community Centre over its useful life of 50 years.

Investment properties

Certain of the charity's properties are held for long term investment. In accordance with the Financial Reporting Standard 102, investment properties are included in the balance sheet initially at their cost. Subsequently investment properties are valued at fair value through the Statement of Financial Activities. No depreciation or amortisation is provided in respect of freehold investment properties and leasehold investment properties with over 20 years to run.

This policy represents a departure from statutory accounting principles, which require annual depreciation of fixed assets. The members believe that this policy of not providing depreciation or amortisation is necessary for the financial statements to give a true and fair view, since the current value of investment properties, and changes in that current valuation, are of primary importance rather than a calculation of annual depreciation. Depreciation or amortisation is only one of the many factors reflected in the annual valuation, and the amount which might otherwise have been shown cannot be simply identified or quantified.

Going Concern

These accounts have been prepared on a going concern basis.

Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

Current assets

Amounts owing to the PCC on 31 December in each year in respect of fees, rents and other incomes are shown as debtors less any provision for amounts that may prove uncollectible. Short term deposits include cash on deposit either with the CBF Church of England Funds or with the PCC's bank.

Cash

Cash comprises cash on hand, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

ST MICHAEL AND ALL ANGELS, BARNES

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2019 (continued)

Accounting Policies - continued

Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

ST MICHAEL AND ALL ANGELS, BARNES

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2019 (continued)

2 INCOME:

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds	
				2019 £	2018 £
<i>2(a) Donations and legacies</i>					
Planned giving:					
Gift Aid donations	55,231	-	-	55,231	50,211
Income tax recoverable	15,122	-	-	15,122	15,477
Collections	8,231	-	-	8,231	8,464
	-----	-----	-----	-----	-----
Regular giving	78,584	-	-	78,584	74,152
Sundry donations	-	-	-	-	4,505
Grants, appeals, legacies etc	7,524	3,125	-	10,649	8,830
	-----	-----	-----	-----	-----
	86,108	3,125	-	89,233	87,489
	-----	-----	-----	-----	-----
<i>2(b) Other trading activities</i>					
Fundraising events	39,184	-	-	39,184	41,851
Catering	895	-	-	895	1,065
	-----	-----	-----	-----	-----
	40,079	-	-	40,079	42,916
	-----	-----	-----	-----	-----
<i>2(c) Income from investments</i>					
Rent from 41 Elm Bank Gardens	36,744	-	-	36,744	35,886
Rent from Boileau Road	-	-	-	-	-
Investment income	4,417	-	-	4,417	1,612
	-----	-----	-----	-----	-----
	41,161	-	-	41,161	37,498
	-----	-----	-----	-----	-----
<i>2(d) Income from charitable church activities</i>					
Church Hall lettings	36,528	-	-	36,528	32,078
Fees (weddings etc)	4,478	-	-	4,478	3,354
Community Centre lettings	39,541	-	-	39,541	35,170
Pastoral care	300	-	-	300	300
	-----	-----	-----	-----	-----
	80,847	-	-	80,847	70,902
	-----	-----	-----	-----	-----
TOTAL INCOME	248,195	3,125	-	251,320	238,805
	-----	-----	-----	-----	-----

ST MICHAEL AND ALL ANGELS, BARNES

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2019 (continued)

3 EXPENDITURE:

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds	
				2019 £	2018 £
3(a) <i>Raising funds</i>					
Fund-raising events	20,087	-	-	20,087	30,167
	-----	-----	-----	-----	-----
	20,087	-	-	20,087	30,167
	-----	-----	-----	-----	-----
3(b) <i>Cost of managing investments</i>					
41 Elm Bank Gardens	13,175	-	-	13,175	10,341
	-----	-----	-----	-----	-----
	13,175	-	-	13,175	10,341
	-----	-----	-----	-----	-----
3(c) <i>Charitable Church activities</i>					
Missionary and charitable giving	4,321	-	-	4,321	4,090
Diocesan pledge	72,000	-	-	72,000	72,000
Clergy expenses	539	-	-	539	710
Church running costs	12,261	-	-	12,261	11,125
Church hall running costs	11,983	-	-	11,983	11,278
Community Centre running costs	19,714	-	-	19,714	16,128
Church maintenance	12,186	-	-	12,186	4,075
Organ, organist and music	10,733	-	-	10,733	10,591
Books and subscriptions	461	-	-	461	666
Fees remitted to Diocese	1,709	-	-	1,709	1,584
Depreciation	-	-	14,072	14,072	14,072
Miscellaneous	2,628	250	446	3,324	3,571
Parish office	13,879	-	-	13,879	13,096
Bank charges	561	-	-	561	512
Profit on disposal of fixed asset	(826)	-	-	(826)	
Support costs (note 4)	2,650	-	-	2,650	2,452
	-----	-----	-----	-----	-----
Total church activities	164,799	250	14,518	179,567	165,950
	-----	-----	-----	-----	-----
TOTAL EXPENDITURE	198,061	250	14,518	212,829	206,458
	-----	-----	-----	-----	-----

ST MICHAEL AND ALL ANGELS, BARNES

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2019 (continued)

4. ALLOCATION OF SUPPORT COSTS

Support costs consisting of accountancy fees have been allocated to the churches activities on the following basis;

	Allocation	Charitable church activities	
		2019 £	2018 £
Accountancy fees	100%	2,650	2,452

5. PCC MEMBERS' BENEFITS AND STAFF COSTS

Two members of the PCC (the vicar and the Assistant Priest) were reimbursed for expenses of £539 (2018: £710). No members of the PCC received remuneration for services as trustees. The average number of employees in the year was 1 (2018: 1), and their total emoluments were £10,064 (2018: £8,288).

6. FIXED ASSETS

Tangible Fixed Assets	St Michael's Community Centre £	Church Hall £	Boileau Road £	Piano £	Total £
Cost or valuation					
At 1 January 2019	704,097	250,000	1,000	5,433	960,530
Disposals at cost	-	-	-	(5,433)	(5,433)
Cost as at 31 December 2019	<u>704,097</u>	<u>250,000</u>	<u>1,000</u>	<u>-</u>	<u>955,097</u>
Depreciation					
At 1 January 2019	168,894	-	-	5,433	174,327
Charge for the year	14,072	-	-	-	14,072
Eliminated on disposal	-	-	-	(5,433)	(5,433)
At 31 December 2019	<u>182,966</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>188,399</u>
Net book value					
At 31 December 2019	<u>521,131</u>	<u>250,000</u>	<u>1,000</u>	<u>-</u>	<u>772,131</u>
<i>At 31 December 2018</i>	<u><i>535,203</i></u>	<u><i>250,000</i></u>	<u><i>1,000</i></u>	<u><i>-</i></u>	<u><i>786,203</i></u>

The Title for the Church Hall is held by the South London Church Fund and Southwark Diocesan Board of Finance as Custodian Trustee for the PCC. The PCC have the right to the income the Church Hall generates and the obligation for maintaining the building, and the right to proceeds were the Church Hall to be sold.

The book value of St Michael's 1.03% share of Boileau Road (the Team Curate's house) is £1,000 based on the purchase price in 1992.

Investment property	Investment Property £
Cost or valuation	
At 1 January and 31 December 2019	<u>800,000</u>

ST MICHAEL AND ALL ANGELS, BARNES

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2019 (continued)

6. FIXED ASSETS - Continued

At the year ended 31 December 2019 the PCC agreed that they believe the current valuation of £800,000 of 41 Elm Bank Gardens was appropriate. The cost of incurring a valuation is regarded as an undesirable use of church funds.

7. INVESTMENTS

	CCLA Income Shares £
Market value	
Value at 1 January 2019	109,899
Revaluation	<u>21,012</u>
Net book value	
At 31 December 2019	130,911
<i>At 31 December 2018</i>	<u><u>109,899</u></u>

Had the investments been carried at historical cost their value would be £120,000.

8. DEBTORS	2019	2018
	£	£
Income tax recoverable	5,581	3,834
Prepayments and other debtors	2,531	4,590
	<u>8,112</u>	<u>8,424</u>

9. LIABILITIES

	2019	2018
Amounts due within one year	£	£
Creditors and accruals	21,634	23,412
St Michael's Guild	341	341
St Michael's counselling service	2,206	2,206
St Matthew Passion	-	-
	<u>24,181</u>	<u>25,959</u>

St Michael's Guild is an informal gathering of church members, and St Michael's counselling service, which also works in association with St Michael's, both operate independently of the PCC.

ST MICHAEL AND ALL ANGELS, BARNES

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2019 (continued)

10 . ANALYSIS OF NET ASSETS BY FUND

	Fixed assets	Bank	Debtors	Creditors	Net assets
	£	£	£	£	£
<u>Unrestricted:</u>					
<i>Undesignated</i>					
General Fund	-	10,835	5,758	(16,593)	-
<i>Designated</i>					
Fabric Fund	-	80,321	440	(868)	79,893
Community Centre	-	9,133	-	(4,047)	5,086
Church Hall	-	1,840	695	(2,535)	-
Music Fund	-	9,249	875	-	10,124
Hall Renovation Fund	-	69,446	-	-	69,446
Arthur Ford Community Fund	130,911	83,910	-	-	214,821
	-----	-----	-----	-----	-----
	130,911	264,734	7,768	(24,043)	379,370
	-----	-----	-----	-----	-----
<u>Endowment:</u>					
Campaign for St Michaels	521,131	-	-	-	521,131
Church Hall	250,000	-	-	-	250,000
41 Elm Bank Gardens	800,000	-	-	-	800,000
52 Boileau Road	1,000	-	-	-	1,000
Packham Fund	-	1,082	-	(138)	944
	-----	-----	-----	-----	-----
	1,572,131	1,082	-	(138)	1,573,075
	-----	-----	-----	-----	-----
<u>Restricted funds:</u>					
Choral Sponsorship Fund	-	2,531	344	-	2,875
	-----	-----	-----	-----	-----
	-	2,531	344	-	2,875
	-----	-----	-----	-----	-----
	1,703,042	268,347	8,112	(24,181)	1,955,320
	=====	=====	=====	=====	=====

ST MICHAEL AND ALL ANGELS, BARNES

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2019 (continued)

11. FUND DETAILS

Designated Funds

The Fabric Fund has been formed to provide for expenditure on the fabric of the church and community centre, which is directly linked to the church, and the net rentals received from 41 Elm Bank Gardens are designated for this purpose.

The Community Centre fund has been established to control the activities of the Centre separately from the general activities of the church. Any surplus from the Community Centre is designated for the General Fund, namely the day to day operations of the church, as required.

The Church Hall Fund is a partly designated fund as income must be applied first to the running costs, repairs and maintenance of the Hall. Any surplus is first used to eliminate any deficit on the general fund, after the Community Centre transfer, before the balance is transferred to the Hall Renovation Fund.

The Hall Renovation Fund was established to fund major maintenance, renovation and development of the Church Hall.

The Arthur Ford Community Fund was established from a legacy from the estate of Arthur Ford. The fund will be used to benefit the people of the parish and will be available to fund community projects. The Arthur Ford fund has been earmarked for use to create a new Church Hall. This is on the understanding that once income from the rent hits a certain target a proportion will be allocated to fund community projects going forward.

The Music Fund was established during the year to ring fence any surpluses from specific music fundraising events. This now provides a fund to enable investment in new community wide music events as well as providing support for assistant organists and for the occasional evensong service. The Organist for the 10 o'clock mass will continue to be funded from Regular Giving.

Endowment Funds

The Campaign for St Michael's fund was established in 1998 to raise funds to cover the costs of external repairs to the church, refurbishment of the interior and the building of a new Community centre.

Also, included within Endowment Funds are certain properties and other funds of a capital nature.

The properties within Endowment Funds are the Church Hall, 41 Elm Bank Gardens and the 1.03% share in 52 Boileau Road. Title to these properties is held by the South London Church Fund and Southwark Diocesan Board of Finance as Custodian Trustee, with restrictions on disposal, for the benefit of St Michael's (and in the case of Boileau Road for the benefit of St Mary's and Holy Trinity, the two other churches in the Barnes Team Ministry).

The Packham Fund represents a legacy from the estate of Norman Packham which was restricted for the benefit of the Sunday School. We have previously just set aside the interest to fund Sunday school expenses, however given the very low interest rates, and considering the value at the beginning of the year was £1,390 the PCC has approved to spend capital amounts to cover any Sunday school expenses. Total expenses of £446 were therefore charged in the year.

ST MICHAEL AND ALL ANGELS, BARNES

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2019 (continued)

Restricted Funds

The Choral Sponsorship Fund was set up during the year to provide Choral Scholarships for up to four new members of the Choir. Each scholarship is available for up to two years. It is aimed predominately at encouraging new young choral scholars to join the choir, ideally those who are studying GCSE or A level music and hoping to apply for university choral scholarships in the future. It was funded purely from individual donations following a campaign run by the Vicar and is therefore restricted for this sole purpose.

12. ANALYSIS OF FUND MOVEMENTS

	Balances B/ Fwd 1 Jan 19 £	Income £	Expenditure £	Transfers and Losses £	Balances C/Fwd 31 Dec 19 £
<u>Unrestricted funds</u>					
<i>Undesignated</i>					
General Fund	-	123,794	(138,535)	14,741	-
<i>Designated</i>					
Fabric Fund	78,510	36,744	(25,361)	(10,000)	79,893
Community Centre	-	39,541	(19,714)	(14,741)	5,086
Church Hall	-	36,528	(11,984)	(24,544)	-
Music Fund	5,420	7,171	(2,467)	-	10,124
Hall Renovation Fund	44,902	-	-	24,544	69,446
Arthur Ford Community Fund	179,392	25,429	-	10,000	214,821
	-----	-----	-----	-----	-----
	308,224	269,207	(198,061)	-	379,370
	-----	-----	-----	-----	-----
<u>Endowment funds</u>					
Campaign for St Michael's	535,203	-	(14,072)	-	521,131
Church Hall	250,000	-	-	-	250,000
41 Elm Bank Gardens	800,000	-	-	-	800,000
52 Boileau Road	1,000	-	-	-	1,000
Packham Fund	1,390	-	(446)	-	944
	-----	-----	-----	-----	-----
	1,587,593	-	(14,518)	-	1,573,075
	-----	-----	-----	-----	-----
<u>Restricted funds</u>					
Choral Sponsorship Fund	-	3,125	(250)	-	2,875
	-----	-----	-----	-----	-----
	-	3,125	(250)	-	2,875
	-----	-----	-----	-----	-----
	1,895,817	272,332	(212,829)	-	1,955,320
	=====	=====	=====	=====	=====

13. INDEPENDENT EXAMINER'S REMUNERATION

The Independent Examiner's remuneration amounts to an Independent Examination fee of £2,650 (2018 - £2,600).

ST MICHAEL AND ALL ANGELS, BARNES

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2019 (continued)

14. CONTINGENT LIABILITY

An amount of £15,000 received by the Campaign for St Michael's from the Pauline Christian Union is subject to a condition that it would be repayable if the PCC were to terminate an arrangement whereby the group uses the Church Hall for regular meetings. The PCC knows of no reason why it would wish to do this in the foreseeable future.

15. RELATED PARTIES

During the year, the PCC obtained maintenance and enhancements to the fabric of the church buildings. The services were obtained from Maven Electrical Ltd a company controlled by Andrew Childs, a member of the PCC. The amount totalled £6,093 in the year (2018: £3,947).