

**Annual Report
and
Statement of Financial Activities
of the
Parochial Church Council**

**St Michael and All Angels Church,
Galleywood**

for the year ended 31st December 2017

Incumbent:
Position Vacant

Charity Registration Number 1132183

Independent Examiner:
K.M.Thrift FCIE
Independent Examiners Ltd
Sovereign Centre
Poplars
Yapton Lane
Walberton
West Sussex
BN18 0AS

ST MICHAEL AND ALL ANGELS CHURCH, GALLEYWOOD

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ST MICHAEL AND ALL ANGELS CHURCH, GALLEYWOOD

LEGAL AND ADMINISTRATIVE INFORMATION

PAROCHIAL NAME	THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST MICHAEL, GALLEYWOOD COMMON
CORRESPONDENCE ADDRESS	Mrs Amy Baptiste PCC Secretary c/o The Vicarage, 450 Beehive Lane, Galleywood, Chelmsford Essex CM2 8RN
PCC MEMBERS OF THE CHURCH	
INCUMBENT	Position Vacant
ASSISTANT PRIESTS	Rev. Gemma Fraser Rev. Stephanie Gillingham
CHURCHWARDENS	Mrs Anne Gardner Mrs Anne Pepper
DEANERY SYNOD	Mrs Suzanne McAllister
ELECTED MEMBERS	Mr Colin Dawson (Lay Chair & Treasurer) Mrs Amy Baptiste (PCC Secretary) Mrs Jane Dougan Mrs Anne Gardner Mrs Jane Harpur Ms Beryl Moss Mr Chris Pearshouse Mr Paul Wehren
CHARITY STATUS	The PCC is registered as Charity Number 1132183
OBJECTS	Promoting in the ecclesiastical parish the whole mission of the church.
PRIMARY BANKERS	Barclays Bank plc 2 High Street, Chelmsford Essex CM1 1BG
INDEPENDENT EXAMINER	K.M. Thrift FCIE Independent Examiners Ltd. Sovereign Centre, Poplars Yapton Lane, Walberton, West Sussex, BN18 0AS

**INDEPENDENT EXAMINER'S REPORT ON THE ACCOUNTS
ST MICHAEL AND ALL ANGELS CHURCH, GALLEYWOOD
FOR THE YEAR ENDED 31st DECEMBER 2017**

This report on the financial statements of the PCC for the year ended 31st December 2017, which are set out on the following pages, is in respect of an examination carried out in accordance with the Church Accounting Regulations 2006 ('the regulations') and of the Charities Act 2011 (The Act').

Respective Responsibilities of the PCC and the Examiner

As the members of the PCC you are responsible for the preparation of the financial statements; you consider that the audit requirement of Regulations and section 145 of the Charities Act 2011 does not apply. It is my responsibility to issue this report on those financial statements accounts in accordance with the terms of the Regulations.

Basis of Independent Examiner's Report

My examination was carried out in accordance with the General Directions given by the Charity Commission under section 145 (5) (b) of the Act and to be found in the Church Guidance, 2006 edition, issued from the Finance Division of the Archbishops' Council. That examination includes a review of the accounting records kept by the PCC and a comparison of the accounts with those records. It also includes considering any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning 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 accounts 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 matter has come to my attention:

- 1) which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 130 of the Act; and
 - to prepare accounts which accord with the accounting records and to comply with the requirements of the Act, and the Regulations have not been met; or
- 2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

K.M. Thrift FCIE
Independent Examiners Ltd
Sovereign Centre
Poplars
Yapton Lane
Walberton
West Sussex
BN18 0AS



Date: 17th APRIL 2018 .

ST MICHAEL AND ALL ANGELS CHURCH, GALLEYWOOD

REVIEW OF THE YEAR FOR THE YEAR ENDED 31st DECEMBER 2017

Structure, governance and management

The method of appointment of PCC members is set out in the Church Representation Rules. All Church attendees are encouraged to register on the Electoral Roll and stand for election to the PCC.

St Michael's aims to be a "church of teams", and has multiple teams, covering everything from bellringing to prayer groups and midweek youth activities. It wants every member to be part of at least one team, everything important in church to be run by teams, our pastoral care to be mainly delivered through teams, and teams to be the way everyone "Grows Together as God's Family".

In addition to the PCC,

***The staff team** plays an important role – Up until September 2017 Andy Griffiths and Gemma Fraser our clergy; Ellen Morrison our youth worker; Polly Kersys-Hull our children's and families worker and Brian Pepper our Administrator met regularly for mutual support. Since the departure of Gemma Fraser (to her first post as Vicar of St Luke's and St John's Moulsham); Polly Kersys-Hull (to her first Curacy in Leytonstone) and Andy Griffiths (to a new post in the Diocese) – the staff team is temporarily not meeting. We hope to fill the Vicar and Children's worker roles during 2018.

***Our Licensed Ministers** - Fiona Selden and Travers Harpur. Fiona, Travers, Suzanne and Karen compose the Ministry Leadership Team, which has general responsibility for mission, ministry and worship.

***Our Authorised Ministers** (Jane Harpur and Chris Selden, our Authorised Preachers and Sue Kitson –Parish Evangelist), our Welcome Team Leader (Martin Wilson), our Pastoral Care Coordinator (Karen Robertson) were key to church life in 2017. Suzanne McAllister continues to be part of this team by virtue of being an ordinand (she is training to be a priest with St Mellitus College).

***Inform Galleywood** – offering supported information on debt, budgeting, benefits and form-filling – continues to operate. There are two paid posts along with a team of volunteers.

***Make Lunch** is a national initiative that has been taken up locally under the leadership of Sue Kitson and a team of volunteers. Lunch is provided for families during school holidays for families that would normally receive free school meals.

* Rev Stephanie Gillingham and Rev Gemma Fraser are **associate ministers** in the parish of Galleywood and have been an invaluable support to Galleywood since Andy's departure in September 2017.

The full PCC met seven times during 2017, plus one joint meeting with the Ministry Leadership Team and one "leadership day" including anyone who wanted to have a say on the direction of the church.

Objectives and Activities

St Michael's PCC has the responsibility of co-operating with the Ministry Leadership Team, in promoting in the ecclesiastical parish the mission of the Church. It also has maintenance responsibilities for the church and grounds of St Michael's Church Galleywood.


Our vision and objectives continue to be shaped by the prayer "Jesus, teach us all to love" as a summary of our intentions. The document "Jesus, teach us all to love" is our strategic plan that includes twelve action points that will bring about real change by January 2020. We continue to annually reflect on our progress and set ourselves goals based on progress/areas still needing attention.

Ellen Morrison continues successfully in the youth worker role; in 2017 the PCC agreed to increase her hours so that she could undertake the work with the Fusion Group at the Junior School – an essential link into the ongoing Youth Ministries of Upwards and Older Youth. The Youth Ministry is flourishing with the assistance of extra adult helpers.

The Parish Electoral Roll comprises 129 members. Of these, 48 (37%) are not resident within the bounds of the Parish, and 81 (63%) are resident.

Colin Dawson

Signed on behalf of the Trustees

A handwritten signature in black ink, appearing to read 'Colin Dawson', written in a cursive style.

Colin Dawson, Lay Chairman

Date:

12th April 2018

ST MICHAEL AND ALL ANGELS CHURCH, GALLEYWOOD

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31st DECEMBER 2017

	Notes	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
		£	£	£	£
INCOME					
Incoming Resources from Generated Funds					
Donations & Legacies	3a	96,255	10,018	106,273	105,743
Other Trading Activities	3b	1,205	0	1,205	1,497
Income from Investments	3c	60	0	60	102
Income from Charitable Activities	3d	11,921	0	11,921	11,818
Other Income	3e	715	7,956	8,671	13,116
TOTAL INCOME		<u>110,156</u>	<u>17,974</u>	<u>128,130</u>	<u>132,278</u>
EXPENSES					
Costs of Generating Funds					
Expenditure on Raising Funds	4a	118	0	118	22
Expenditure on Charitable Activities	4b	114,798	7,590	122,388	132,437
TOTAL EXPENSES		<u>114,917</u>	<u>7,590</u>	<u>122,507</u>	<u>132,459</u>
NET INCOMING RESOURCES		-4,761	10,384	5,623	-181
Total Funds Brought Forward		40,908	9,254	50,163	50,344
Transfers		1	-1	0	0
TOTAL FUNDS CARRIED FORWARD.		<u>36,149</u>	<u>19,638</u>	<u>55,786</u>	<u>50,163</u>

Movements on all reserves and all recognised gains and losses are shown above. All of the organisation's operations are classed as continuing.

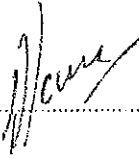
The notes on pages 9 to 15 form part of these financial statements.

ST MICHAEL AND ALL ANGELS CHURCH, GALLEYWOOD

BALANCE SHEET
AS AT 31st DECEMBER 2017

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016
FIXED ASSETS					
Tangible Assets	2	0	0	0	0
Current Assets					
Debtors	7	3,014	18	3,032	2,355
Cash at Bank and in Hand	6	33,891	19,635	53,526	49,663
Total Current Assets		36,905	19,653	56,558	52,018
Creditors					
Amounts falling due within one year	8	756	15	772	1,855
NET CURRENT ASSETS		36,149	19,638	55,786	50,163
TOTAL ASSETS (less current liabilities)		36,149	19,638	55,786	50,163
Creditors: Amounts falling due in more than one year	9	0	0	0	0
TOTAL NET ASSETS		36,149	19,638	55,786	50,163
FUNDS OF THE CHURCH					
Unrestricted Funds		36,149		36,149	40,908
Restricted Funds	5		19,638	19,638	9,254
Total Funds		36,149	19,638	55,786	50,163

Approved by the Trustees on 20/03/18 and

Signed on their behalf by  Colin Dawson, Lay Chairman

ST MICHAEL AND ALL ANGELS CHURCH, GALLEYWOOD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2017**

1. ACCOUNTING POLICIES

The financial statements of the PCC have been prepared in accordance with the Church Accounting Regulations 2006 together with applicable accounting standards and the SORP.

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 in 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.

FUNDS

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

Restricted Funds represent (a) income from trusts or endowments which may be extended only on those restricted objects provided in the terms of the trust or the 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. Where there is no separate investment, interest is apportioned to individual funds on an average balance basis.

Unrestricted Funds are general funds, which can be used for PCC ordinary purposes.

Incoming Resources

Planned giving/ collections and donations are recognised when received. Tax refunds are recognised when the incoming resource to which they relate are received. Grants and Legacies are accounted for when the PCC is legally entitled to the amounts due. Dividends are accounted for when receivable, interest is accrued. All other income is recognised when it is receivable. All incoming resources are accounted for gross.

Resources Expended

Grants and donations are accounted for when paid over or when awarded/ if that award creates a binding obligation on the PCC. The diocesan quota or parish share is accounted for when due. Amounts received specifically for Mission are dealt with as restricted funds. All other expenditure is generally recognised when it is incurred and is accounted for Gross.

Fixed Assets

Consecrated and Beneficed property is excluded from the accounts by s.10 (2) of the Charities Act 2011

No Value is placed on movable church furnishings held by the church wardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be inalienable property. All expenditure incurred during the year on consecrated or benefice buildings and movable church furnishings, whether maintenance or improvement, is written off as expenditure in the SOFA and separately disclosed.

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 £1000 or less are written off when the asset is acquired.

Investments are valued at market value at 31st December

ST MICHAEL AND ALL ANGELS CHURCH, GALLEYWOOD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31st DECEMBER 2017**

Grants payable without performance conditions

These are only recognised in the accounts when a commitment has been made and there are no conditions to be met relating to a grant which remain in control of the charity.

Support Costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of the resources, e.g. allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Changes in Accounting policies and previous accounts

There has been no change to the accounting policies (variation rules and methods of accounting) since last year, and no changes to the previous accounts.

Basis of preparation:

The financial statements have been prepared on the historical cost basis of accounting in accordance with the Charities Act 2011, the Church Accounting Regulations 2006 and in accordance with applicable accounting standards. In preparing the financial statements the charity follows best practice as laid down in the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP2015). The charity meets the definition of a public benefit entity under FRS102. No restatement was required in making the transition to FRS102. The date of transition was 1st January 2015.

2. TANGIBLE FIXED ASSETS

a) The Church of St Michael and All Angels, Galleywood

Consecrated and Beneficed property is excluded from the accounts by s.10 (2) of the Charities Act 2011.

No value is placed on movable church furnishings held by the church wardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be inalienable property.

The value of The Church of St Michael and All Angels, Galleywood at 31st December 2017 is £6,336,580.

ST MICHAEL AND ALL ANGELS CHURCH, GALLEYWOOD

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31st DECEMBER 2017

3. INCOME	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
a) Donations & Legacies				
Collections	3,985	0	3,985	5,131
Donations	1,288	18	1,306	10,805
Gift Aid Donations	71,977	10,000	81,977	71,740
Gift Aid Recoverable	19,005	0	19,005	15,598
VAT	0	0	0	1,702
Legacies	0	0	0	650
Other funds generated	0	0	0	118
	96,255	10,018	106,273	105,743
b) Other Trading Activities				
Fund Raising Income	622	0	622	1,497
Room Hire	583	0	583	0
	1,205	0	1,205	1,497
c) Income from Investment				
Bank Interest	60	0	60	102
	60	0	60	102
d) Income from Charitable Activities				
Fees	11,921	0	11,921	11,818
	11,921	0	11,921	11,818
e) Other Income				
Diocese - Inform Galleywood	0	7,956	7,956	7,956
Diocese - Childworker support	0	0	0	5,117
Refunds - Utilities	715	0	715	43
	715	7,956	8,671	13,116

ST MICHAEL AND ALL ANGELS CHURCH, GALLEYWOOD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2017**

4. EXPENSES	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
a) Expenditure on Raising Funds				
Costs of Quiz & other events	118	0	118	22
	<u>118</u>	<u>0</u>	<u>118</u>	<u>22</u>
b) Expenditure on Charitable Activities				
Missionary & Charitable Giving				
Home	4,590	0	4,590	2,478
Overseas	2,455	0	2,455	4,932
	<u>7,045</u>	<u>0</u>	<u>7,045</u>	<u>7,410</u>
Ministry				
Church Running & Maintenance	12,350	0	12,350	11,224
Churchyard Running Costs	3,330	0	3,330	3,492
Diocesan Parish Share	65,392	0	65,392	65,150
Family Hour/Sonlight/Youth	925	0	925	629
Independent Examiner	558	0	558	577
Major Repairs	4,600	0	4,600	4,110
Organist Fees	85	0	85	490
Other Ministry Costs	4,149	290	4,439	3,536
Printing, Stationery & Postage	1,433	0	1,433	1,063
Service Costs	434	0	434	669
Sundry Expenses	200	0	200	2
Youth Worker Wages	2,669	0	2,669	7,325
Parish Administrator - Wages	5,000	0	5,000	5,000
Inform Galleywood - Wages	0	6,883	6,883	6,999
Inform Galleywood - Expenses	0	0	0	139
Children's worker - Wages	5,341	0	5,341	10,742
Children's Worker - Expenses	1,286	416	1,702	3,880
	<u>107,753</u>	<u>7,590</u>	<u>115,343</u>	<u>125,027</u>
Total Charitable Activities	<u>114,798</u>	<u>7,590</u>	<u>122,388</u>	<u>132,437</u>

ST MICHAEL AND ALL ANGELS CHURCH, GALLEYWOOD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31st DECEMBER 2017**

5. RESTRICTED FUNDS

	Balance 1 Jan 17	Income	Expenditure	Balance 31 Dec 17	Balance 31 Dec 15
	£	£	£	£	£
Evelyn Bates	0	0	0	0	0
Layzell/Bruce Legacies	1,356	0	0	1,356	1,356
Childrens worker	416	10,000	416	10,000	416
Race Runners & Galleywood Children	1,784	18	240	1,562	1,784
Inform Galleywood	5,258	7,956	6,883	6,331	5,258
Wednesday Fellowship	439	0	50	389	439
Disabled Access	1	0	1	0	1
	9,254	17,974	7,590	19,638	9,254

Layzell/Bruce Legacies – funds used in certain areas of the churchyard.

Childrens worker – funds donated to pay a children's worker in the first year.

Racerunners & Galleywood Children – funds used for Outreach to Children in the Parish.

Inform Galleywood – funds for a project in liaison with Citizens Advice Bureau providing supported information for debt, budgeting, benefits and form-filling.

The restricted funds are wholly represented by cash reserves of the charity.

6. CASH AT BANK AND IN HAND

	Unrestricted Funds	Restricted Funds	Total 31 Dec 17	Total 31 Dec 16
	£	£	£	£
Deposit and Current Account	33,078	419	33,497	29,887
Fees Account	813	0	813	613
CBF Deposit Account	0	19,216	19,216	19,163
	33,891	19,635	53,526	49,663

7. DEBTORS AND PREPAYMENTS

	Unrestricted Funds	Restricted Funds	Total 31 Dec 17	Total 31 Dec 16
	£	£	£	£
Tax Recoverable	1,517	0	1,517	1,414
Fees Due	484	0	484	941
Uncleared Donations	1,013	18	1,031	0
	3,014	18	3,032	2,355

ST MICHAEL AND ALL ANGELS CHURCH, GALLEYWOOD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31st DECEMBER 2017**

8. CREDITORS ACCRUALS AND DEFERRED INCOME: AMOUNTS FALLING DUE WITHIN ONE YEAR.

	Unrestricted Funds	Restricted Funds	Total 31 Dec 17	Total 31 Dec 16
	£	£	£	£
Agency - Fees creditors	0	15	15	732
Examiners Fee	549	0	549	540
Accrued expenses	207	0	207	583
	<u>756</u>	<u>15</u>	<u>771</u>	<u>1,855</u>

9 . STAFF COSTS AND NUMBERS.

During the year the PCC had 5 employees in 5 roles. (2016: 7 employees in 5 roles).

The employees concerned are:

- a) Youth and Community worker. Her wages paid during 2017 were £2,669 (2016: £7,325)
- b) Parish Administrator. His wages paid during 2017 were £5,000 (2016 £5,000)
- c) Child and Families worker. Her wages paid during 2017 were £5,340 (2016 £10,741)
- d) Two Inform Galleywood roles. 2 staff during 2017 with total wages £6,883 (2016 £6,999)

10. TRUSTEES AND OTHER RELATED PARTIES.

	2017	2016
Number of Trustees who were paid expenses	2	3
Total Amount paid.	<u>£1,586</u>	<u>£3,376</u>

Expenses were paid to Vicar and Curate to reimburse costs incurred in relation to their work for the church, such as travel, printing, stationary, telephone costs. Expenses were also paid to the Church Administrator who is the spouse of one of the Church Wardens. No other payments were made to trustees or any persons connected with them during this financial period. No material transaction took place between the organisation and a trustee or any person connected with them.

ST MICHAEL AND ALL ANGELS CHURCH, GALLEYWOOD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31st DECEMBER 2017**

11. RISK ASSESSMENT

The Trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining the free reserves stated, combined with the annual review of the controls over key financial systems carried out on an annual basis will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.

12. RESERVES POLICY

The trustees have considered the level of reserves they wish to retain, appropriate to the charity's needs. This is based on the charity's size and the level of financial commitments held. The trustees aim to ensure the charity will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in income or unexpected expenditure. The trustees will endeavour not to set aside funds unnecessarily.

13. PUBLIC BENEFIT

The charity acknowledges its requirement to demonstrate clearly that it must have charitable purposes or 'aims' that are for the public benefit. Details of how the charity has achieved this are provided in the Trustees report. The Trustees confirm that they have paid due regard to the Charity Commission guidance on public benefit before deciding what activities the charity should undertake