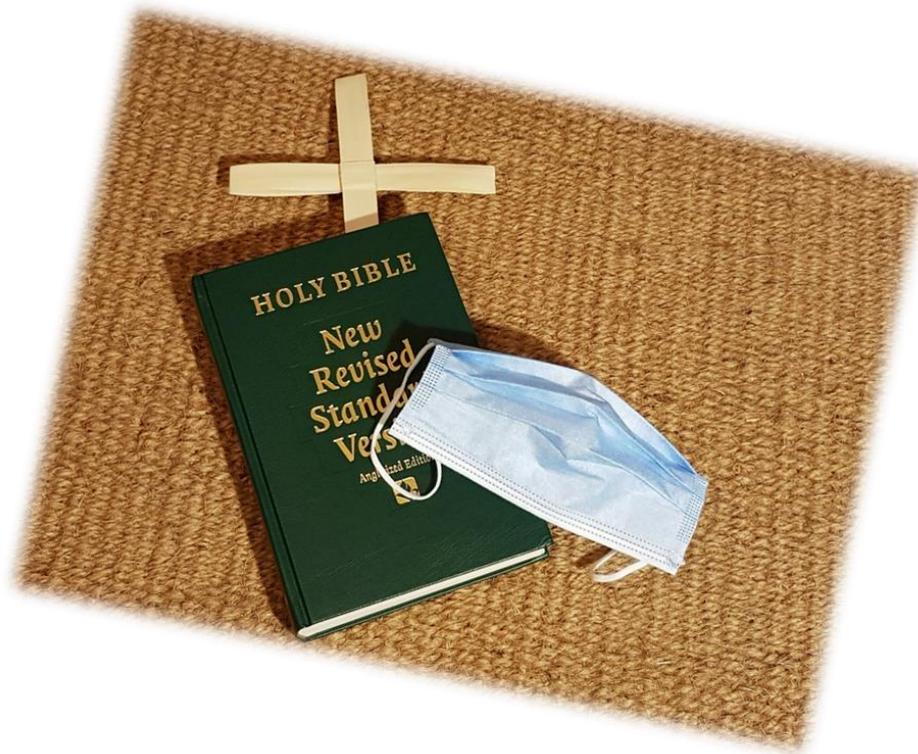


The Church of St Mary Magdalen, Knighton



Annual Report: *looking back at 2021*

*Presented to the Annual Church meeting (APCM)
on 15th May 2022*

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Introduction:

Welcome to our Annual Report for 2021, the second year of the pandemic, and a time of growing hope as we saw the positive impact of the vaccine rollout.

It was also a year however when opinion about the best way to handle the pandemic began to splinter. Some of us were more cautious and prepared for a longer period of restrictions and 'life on hold'. Others saw the damage to the economy and our general wellbeing and urged relaxation of rules and guidance as quickly as possible. The unity and goodwill that we saw in much of 2020 became more difficult to find. Many of us experienced illness ourselves, or had friends and family members who were seriously affected by covid-19, and perhaps died. Grief and sadness were still strong emotions for us and in many ways, 2021 was a year of sober reflection.

Towards the start of the year, I spent some time wondering if St Mary's ought to follow the pattern of some other churches and take a Bible verse as a focus for the year. This might serve us as guidance to support and shape our church life as we moved back towards something more like 'normal'.

I considered verses that remind us of God's constant care, like Lamentations 3:22-24: *"Because of the Lord's great love we are not consumed, for his compassions never fail. They are new every morning; great is your faithfulness."*

Then there were verses that encourage hope and faith, like Philippians 4:6-8: *"Do not be anxious about anything, but in every situation, by prayer and petition, with thanksgiving, present your requests to God. And the peace of God, which transcends all understanding, will guard your hearts and your minds in Christ Jesus."*

In the end, however, I concluded that no one verse summed up the complexity of the year we found ourselves in – we would need all the Bible to help us make sense of life in 2021. All Christians have the task of applying the Bible to every new situation and in settling on a Jesus-like response that will help us practically, and guide our life and worship together.

As a church we continued to do this hard work together through the testing times of 2021. I am profoundly grateful to the many people who gave so much time, creativity and energy to the task and to our shared life over the year. I am particularly grateful, of course, to our curate Matthew, our Ministry Team, our Church Wardens and our PCCs, but also for the pastoral care and encouragement that so many of you have shown to each other.

A special mention should be made of the Revd Canon Dr Stephen Foster, who felt called to a new direction towards the end of 2021, after supporting us here in Knighton for over six years. We are all so appreciative of his commitment, care and wisdom, and wish him every blessing for the future. As Stephen moved on, we welcomed Cecilia Adjadje and her family for two years, as she studies towards ordination.

Through all of this complex time I have been reminded of the final words of Jesus, as recorded by Matthew, and perhaps they can encourage us now, both as we look back to a year gone and forwards to all that God will do for us and through us: *"I am with you always, even to the end of the age."* (Matthew 28.20)

Yours in friendship and Christ's service

Adrian

The Rev'd Adrian Jones

Our vision and objectives

Our vision:

Faith for Life – “I have come that they may have life; life in all its fullness” – Jesus (John 10.10)

Our mission:

St Mary's has been greatly blessed by God over the years and our mission now is to use and share our blessings to build the Kingdom of God in this time. Together we seek to discover and share life in all its fullness – following the way of Jesus and encouraging others to follow and come to faith in him.

Our objectives:

- to **worship God well** - using traditional and new ways, so that everyone can encounter God and grow in faith; (John 4.23-4)
- to **explore and follow the way of Jesus** - learning together from the wisdom of the Bible, Christian traditions, and our wider society, and seeking to be led by God's Spirit. (John 15.1-17)
- to **connect better with our community** – to broaden and deepen our connections with all parts of the local community and to help others in need. (Luke 10.25-37)
- to **welcome everyone as equally valued** - especially those who often feel left out; (Matthew 25.31-45)
- to **share our faith in Jesus with others** – encouraging them to follow and come to faith in him too. (Matthew 28.19-20)

The Parochial Church Council (PCC) has the responsibility of working together with the ministers to promote the whole mission of the Church: pastoral, evangelistic, social and ecumenical. The PCC is also specifically responsible for the maintenance of the Church building and the Parish Centre of St Mary Magdalen on Church Lane.

The PCC is committed to our vision, mission and objectives for this next season in the life of our church. We believe this is our calling as a church and our part in helping to build the Kingdom of God in our neighbourhoods. In particular we want everyone to feel welcome and able to worship with us and to become part of our church community. Our worship and other events together put our Christian faith into practice through prayer and scripture, music and sacrament, service and loving care.

Worship and Prayer

The heart of our life together as a church is the worship and prayer that we offer to God and the first of our five objectives for the church, within our vision of *'Faith for Life'*, is to **"Worship God well; using traditional and new ways, so that everyone can encounter God and grow in faith."**

We began the year as a second wave of corona virus began to take hold, and public worship in church was once again suspended. The Ministry Team continued to prepare worship on-line for both parishes in the benefice; pre-recorded 'Virtual Worship' for each Sunday – a short visual and musical act of worship, lasting around 20 minutes, and including hymns, songs, prayers, Bible readings and a homily. Each 'service' of Virtual Worship was made available to the congregations and a wider audience by being posted on our YouTube channel, Facebook pages and websites.

Early in the first lockdown of 2020 we had begun a service of Compline (Night Prayer) on-line on Wednesday evenings, and this proved to be one of the most popular and enduring elements of our worship this year too. The use of the 'phone-in' aspect of Zoom meetings meant that even those without an internet connection could be part of this midweek worship. Special thanks go to Revd Matthew, David Hunt and James Gutteridge for unstinting work that enabled Compline to flourish.



As the two parishes of the benefice shared Virtual Worship and Compline, it was natural for members of St Mary's to join friends from St Guthlac's for their monthly Church Club. Usually this is a café style meeting in Holbrook Hall, while Matins takes place in the church, but through the lockdown we met via Zoom for relaxed activities,

discussion, songs and prayers with appeal to everyone.

Lent saw Morning Prayer also being offered by the Ministry Team weekly via Zoom on Mondays, and this proved a fruitful way to draw in the residents of a local care home as well. Wednesday online Compline was expanded to include Lenten studies each week too.

As Easter approached and covid case numbers in Leicester remained stubbornly high, Sunday services were still not able to resume. On Palm Sunday however, Revd Matthew and sacristan David Ardley escorted Mabel the donkey on a special walk across the benefice, handing out palm crosses to intrigued onlookers. Other palm crosses were sent out to members of the congregation with the weekly postal newsletter, or hand-delivered. Maundy Thursday Eucharist came live from the Vicarage for those who could access the internet, and recorded worship helped us to mark Good Friday and Easter Day.

As the vaccine programme began to make a real difference to covid case numbers after Easter, we were able to resume Sunday services, albeit with precautions in place. Numbers attending were naturally low to begin with, but built up again over the summer and autumn. We continued with pre-recorded virtual worship at the same time, until the end of June, and with written homilies in the weekly newsletters, for those unable to get to church or access online services, until the autumn.

We returned to our usual monthly pattern of services but with new times; 9am for said Communion and 10.30am for the principal service. On the first Sunday of each month the 10.30am service continued as All Age Worship but without the additional Communion at

11.30am. On the second and fourth Sundays the main service was Sung Eucharist. On the third Sunday we continued with a non-Eucharistic service called 'Fresh' and led by Revd Matthew and others, with the aim of providing a slightly more contemporary feel within a service that is open and accessible to a wider range of people. Once we had resumed services in church, there was a weekly 9am Eucharist as well, in traditional language on the second and fourth Sundays. In order to minimise use of the church building between Sundays, however, our midweek Communion and monthly Prayer for Healing service did not resume in 2021.

In May, the Fresh service took place in the churchyard itself (and we could sing again!), while in September it became a Pet Blessing Service. We celebrated Creationtide in September across the benefice, with a series of themed services with invited speakers experienced in 'Green issues'.



SEASON OF CREATION

A quiet and reflective evening Communion called 'Pause' took place in October, with a view to this becoming more regular. Bishop Martyn joined us for a special All Saints service when we gave thanks for the successful completion of the Spire restoration and the appeal fund that supported the work financially.

During Advent we were able to have a series of evening meditations (weekly, at St Guthlac's), an evening service on Advent Sunday, Carols around the Christmas Trees, a memorable Christingle service, a traditional Nine Lessons and Carols, an 'everyone-join-in' Crib Service, and then Christmas Midnight Communion and the usual celebration on Christmas Day itself. Including the usual visits by local schools for Christmas services, we welcomed more than 1,400 worshippers during Advent.

Covid precautions remained in place through the year: social distancing, mask wearing, restrictions on singing and restricting Communion to wafers only. The flexibility and good humour of both congregation and service leaders meant that we were therefore safe but also able to worship well.

Our vision of '*Faith for Life*', also includes the aim to **"Explore and follow the way of Jesus - learning together from the wisdom of the Bible, Christian traditions, and our wider society, and seeking to be led by God's Spirit."** Together, our growth in faith continued, first with weekly homilies in our newsletter and recordings for Virtual Worship, as well as the discussion groups that have been part of Compline. As we met together on Sundays once more, the Creationtide series challenged us to re-examine our lifestyle as well as our understanding. The Sunday night 'Living Waters' group, focussed on sharing life and faith together, continued to flourish online and, when regulations permitted, in person outdoors.

Mission and Evangelism

Within '*Faith for Life*' we aim to **"Connect better with our community – to broaden and deepen our connections with all parts of the local community and to help others in need"**. This proved more difficult in 2021, for obvious reasons. For much of the year it was difficult to plan ahead and to make decisions when so much was uncertain, but preparations continued for our Christmas Tree Festival in December, which once again, proved to be a tremendous success. More than seventy trees from local groups and organisations were featured, and we welcomed over 1,100 adults and 330 children into the church building during the weekend. A special 'preview' evening was held for those who

might otherwise have been reluctant to come because of crowds and health issues, and after the weekend we also hosted more than 30 residents and staff from Aigburth MHA Care Home.

Once again there were very many positive comments from our visitors and the Festival has become a key way of helping our congregation connect with the community. We also raised over £4,000, to be shared between Headway Leicester and our own churchyard project, 'A Place of Peace'. Many thanks to Sue Holligan and the Festival Team, and to everyone who helped out over four days.

Our connections to a wider community continued to be reflected in the generous giving of time and money by church members supporting a range of charities and aid organisations through fundraising events and collections. In total £7,312 was raised for various groups (see details following) and more was given directly rather than through the 'books' of the church. Leicester South Foodbank was supported at Harvest time and Leicester Women's Aid was also supported by a special Christmas Appeal at Christmas. – thanks to all those involved.

The Parish Magazine continued to be produced and distributed bi-monthly around the parish to subscribers and the congregation, by post and email. It continued to encourage and build up the faith of many through its varied articles on Christian life and world view. We are grateful for the efforts of Editor Nigel Siesage, the contributors and the distributors, who together make this important part of our mission and care possible.

Our objective to **“Share our faith in Jesus with others – encouraging them to follow and come to faith in him too”** provided us with another challenge during this lockdown and recovery year. With this in mind, our Virtual Worship was produced with one eye on those who may come across us accidentally whilst searching the internet, or those who are simply curious about what their



local church is doing at this time. Our Christmas card/leaflet, sent to all households in the benefice, also included an encouraging and invitational message and several fresh contacts were made as a result.

The Knighton Youth Club at St Guthlac's normally meets fortnightly in term time from April to October, during the period when Knighton Players does not meet. This year there were limited opportunities for the Youth Group to meet because of the pandemic, however, those who were also part of Knighton Players continued meeting to read and act out different scripts, led by Ian Jones supported by Matthew Gough.

A series of outdoor meetings, over 6 weeks during the summer term, called 'Knighton Youth Go Wild' was also held with Revd Matthew as the main leader, helped by Lesley Meakin and Alison Roche. Seven young people, including two newcomers, met in different locations each week including Overdale Forest school, Attenborough Aboretum as well as Knighton Park. As well as games such as rounders and campsite cooking around the fire, each week the group discussed faith and environmental activism. There was one face-to-face meeting with refreshments at St Mary's to prepare the Christingles for the Christingle service the following day, and about 10 youngsters attended.

When our Sunday services began again, we were also able to plan for the restarting of Sunday Club, our group for children and young people. After very many years of service, the Sunday Club leader, Judi Stone, decided that current illness meant she should step aside. Generations of parents and children have reason to be deeply grateful to Judi and

The most significant call on our time, attention and money in 2021 was the repair of the spire and tower. Work began in October 2020 and was completed, on schedule and within budget, just after Easter 2021. Prayers of thanksgiving were offered as the regilded cockerel was replaced, at the completion of the work and at our special service with Bishop Martyn in October. God has indeed been good in supplying all we have needed to complete a successful project, and it will secure the future of our building.

We are sincerely grateful to the Fundraising Committee chaired by Nigel Siesage, to our project co-ordinator and link to the contractors, Andrew Oldershaw, and to our treasurer, David Stanyer, for their on-going efforts that are ensuring the work will come to a successful conclusion.

There are many people from the congregation and beyond who help to care for our building and its contents on an on-going basis: those who clean the church, those who polish silver and brass, those who wash linen, the Flower Guild, and all those who provide 'routine care and maintenance' and small improvements. We are extremely grateful for these essential gifts of service to us all.

Under usual circumstances, the Parish Centre is the most significant way in which the Church serves the local community, by providing a well-used venue for community groups, meetings and social occasions. Even though regular activities stopped with the first lockdown in 2020, the St Mary's Little Cherubs Preschool have continued to use the Centre throughout the pandemic, providing essential places for the children of key workers. Our Caretaker and Bookings Secretary, Mark Taylor and Steph Bramford, were on furlough until May 2021 and since then have skilfully taken up the reins once more, encouraging groups to begin meeting in the Centre once more, and keeping on top of cleaning and maintenance.

Our Parish Administrator, James Gutteridge, provided essential support for the running of the church during 2021 from his small office space in the Parish Centre, and our thanks go to him for all he does.

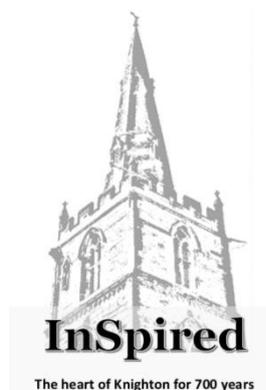
Our “Fabric, Goods and Ornaments”

The fabric, goods and ornaments of St Mary's have been maintained in good order in 2021. All valuable items are accounted for and stored securely in the vestry safe. The Church Property Register (previously known as the Terrier and Inventory) provides a record of the land and articles appertaining to the Church and has been updated as required. The Log Book has been used to note alterations, additions and repairs to the fabric of the physical church building.

Thanks are due as always to our sacristan, David Ardley, and to all those who care for our 'fabric, goods and ornaments.'

Relationships with other churches: The City of Leicester Deanery

In another year of Covid restrictions, two meetings were held via Zoom and one in July was held both in person and online.



23rd March: A Shaped by God Together (SBGT) update was given by Stuart Burns and Jon Barrett. The basics of the proposed new diocesan framework were described as well as an explanation given as to why the process is taking place. A video of the process and timeframe was also shown and discussed. Fr Paskal Clement gave an update on life within his own parish, the Parish of the Resurrection, and Fr Andrew Quigley gave an update on the Leicester diocesan efforts to become an Eco Diocese and briefly detailed the national situation in this respect.

7th July: A presentation was given on the subject of 'Everyday Faith at Work' by the Revd Lyn Weston from the London Institute of Contemporary Christianity (LICC). The session included an introduction to the book 'Fruitfulness on the Front Line' by Mark Greene and the accompanying course of eight weeks duration. The Revd Ed Down updated the meeting on life within Hope Hamilton Church which is a fresh expression of church meeting in a school.

18th November: A presentation was given by Emma Crick de Boom about the Difference Course which she helps to run. The course asks us to re-imagine, look for hope and opportunity and to have a positive impact across church and community. Time was also given to allow synod members to meet up and get to know one another in break out rooms.

Report provided by Qyan Arnachellum , Administrator, Leicester City Deanery

Relationships with other churches: across denominations

St Mary's is a member of the South Leicester Christian Partnership (Churches Together). and several of our congregation take part in 'First Friday Prayers', the Week of Prayer for Christian Unity and other events and meetings through the year, even though in 2021 these were mainly on Zoom.

Usually, members of St Mary's work with members of St Guthlac's and Stoneygate Baptist Church to provide a regular 'Messy Church' at Stoneygate, and a summer holiday club, but this was not possible during the pandemic.



ST MARY MAGDALEN REVIEW OF FINANCES – 2021

FINANCE HEADLINES

The pandemic continues to have a major impact on our finances.

Giving by church members has still not returned to 2019 levels.

The deficit in church finances for 2021 was £3,338.

Our giving still does not cover the running costs of the church.

Knighton PCC management accounts following show unrestricted income & expenditure, these provide a summary of our day-to-day finances. The statutory accounts show full details including all funds, assets and liabilities.

Covid Pandemic impact: The impact of the pandemic has continued to affect all aspects of our Church life, and has continued to have a significant impact on our finances.

Centre Income & Expenditure: During 2021 the Centre has been able to re-open for most of the year, however the pre-school has still been operating at a reduced level and regular and one-off hirers are considerably down. This has meant that although the Centre income for 2021 of £27,046 was up £4,600 on 2020, compared to the 2019 'normal' year figure of £47,345, income has still been very badly affected. Please see the Centre management accounts for more details.

Church Income & Expenditure: Income: Regular giving was lower during the year, however this was more than offset by an increase in other income, due to an increase in fund raising, fees and one off donations. Total church income has still not returned to 2019 levels.

Expenditure: Overall expenditure increased by almost £10,000, due to services in church returning more regularly, a slight increase in the diocesan contribution and no furlough grants being received for the Church administrator.

A PCC Surplus before exceptional items was achieved of £4,173. This was made up of a Centre surplus of £7,511 less a church operating deficit of £3,338. The addition of a small amount of income from exceptional items **resulted in a total PCC surplus of £4,361**, which was transferred to reserves.

Total unrestricted reserves at 31st December 2021 were £210748

Restricted reserves at 31st December 2021 were **Spire Fund** - £3,558 – relating to a retention payment due in March 2022, and **Churchyard Fund** - £1,000

Legacies – £17,650 of legacies received during 2021 were designated to funds which the PCC felt appropriate to the benefactors.

Charitable fund raising events in 2021 continued to be affected by Covid restrictions, however funds raised totalled £7,312

Our financial priorities for 2022 are:

- To rebuild church life and income
- To carry out a review of proposed projects

Budget 2022 (part of the PCC management accounts), **Parish Centre Management Accounts**, **Spire Fund Summary** and **Full Statutory Accounts** follow this report.

St Mary Magdalen Management Accounts for 2021 and budget for 2022

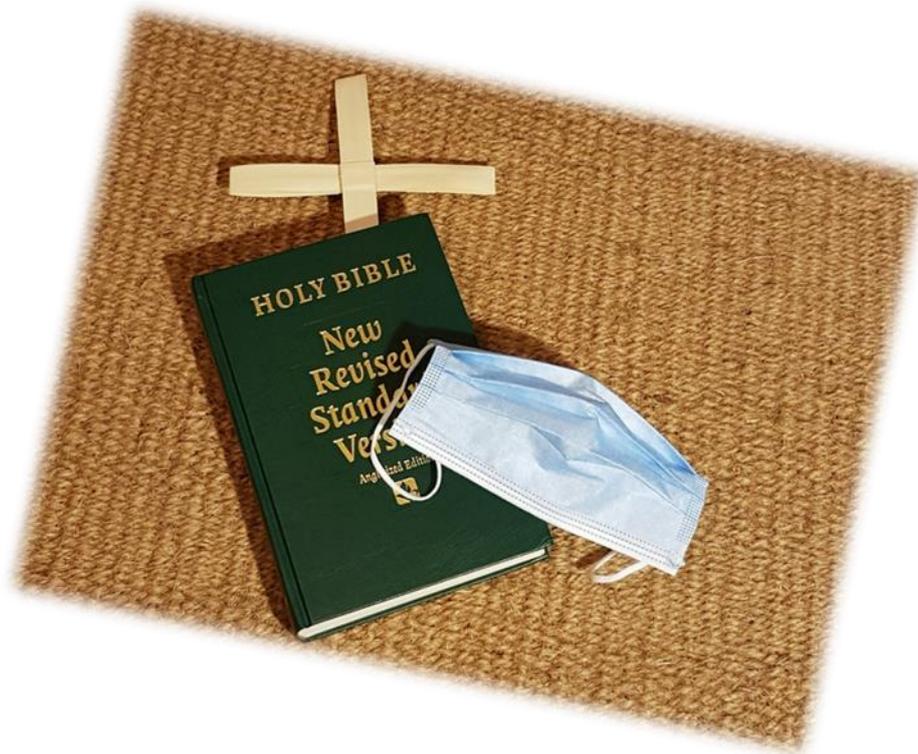
KNIGHTON PCC - ST MARY'S CHURCH MANAGEMENT ACCOUNTS				
unit £'s	Budget 2022 year	Actual 2021 year	Actual 2020 year	Actual 2019 year
INCOME				
Giving Scheme	47600	45127	46914	48901
Plate collections	2000	1236	936	3918
Gift aid	10600	10589	11537	12806
Total Regular Giving	60200	56952	59387	65625
Sundry donations including gift aid	3000	5553	3482	435
Events & other fund raising	3000	2117	261	4243
Fees	6000	5724	4215	7111
Church hire	0	0	700	0
Misc	1400	1791	1127	2130
Total other income	13400	15185	9785	13919
Total Church income	73600	72137	69172	79544
EXPENDITURE				
Contribution to Diocese	-56000	-40000	-37030	-56800
clergy exes & cover costs	-1400	-1295	-1158	-1325
total ministry costs	-57400	-41295	-38188	-58125
Worship & outreach costs	-2530	-3150	-1122	-3168
Church running expenses	-15350	-9594	-9450	-12858
Church routine maintenance	-3875	-2482	-2720	-3439
Administration	-19442	-20415	-18397	-18591
Less - printing/mag income	1000	1775	590	1094
- furlough grant re administrator		0	3469	
Net costs	-18442	-18640	-14338	-17497
Office equipment depreciation	-1000	-314	0	0
Total routine church costs	-98597	-75475	-65818	-95087
Church operating surplus/ -deficit	-24997	-3338	3354	-15543
Centre operating surplus/ -deficit after deprn & furlough	6919	7511	-232	14060
Surplus/-deficit before exceptional items	-18078	4173	3122	-1483
Exceptional items				
Interest/dividends from reserves	2100	2145	4261	5044
Major maintenance - Church	0	0	0	-878
Major maintenance - Centre	0	-1957	0	0
Insurance claim - income		0	2769	500
- costs		0	-2850	0
	2100	188	4180	4666
Total PCC surplus/-deficit (added/deducted from reserves)	-15978	4361	7302	3183
Legacies received and designated	72500	17650	500	500

PARISH CENTRE ACCOUNTS

£	Comments	Budget 2022	Actual 2021	Actual 2020	Actual 2019
Hires		43000	27,046	22,164	47345
Total Lettings		43000	27046	22164	47345
Expenditure					
Cleaning		-6109		-1,788	-4752
Deep Cleans		-2387	-3091		-2213
Caretaking		-7127	-6483		-6237
Caretaking extra hours		-509	-351	-15724	-821
Lettings management		-5814	-5605		-5396
Employer costs		-800	-746		-716
					0
Total pay & employer costs		-22746	-16276	-17512	-20135
Furlough grants			3965	8178	
Council grant		0	5000		
Gas		-2500	-1,840	-2,573	-2252
Electricity		-1800	-1,670	-1,195	-1662
Water		-900	-648	-774	-1052
Insurance		-1350	-1,328	-1,305	-1274
licences		-300	-176	-296	-233
Routine maintenance		-3000	-3,233	-3,069	-2967
Other costs					
Cleaning mats,towels etc		-1500	-326	-1,405	-1867
Payroll admin		-300	-1,207	-1,188	-953
Advertising		0	0	0	0
Telephone		-300	-204	-374	-434
Sundries		-300	-390	50	-246
Total other costs		-2400	-2,127	-2,917	-3500
Recharge Other costs to Holbrook at 2019 letting ratio 34%		816	723	992	1715
Total net other costs		-1584	-1404	-1925	-1785
Total revenue expenditure		-34180	-17610	-20471	-31360
Routine operating surplus/(defecit)		8820	9436	1693	15985
Major maintenance- over £1000 grant.			-1,957	0	0
Operating surplus/(defecit) excl depreciation/interest		8820	7479	1693	15985
Depreciation over 10 years		-1925	-1925	-1925	-1925
Total surplus/-defecit		6895	5554	-232	14060
Notes					
Capital expenditure		0	0	0	0
Transfer to PCC				-20000	-15000

<u>Giving to Charities through Fundraising and Appeals 2021</u>						
					2021	2020
					£	£
Collections:						
Christian Aid Christmas Appeal					128	
Christian Aid Week					562	
World Vision					512	
One Roof Leicester					512	
Rainbows Hospice					236	
Other activities supporting charities in the year:						
Harvest appeal - Tearfund 2021 (Embrace 2020)					200	600
Royal Parks Marathon - Mothers Union					654	
Lent lunch - Send a Cow						320
Safe Water Trust						31
Spring Concert - Parkinson UK						231
Knighton Parish Singers - Parkinson UK						462
Fairtrade Fortnight						430
Royal British Legion Poppy Appeal						395
Christmas Tree Festival - Headway Leic's					2046	
Children's Society					168	443
Swimathon - Marie Curie					455	
Marie Curie Lunch					1839	
Total charity giving and fund raising					7312	2912
During the year we also supported the South Leicester Foodbank and Leicester Women's Aid.						
NB: These charity collections are only those organised by the Church or by others on Church or Centre premises and include gift aid where appropriate.						

The Church of St Mary Magdalen, Knighton



Statutory Accounts 2021

*Presented to the Annual Church meeting (APCM)
on 15th May 2022*

Statutory Accounts 2021

Financial review

Comments on the Statement of Financial Activities and analysis of income & expenditure

“2021 was another challenging year for our Church finances. Although we saw a gradual return to something like ‘normal’ life, the pandemic has highlighted weaknesses in our overall accounts. Chiefly, we see that the annual accounts of the church, over many years now, only remain balanced because of the income received by the Parish Centre. This is because the aggregated regular giving of the congregation remains low and does not cover the regular activities of the church. We have some significant reserves, but these also obscure the reality that we are not giving enough to sustain the life of the church.”
(AJ)

Total income and endowments 2021

Total income in the year was £173,802, which was £24,394 higher than in 2020, reflecting a turn towards the pre-pandemic situation.

Total donations and legacies at £122,361 were £10,886 higher than 2020 due to:

- £28,529 increase in grants & legacies
- Offset by £7682 fall in furlough grants, and
- Reduction of Spire donations by £12,294

Total income from fees was £1,509 higher in the year at £5,724

Total other trading activities at £43,571 was £17,146 higher than 2020. This is mostly explained by increases in Centre lettings and fundraising events.

Total expenditure 2021

Total expenditure in the year was £220,746 which was £49,016 higher than 2020

This is mainly attributed to

- £41,603 increase in Spire Project restricted & designated major maintenance costs
- £2,970 extra towards the restoration of our contribution to the Diocese
- £1,844 increase in administration costs due to the cost of posting copies of the newsletter.

Net income /(expenditure) before transfers for 2021 was expenditure of (£46,944)

Transfers in the year relate chiefly to work on the Spire Project.

Gains/losses on investment assets – Gains on investments total £11,026.

Unrestricted Reserves Policy

The PCC reserve policy for 2021 is:

1) To hold an operational reserve equal to: working capital, 3 months of routine operating costs and employee notice periods.

- 2) To hold building maintenance reserve totalling £75000 for maintenance of the Church and Parish Centre. As all major building maintenance projects are authorised by the PCC from total reserves, only a reasonable level of funds will be held in the Centre bank account as working capital with excesses transferred to PCC main bank account enabling efficient investment.
- 3) To hold any reasonable level of surplus reserves as a contingency against annual deficit and reduction in investment valuations.
- 4) To review the policy and the level of reserves annually.
- 5) To undertake fundraising if actual reserves fall below the required levels.

The reserve policy was reviewed and in the light of the continuing covid financial uncertainties and work on the Spire Project, it was decided to retain the current policy and review it and planned use of reserves when finances were clearer, hopefully in 2022.

At 31/12/21, the total unrestricted reserves required and held was in accordance with the current policy.

Financial control policies

Management accounts and budgets are produced during the year to manage and control finances. All Groups/committees have clear guidance on their delegated authority and when they must refer to the Standing Committee or PCC for approval. The Building Group, who are responsible for maintenance of all buildings and the churchyard, have authority to spend up to £2000 on individual items of major maintenance or capital above which they are required to obtain approval of the Standing Committee or PCC.

Risk management

The PCC manages risk through a number of mechanisms including the following specific policies and practices:

- Children and vulnerable adults – adoption and annual review of diocesan templates.
- Charitable giving policy.
- Health and safety – a H&S policy, including fire risk assessment, routine inspection and testing of high risk items, monthly safety inspections of Church and Parish Centre and appointment of a Church Architect.
- Decision making – clearly defined committees/groups for management and delegation.
- Parish Centre and Church hire policies.
- Finance – clear control policies with regular review of management accounts, budgets and investments.

Volunteers

Thanks are due to all volunteers who work so hard to make our church the lively and vibrant community it is.

Structure, governance and management

The Parochial Church Council is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure and is a Registered Charity.

The method of appointment of PCC members is set out in the Church Representation Rules. At St Mary Magdalen's, the membership of the PCC consists of the incumbent (the vicar), churchwardens, the assistant curate, representatives on the Deanery and Diocesan Synods and members elected by those members of the congregation who are on the

electoral roll of the church. All those who attend our services are encouraged to register on the Electoral Roll and stand for election to the PCC.

The PCC members are responsible for making decisions on all matters of general concern and importance to the parish including deciding on how funds of the PCC are to be spent. New members receive training into the workings of the PCC.

Given its wide responsibilities, the PCC has a number of committees and groups, each dealing with a particular aspect of parish life. These committees and groups, which include Social & fundraising, Giving, Worship & Outreach Development and Buildings, in addition to the statutory Standing Committee, are all responsible to the PCC and report back to it regularly, minutes of their decisions being received by the full PCC and discussed as necessary. Detailed terms of reference and a scheme of delegation have been operating during the year.

Report approved by the PCC on 3rd March 2022 and signed on their behalf by the
Red Adrian Jones (PCC Chairperson)

A rectangular box containing a handwritten signature in black ink that reads "Adrian Jones". The signature is written in a cursive style with a horizontal line underneath the name. Below the box is a solid black horizontal line.

Administrative Information

St Mary Magdalen's Church is situated in Brinsmead Road, Knighton, Leicester LE2 3WD. With the Parish of St Guthlac's, it comprises the Benefice of Knighton in the Diocese of Leicester, within the Church of England. The correspondence address is The Parish Office, Knighton Parish Centre, Church Lane, Knighton, Leicester LE2 3WG. Registered charity number 1130923.

PCC members who served during 2021 are:

Ex Officio members:

Incumbent:	The Revd Adrian Jones (Chair)
Assistant Curate:	The Revd Matthew Gough
Wardens:	Mrs Beryl Bonfield (from May 2021) Ms Sian Howard (Vice Chair)

Elected members:

Mr Bob Rutland	representative on Deanery Synod	(to APCM 2023)
Mr David Stanyer	representative on Deanery Synod (Treasurer)	(to APCM 2023)
Vacancy	representative on Deanery Synod	
Mrs Angelica Amoroso		(to APCM 2021)
Mr Joshua Crick de Boom		(APCM 2021 to 2024)
Mr Michael Kirk		(to APCM 2022)
Mr Andrew Oldershaw		(to APCM 2022)
Mr David Palmer		(from APCM 2020 to 23)
Mrs Lorna Pollard		(from APCM 2020 to 23)
Mrs Judith Rudd		(from APCM 2020 to 23)
Mr Nigel Siesage		(to APCM 2022)
Mrs Ida Stanyer		(APCM 2021 to 2024)
Vacancy		

Co-opted members

Mrs Amanda Beck	(from APCM 2021)
Mr Joshua Crick de Boom	(from Nov. 2020 to APCM 2021)

Knighton PCC
Statement of Financial Activities
For the period from 01 January 2021 to 31 December 2021

	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total funds	Prior year total funds
<i>Income and endowments from:</i>						
Donations and legacies	71,473	45,838	5,049	—	122,361	111,475
Income from charitable activities	5,724	—	—	—	5,724	4,215
Other trading activities	32,730	290	10,550	—	43,571	26,425
Investments	2,145	—	0	—	2,146	4,523
Other income	—	—	—	—	—	2,769
Total income	112,074	46,128	15,600	—	173,802	149,408
<i>Expenditure on:</i>						
Raising funds	101	—	—	—	101	563
Expenditure on charitable activities	107,611	94,845	18,187	—	220,645	171,166
Total expenditure	107,712	94,845	18,187	—	220,746	171,730
Net income / (expenditure) resources before transfer	4,361	(48,717)	(2,587)	—	(46,943)	(22,321)
<i>Transfers</i>						
Gross transfers between funds - in	37,880	274	0	—	38,155	101,449
Gross transfers between funds - out	(274)	(37,541)	(339)	—	(38,155)	(101,449)
<i>Other recognised gains / losses</i>						
Gains / losses on investment assets	11,026	—	—	—	11,026	16,263
Net movement in funds	52,993	(85,984)	(2,927)	—	(35,917)	(6,058)
<i>Reconciliation of funds</i>						
Total funds brought forward	689,418	109,435	7,486	—	806,340	812,398
Total funds carried forward	742,412	23,451	4,559	—	770,423	806,340
<i>Represented by</i>						
Unrestricted						
General fund	742,412	—	—	—	742,412	689,418
Designated						
Choir Fund	—	172	—	—	172	—
Christmas Tree Festival	—	4,093	—	—	4,093	—
Flower Guild	—	247	—	—	247	—
Friends of St Mary Magdalen	—	16,724	—	—	16,724	—
Music and Worship Fund	—	2,213	—	—	2,213	—
Spire Fund	—	—	—	—	—	109,435
Restricted						
Building Appeal Fund	—	—	1	—	1	1
Churchyard Fund	—	—	1,000	—	1,000	7,481
Education & Training Fund	—	—	1	—	1	1
Fabric Fund	—	—	0	—	0	0
Spire Fund	—	—	3,555	—	3,555	1
Vestments and altar covers	—	—	0	—	0	0

There may be minor discrepancies in the totals if the pence are not being shown

Knighton PCC
Balance sheet (Summary)
As at: 31 December 2021

	As at 31/12/2021	As at 31/12/2020
	£	£
Fixed assets		
Tangible assets	555,116	551,962
	<u>555,116</u>	<u>551,962</u>
Current assets		
Debtors	5,012	4,652
Investments	82,932	71,906
Cash at bank and in hand	128,897	180,873
	<u>216,843</u>	<u>257,432</u>
Liabilities		
Creditors: Amounts falling due in one year	1,536	3,054
Net current assets less current liabilities	<u>215,306</u>	<u>254,377</u>
Total assets less current liabilities	<u>770,423</u>	<u>806,340</u>
Total net assets less liabilities	<u>770,423</u>	<u>806,340</u>
Represented by		
Unrestricted		
Unrestricted - General fund	742,412	689,418
Designated		
Designated - Christmas Tree Festival	4,093	—
Designated - Parish Centre Fund	—	—
Designated - Choir Fund	172	—
Designated - Flower Guild	247	—
Designated - Friends of St Mary Magdalen	16,724	—
Designated - Music and Worship Fund	2,213	—
Designated - Spire Fund	—	109,435
Restricted		
Restricted - Building Appeal Fund	1	1
Restricted - Churchyard Fund	1,000	7,481
Restricted - Fabric Fund	0	0
Restricted - Restricted	—	—
Restricted - Vestments and altar covers	0	0
Restricted - Spire Fund	3,555	1
Restricted - Education & Training Fund	1	1
Restricted - Agency collection	—	—
Funds of the church	<u>770,423</u>	<u>806,340</u>

There may be minor discrepancies in the totals if the pence are not being shown

Knighton PCC

Analysis of income and expenditure Selected period: 01 January 2021 to 31 December 2021

	Unrestricted	Designated	Restricted	Endowment	This year	Total Last year
Income and endowments						
<i>Donations and legacies</i>						
0101 - Giving gift-aided - bank	32,147	—	—	—	32,147	31,356
0105 - Giving gift aided - cheques	300	—	—	—	300	2,540
0110 - Giving gift-aided - envelopes	6,474	—	—	—	6,474	9,140
0115 - Spire Fund - donations	—	—	4,379	—	4,379	16,673
0116 - Friends of Knighton Church	—	4,183	—	—	4,183	—
0201 - Giving - not gift aided	6,206	—	—	—	6,206	3,878
0301 - Loose plate collections	1,236	—	—	—	1,236	936
0550 - Donations appeals etc	4,848	1,213	—	—	6,062	3,482
0601 - Tax recovered-gift aided giving	9,823	—	669	—	10,493	14,401
0602 - Tax recovered-gift aided dons.	705	—	—	—	705	—
0603 - Tax recovered-small dons. sch.	766	—	—	—	766	508
0701 - Legacies	—	17,650	—	—	17,650	5,500
08A1 - Non-recurring one-off grants	5,000	22,790	—	—	27,790	11,411
08A2 - non-recurring furlough grants	3,965	—	—	—	3,965	11,647
Donations and legacies Totals	71,473	45,838	5,049	—	122,361	111,475
<i>Income from charitable activities</i>						
1101 - Fees - weddings and funerals	5,724	—	—	—	5,724	4,215
Income from charitable activities Totals	5,724	—	—	—	5,724	4,215
<i>Other trading activities</i>						
0910 - Social & fund raising events	2,117	—	—	—	2,117	261
0911 - Votive candles income	—	—	—	—	—	9
0912 - miscellaneous income	1,791	290	—	—	2,081	1,118
0915 - Spire Fund - fund raising events	—	—	10,550	—	10,550	1,581
1240 - Centre lettings	27,045	—	—	—	27,045	22,163
1241 - Church lettings	—	—	—	—	—	700
1260 - Parish magazine sales	396	—	—	—	396	20
1261 - Printing re-charges	1,379	—	—	—	1,379	570
Other trading activities Totals	32,730	290	10,550	—	43,571	26,425
<i>Investments</i>						
1001 - Dividends	2,041	—	—	—	2,041	4,407
1020 - Bank & building soc. interest	104	—	0	—	105	87
1225 - Spire fund interest	—	—	—	—	—	27
Investments Totals	2,145	—	0	—	2,146	4,523
<i>Other income</i>						
1310 - Insurance claims	—	—	—	—	—	2,769
Other income Totals	—	—	—	—	—	2,769
Income and endowments Grand totals	112,074	46,128	15,600	—	173,802	149,408

There may be minor discrepancies in the totals if the pence are not being shown

	Unrestricted	Designated	Restricted	Endowment	This year	Total Last year
Expenditure						
<i>Raising funds</i>						
1715 - Spire Fund - fund raising expenditure	—	—	—	—	—	384
1720 - Costs of Giving Scheme	101	—	—	—	101	179
Raising funds Totals	101	—	—	—	101	563
<i>Expenditure on charitable activities</i>						
1910 - Contribution to Diocese	40,000	—	—	—	40,000	37,030
2050 - Salary of parish administrator	12,042	—	—	—	12,042	11,790
2060 - Muscian fees	1,196	—	—	—	1,196	729
2101 - Expenses of incumbent	436	—	—	—	436	273
2102 - Curate's expenses	859	—	—	—	859	885
2201 - Mission outreach	3,149	1,064	—	—	4,214	1,122
2301 - Church insurances	4,445	—	—	—	4,445	4,368
2304 - Insurance claims	—	—	—	—	—	2,850
2330 - Church routine maintenance	1,818	—	—	—	1,818	2,396
2331 - Church cleaning	—	—	—	—	—	293
2340 - Sacristry costs	163	42	—	—	205	528
2341 - Other music costs	586	—	—	—	586	301
2350 - Churchyard maintenance	664	—	600	—	1,264	324
2360 - Administration costs	8,271	—	—	—	8,271	6,427
2401 - Church electricity	618	—	—	—	618	806
2410 - Church gas	2,479	—	—	—	2,479	2,326
2420 - Church water	106	—	—	—	106	99
2520 - Centre wages	16,276	—	—	—	16,276	17,512
2530 - Centre electricity	1,669	—	—	—	1,669	1,194
2540 - Centre gas	1,839	—	—	—	1,839	2,572
2550 - Centre insurance	1,328	—	—	—	1,328	1,305
2560 - Centre routine maintenance	3,233	—	—	—	3,233	3,068
2570 - Centre licences	176	—	—	—	176	296
2580 - Centre water	647	—	—	—	647	773
2590 - Centre other costs	1,404	—	—	—	1,404	1,924
2702 - Churchyard major maintenance	—	—	5,541	—	5,541	3,859
2801 - Centre major maintenance	1,957	—	—	—	1,957	—
2815 - Spire Fund - - major maintenance	—	93,738	12,045	—	105,784	64,181
3000 - Depreciation - Church & office	314	—	—	—	314	—
3001 - Depreciation - Centre	1,925	—	—	—	1,925	1,925
Expenditure on charitable activities Totals	107,611	94,845	18,187	—	220,645	171,166
Expenditure Grand totals	107,712	94,845	18,187	—	220,746	171,730

There may be minor discrepancies in the totals if the pence are not being shown

**THESE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021
FORM PART OF THE ACCOUNTS**

1 ASSETS AND LIABILITIES

FIXED ASSETS

TANGIBLE ASSETS

Freehold land and buildings

Other

Total

		1	2	3	
GROSS BOOK VALUE	At 31 December 2020	£316,152	£231,424	£42,749	£590,325
	Additions	£0	£0	£5,393	£5,393
	Disposals			-(£4,301)	-(£4,301)
	At 31 December 2021	<u>£316,152</u>	<u>£231,424</u>	<u>£43,841</u>	<u>£591,417</u>
DEPRECIATION	At 31 December 2020	£0	£0	£38,362	£38,362
	Disposals	£0	£0	-(£4,301)	-(£4,301)
	Charge for year	£0	£0	£2,239	£2,239
	At 31 December 2021	<u>£0</u>	<u>£0</u>	<u>£36,300</u>	<u>£36,300</u>
NET BOOK VALUE	At 31 December 2021	<u>£316,152</u>	<u>£231,424</u>	<u>£7,541</u>	<u>£555,117</u>

1 Parish Centre, Brinsmead Road
2 Holbrook Hall, Holbrook Road

3 Fixtures and fittings in the Centre and office

The gross book value of the land and buildings included in the accounts is as estimated for insurance purposes at 1 October 1998 .
The estimated insurance valuations at 28/09/21 are: Centre - £994k; Holbrook Hall - £608k

CURRENT ASSETS

	Unrestricted	Restricted	2021 Total	2020 Total
--	---------------------	-------------------	-----------------------	-----------------------

DEBTORS

Interest /dividend accrued	-	-	-	506
Prepayment	482	-	482	657
Furlough grant	-	-	-	1,599
Sundries	1,817	-	1,817	1,891
Gift Aid due	2,714	-	2,714	-
Total debtors	<u>£5,013</u>	<u>£0</u>	<u>£5,013</u>	<u>£4,653</u>

INVESTMENTS

Use

CCLA Church of England Investment fund- units 1487	General reserve	£37,175	37,175	32,522
CCLA Church of England Global Investment fund- units 1493	General reserve	<u>£45,758</u>	<u>45,758</u>	<u>39,384</u>
Total investments		<u>£82,933</u>	<u>£82,933</u>	<u>£71,906</u>

CASH AT BANK AND IN HAND

Account

Lloyds/TSB Deposit	General Reserve	1	1	1
Virgin Money Deposit	General Reserve	-	-	17,280
CCLA C of E Deposit	Education & Training	-	1	1
CCLA C of E Deposit	General Reserve	50,548	50,548	100,548
CCLA C of E Deposit	specific grave maintenance	-	1,000	7,142
CCLA C of E Deposit	Fabric Fund	-	1	1
CCLA C of E Deposit	Buildings Appeal	-	1	1
HSBC Community account	Choir bank account	176	176	399
HSBC Community account	Sunday club bank account	30	30	30
Nat West current account	Social Group bank account	2,268	2,268	982
Lloyds current account	Centre bank & petty cash	29,125	-	17,362
Total short term deposits		<u>£82,148</u>	<u>£1,003</u>	<u>£83,151</u>
Barclays deposit account	Spire/Friends account	4,185	3,555	7,740
Barclays current account	main bank account	<u>38,006</u>	-	<u>37,125</u>
		<u>£42,191</u>	<u>£3,555</u>	<u>£45,746</u>

Total cash at bank and in hand

£124,339 **£4,558** **£128,897** **£180,873**

TOTAL CURRENT ASSETS

£212,285 **£4,558** **£216,843** **£257,432**

LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR

Sundry creditors **£1,537** **£0** **£1,537** **£3,055**

NET CURRENT ASSETS

£210,748 **£4,558** **£215,306** **£254,377**

ANALYSIS OF NET ASSETS BY FUND

	Unrestricted	Restricted	2021 Total	2020 Total
Tangible fixed assets	555,117	-	555,117	551,963
Current assets	212,285	4,558	216,843	257,432
Current liabilities	- 1,537	-	- 1,537	- 3,055
Fund balance	<u>£765,865</u>	<u>£4,558</u>	<u>£770,423</u>	<u>£806,340</u>

THESE NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER
2021 FORM PART OF THE ACCOUNTS continued

1 Asset and liabilities

See detailed schedule

2 Accounting policies

Basis of the financial statements

The financial statements have been prepared under the Church Accounting Regulations 2006 in accordance with applicable accounting standards and the current Statement of Recommended Practice Accounting and Reporting by Charities and applicable accounting standard FRS 102.

The financial statements have been prepared under the historical cost convention except for 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 affiliation to another body, nor those that are informal gatherings of church members.

Fund accounting

Endowment funds are funds, the capital of which must be retained either permanently or at the PCC's discretion; the income derived from the endowment is to be used either as restricted or unrestricted income funds depending upon the purpose for which the endowment was established in the first place.

Restricted funds comprise (a) income from endowments which is to be expended only on the restricted purposes intended by the donor and (b) revenue donations or grants for a specific PCC activity intended by the donor. Where these funds have unspent balances, interest or dividends on their pooled investment is apportioned to the individual funds on an average balance basis.

Unrestricted funds are income funds which are to be spent on the PCC's general purposes.

Designated funds are general funds set aside by the PCC for use in the future. Project funds are designated for particular projects for administration purposes only. Funds designated as invested in fixed assets for the PCC's own use abated in line with assets' annual depreciation charges in the SOFA. Designated funds remain unrestricted and the PCC will move any surplus to other general funds.

Income and resources

Planned giving, collections and similar 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 entitled to the use of the resources, their ultimate receipt is considered reasonably certain and the amounts due are reliably quantifiable. Dividends are accounted for when declared receivable, interest as and when accrued by the payer. 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 or constructive obligation on the PCC. The PCC agreed contribution to the Diocese is accounted for when due. All other expenditure is generally recognised when it is incurred and is accounted for gross.

Fixed assets

Consecrated and benefice property is not included in the accounts in accordance with s10 (2) (a) and (c) of the Charities Act 2011.

Movable church furnishings held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property and are listed in the church's inventory, which can be inspected (at any reasonable time). These assets should be capitalised as fixtures, fittings and equipment and depreciated.

For anything acquired prior to 2002, there is insufficient cost information available and therefore such assets are not valued in the financial statements. Individual assets with a cost of less than £1000 are not capitalised and are included as expenditure not in the balance sheet.

Fixtures, fittings and equipment assets within Church and Centre premises are depreciated on a straight line basis over 10 years. Equipment in the Office is depreciated over 5 years.

3 Staff costs

	2021	2020
Office	£12042	£11790
Parish Centre	£16276	£ 14960

The above costs relate to a part-time administrator employed in St Mary's Office and the share of a part-time letting secretary and caretaker employed in St Mary's Centre. The Centre staff also provide a similar service to St Guthlac PCC for Holbrook Hall and their related costs have been recharged to St Guthlac PCC together with their share of furlough grants.

4 Payments to PCC members

No payments or expenses were paid to any PCC member or persons closely connected to them or related parties.

5 Investments

The agreed policy of the PCC is to maintain a balance between cash and investments, maximise income while not taking undue risks and to invest in ethical investments by using CCLA investments which are managed and operate under the Church of England ethical investment policy. Investments are valued at market value at 31st December and gains and losses are realised when investments are sold. There were no sales or purchases in the year. The existing holdings increased in value in the year by £11026.

6 Restricted funds

Education & Training, Building Appeal, Fabric, Vestments & Alter cover Funds

These Fund accounts are retained for future use. There was no movement during the year.

Churchyard Maintenance Fund

The fund is used to hold various donations made over a long period of time for the maintenance of graves. Following a detailed review in 2016-17 to identify any known liabilities, the balance of this Fund was designated to be used to contribute to the cost of any general maintenance in the churchyard which was the responsibility of the PCC.

	£
Known liabilities	1000
For graveyard maintenance	<u>6143</u>
Balance b/f at 1/1/21	7143
Expenditure on lighting project	(5541)
Expenditure on ground maintenance	<u>(602)</u> <u>(6143)</u>
Balance at 31/12/21 - known liabilities	<u>1000</u>

Donations are now only accepted for unrestricted general churchyard maintenance and no longer for individual grave maintenance. This can be done by donating to the The Friends of St Mary Magdalen.

Spire project

Work on the Project commenced on 19/10/20 and was completed mid- April 2021 on time and to budget.

As fundraising had been severely restricted due to covid, it was decided to continue fundraising until 31/10/21 when the project would finally close subject only to the contract retention of net £3558, which is due in March 2022.

Spire project finance summary

Costs

	£
Pre - contract costs re detailed specifications	11584
Total contract cost of spire repair project including Vat	174302
	185886

Funding

From reserves	91590
Grants - Garfield Weston £5000 + - £28983 Listed Places of Worship re VAT	33983
Donations & fundraising	60313
	185886

Friends of St Mary Magdalen

Following completion of the Spire project, the PCC decided to introduce a Friends of St Mary Magdalen Scheme to encourage community support for our beautiful church fabric and grounds. This scheme will continue the CAF giving facility and utilise the Barclays deposit account used for the Spire project.

The fund will be a designated fund.

7 Designated Funds

Designated funds are unrestricted funds set aside by the PCC for use in the future for specific purposes. A number of funds have been set up during the year as shown in the statement of financial activities at 31/12/21.

The Choir and Flower Guild bank accounts were closed during the year. Therefore designated funds were set up for their expenses - Current balances: Choir £172; Flower Guild £247.

The Christmas Tree Festival was again very successful and generated a net surplus of £4093 which is held in a designated fund at year end. This will be shared equally between the Headway Leicester brain injury charity and the Friends of St Mary Magdalen.

In line with the PCC legacies policy, certain legacies received were designated to funds which the PCC felt appropriate to the benefactors: Music and Worship Fund £2213 and Friends of St Mary Magdalen £16724.

7 (i) Analysis of designated receipts and payments in the year

Income	£	
Friends of St Mary Magdalen	4185	Christmas Tree Festival (CTF) fundraising
Donations in memory of AS	1213	Music & Worship fund
Legacies & Donations	17650	Friends of St Mary Magdalen & Music & Worship fund
Non-recurring one off grants	22790	£1000 Council grant re CTF & balance Listed Places of Worship grants - Spire repair project
Miscellaneous income	<u>290</u>	Transfer in of Flower Guild bank balance
	<u>46128</u>	

Expenditure

Mission Outreach	1064	Christmas Tree Festival costs
Sacristy costs	42	Flower Guild costs
Spire Fund Major maintenance	<u>93739</u>	Spire repair costs including VAT
	<u>94845</u>	

7 (ii) Analysis of restricted receipts and payments in the year

Income	£	
Spire fund donations	4379	various donations
Tax recovered – gift aid giving	669	gift aid on Spire donations
Spire fund – fund raising events	<u>10552</u>	Including auction - £9700
	<u>15600</u>	

Expenditure

Churchyard maintenance	600	see note 6
Churchyard major maintenance	5541	Expenditure to complete the lighting project
Spire Fund Major maintenance	<u>12046</u>	Spire repair costs including VAT
	<u>18186</u>	

8 Unrestricted reserves

The reviewed and revised PCC unrestricted reserves policy at 31/12/21 is as follows:

- 1) To hold an operational reserve equal to working capital plus 3 months of routine operating costs and employee notice periods.
- 2) To hold a building major maintenance (repair costs over £1000) reserve totalling £75000 for maintenance of the Church and Parish Centre. As all major building maintenance projects are authorised by the PCC from total reserves, only a reasonable level of funds will be held in the Centre bank account as working capital, with excess transferred to PCC main bank account enabling efficient investment.
- 3) To review the policy and the level of reserves annually.

4) To undertake fundraising if actual reserves fall below the required levels.

At 31/12/21, the total unrestricted reserves required in accordance with the policy is £127800.

Actual total unrestricted reserves (general and designated) at 31/12/21 totalled £210748

Use of unrestricted reserves

Over a number of years, the PCC has had several projects identified to consider, but the Spire Project has dominated our time and efforts.

Detailed preparations started in 2019 together with fundraising, but in early 2020, plans were disrupted by covid. The PCC reviewed its options and decided to go ahead with the project and work started on 19/10/20 with planned completion April 21.

In view of the uncertainties of income and possible overspends on building work, the PCC decided that it was prudent to suspend consideration of any other projects and to hold contingencies in case of overspend until the project was complete.

The Spire building work was completed on time in April 21 and to budget.

The completion of the Spire project to budget released some contingencies which together with increases in investment valuations, some major legacies, release of working capital required by the review in the reserve policy and fund raising in September before the spire project closed on 31/10/21, resulted in an increase in unrestricted reserves to £210748. In March 2022, the PCC will now carry out a review of proposed other projects.

**Independent Examiner's Report to the trustees of St Mary Magdalen Church,
Knighton Parochial Church Council.**

I report on the accounts for the year ended 31st December 2021

Respective responsibilities of the Trustees and Independent Examiner

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

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commissioners 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 the General Directions given by the Charity Commission.

An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the management 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

In connection with my examination, no matters have come to my attention:

1. which give me reasonable cause to believe that in any material respect the requirements

- to keep accounting records in accordance with s.130 of the 2011 Act; or
- to prepare accounts which accord with these accounting records 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.

S.A Rankine



17/2/2022

Corner Thatch,
Bell Lane,
Burton Overy Leicestershire LE8 9DB
Dated: 17 February 2022



Faith for Life

“I have come that they may have life; life in all its fullness” – Jesus (John 10.10)