

**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 2008

Incumbent:

The Revd Andrew T Griffiths
The Vicarage
450 Beehive Lane
Galleywood
Essex
CM2 8RN

Independent Examiner:

K.M.Thrift FCIE
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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 Veryan L Wilson PCC Secretary 16 Russell Gardens Chelmsford Essex CM2 8DB
PCC MEMBERS OF THE CHURCH	
Incumbent	Rev'd Andrew T Griffith (Chairman) The Vicarage 450 Beehive Lane Galleywood Essex CM2 8RN
Associate Minister	Rev'd Graeme E Anderson St Michael's House 13 Roughtons Galleywood Essex CM2 8PE
Churchwardens	Mrs Carole Perry Mrs Hillary Preston
Deanery Synod	Mrs Beryl Moss
Elected Members	During the year the following served as members of the PCC: Mrs Sally Bevan Dr Jane Harpur Mrs Rosemary Lister Mr Stephen Mack (Hon Treasurer) Mr Alan Shinn Mrs Veryan Wilson (PCC Secretary) Mrs Sue Kitson Mrs Christine Van Tromp Mrs Janette Gibson Mr Derek Waters
CHARITY STATUS	The PCC is a charity currently excepted from registration with the Charity Commission.
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 2008

This report on the financial statements of the PCC for the year ended 31st December 2008, 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 s.43 of the Charities Act 1993 ('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 43(2) of the Charities Act 1993 as amended by s.28 of the Charities Act 2006) 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 43(7)(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 41 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
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Dated: 3rd June 2011.

ST MICHAEL AND ALL ANGELS CHURCH, GALLEYWOOD

REVIEW OF THE YEAR FOR THE YEAR ENDED 31ST DECEMBER 2008

In 2007, for the first time, we prioritised, setting sixteen key goals for our life together. In this annual report I simply intend to remind you of our goals and reflect in each case on how we're doing as we seek to achieve them; then I will conclude with some comments about other recent events. I would like to thank those who sent me annual reports on areas of church life. Where possible, I have incorporated their comments in my report below.

Goal 1: to integrate Holiday Club in the life of the church.

No one was more surprised than me when the MAP team and PCC set this as our top goal! In response, we decided against bringing in an "outsider" to lead Holiday Club, and instead I was appointed as "front man" myself; we have also increased the role of our storytellers, people from both CATS and COTC who deliver the main content of the Holiday Club sessions. The resulting Holiday Club was not the best we've ever had, nor the best attended, but it is the one that shows most sign of assisting families to become part of our life and worship. It has taken large amounts of my time, but I think it's generally accepted that this has been worthwhile.

Progress so far: very good.

Goal 2: for all three congregations to have a welcome strategy.

I shared in my last Vicar's report a conversation I had with a man of about my age at a party. He said that when he was a small boy his mother used to take him to church, either to St Michael's Galleywood or to St Mary's Great Baddow.

Their private nickname for Galleywood Church was "grumpy church" because - as he remembers it - "people weren't allowed to smile". We've come a long way! In particular, after more than ten years of fairly steep numerical decline, Church at the School has taken clear steps to instil a "welcome culture"; the increase in average attendance in 2007 may be connected with this cultural change. The Pastoral Care Team is starting to assemble a Welcome Pack, and will shortly be contacting each service both for their input on the pack and to see how welcome can be coordinated.

Progress so far: good.

Goal 3: to find "Samaria".

This may sound a bit obscure, but the leadership team at the Church at the School has been pondering and praying what group it is particularly being called to concentrate on in outreach. Of course, we would love everyone to be part of our worshipping life, but if we target everyone we'll end up being appropriate for no one! Moreover, we decided that morning services (in both worship centres) would concentrate more and more on being child-friendly and unchurched-friendly, with the evening service as a reflective, prayerful service mainly for mature Christians. Samaria has now been found: the Church at the School Team is convinced that CATS has a special call to reach out to children at the Infant and Junior Schools and their families, and are willing to restructure their services and policies accordingly. The PCC has endorsed this, and said that in the medium and long term it would like to fund a worker who will help us

Meanwhile, much listening will be required - do we know what needs this community has, and what we can do to help meet them? Do we know the gifts this community has to offer, and how can we show we value them?

Progress so far: goal achieved.

Restructuring of congregational life accordingly: only just beginning .

Goal 4: to make Alpha and Emmaus vehicles of church growth.

Over 30 people attended Alpha (including Youth Alpha) this year, and I have been pleased to see that almost all of these were people without a church background - Alpha is not really intended for existing Christians. 3 Alpha guests have already been baptised, with other baptisms expected. 4 adult Alpha guests are now attending church intermittently, and almost all the youth Alpha participants are attending "Word UP!". Alpha has a higher profile, with one homegroup providing regular prayer. There was a "reunion" in December and a follow-up course is ongoing. Now, our challenge is to make sure our church life provides appropriate and attractive ways for Alpha "graduates" to take the next step and become fellow-worshippers with us. Emmaus has also proved to be of great value, but (to our surprise) not so much for new Christians as for existing church members needing midweek fellowship and without a homegroup. The initial group has now been meeting together for more than a year; nearly all are taking turns in preparing and leading sessions; and a new "intake" Emmaus course is planned to start in September.

Progress so far: Alpha/Emmaus good; work still to be done in incorporating Alpha graduates in the life of the church.

ST MICHAEL AND ALL ANGELS CHURCH, GALLEYWOOD

REVIEW OF THE YEAR (continued) FOR THE YEAR ENDED 31ST DECEMBER 2008

Goal 5: St Michael's should have ... large pre-planned periodic prayer events

Progress so far: no events yet, but a small group is planning for the first of these.

Goal 6: To show God's love to men, with a structured path from social events through Alpha to church attendance.

The Men's Group continues to be a strong one, with attendances of over 40 (including some from another local church) at large social events. At least four men have become Christians since the beginning of 2007. Attendance at prayer and smaller events has been less encouraging, and the pathway from social to spiritual is not always well-trodden.

Progress so far: good, with more "through-flow" now needed.

Goal 7: To evaluate our preaching/teaching of the word

Although all "series", for both children and adults, now have clear aims that can be evaluated, there has been little evaluation so far.

Progress so far: little progress

Goal 8: To move more people into small groups

Unless we include Emmaus (see above), the numbers at small groups is declining, though it is encouraging to see that most groups have now restructured themselves to include prayer and an outward focus. Plans to create two new groups out of one in a couple of existing homegroups seem to have been put on hold, though a new group led by Geoff and Jane Windus and a day-time group led by Jane Harpur are very important additions to the menu. A new team, headed by Graeme, is now taking over responsibility for this key area.

Progress so far: little progress.

Goal 9: For the church to give 10% to missionary and charitable causes.

We more than achieved this in 2007, especially if we include individual giving to Poland, the British Legion and our various Harvest causes. At the Missions Committee's suggestion and with the PCC's support, we are slightly changing the proportions of our giving that go to the various organisations we support, with Bible Society and Crosslinks receiving the greatest share.

Progress so far: very good

Goal 10: To have a pastoral care team that checks annually that every member is being cared for

The team has been constituted, and the production of our church address book is an important first step towards being able to do this by the end of 2008.

Progress so far: on-track to do this by the end of the year.

Goal 11: To give Alpha a high profile

Progress so far: good - see goal 4 above.

Goal 12: For Church on the Common to become an all-age church with a growth culture by the end of 2010.

We sense that God is calling those of us at the Church on the Common to have "one last adventure" (Joshua 14.6-15), saying with the Psalmist in Psalm 71.18 "Even though I am old and grey, do not forsake me O my God until I declare your power to the next generation". "Sunday Specials", our once-a-month all-age services, have been a mixed experience, probably because a) some of them weren't very good and b) we didn't build real relationships with the families who attended. So from July we are re-starting, with a guarantee that Sunday Specials will last less than an hour and a concerted effort to arrange the "adoption" of new families by existing members.

I have said that I will be there every month, and Marion Waters has agreed to share in leadership of this ministry. Some of our sermon series this year will focus on the concept of multi-generational church and on "growth culture".

Progress so far: on-track for this long-term goal.

ST MICHAEL AND ALL ANGELS CHURCH, GALLEYWOOD

REVIEW OF THE YEAR (continued) FOR THE YEAR ENDED 31ST DECEMBER 2008

Goal 13: To leaflet every mailbox five times a year.

Progress so far: goal achieved - thank you; effectiveness will be evaluated at the end of this year

Goal 14: To arrange a visit to any housebound or sick person who needs it.

Progress so far: good, except where someone specifically wants a visit from me - I'm way behind on getting to all the people I should.

Goal 15: To anchor children in the Bible, encouraging regular Bible-reading

This has been at the heart of all our children's activities at SONlight, and I am pleased to say that almost all the children - with the incentives of stickers, prizes, etc - have started to do this. This does not mean that we have nothing but encouragement in our children's ministries (for example we struggle to keep boys involved).

Progress so far: very good

Goal 16: To integrate our youth and children's ministry.

Leaders have met together, and youth have been extremely helpful in various joint sessions. We now have very few 11-18s attending on a Sunday (though more on a Thursday evening), and the way ahead for youth ministry is unclear; as decided by the PCC, we are now looking for a partnership with another local church rather than the employment of a new gap-year youth worker.

This partnership may involve the restructuring of our youth and children's work such that we have a group for years 6-8 (or even 5-8?) and another for years 9-13, with SONlight re-thought accordingly. All parties will be consulted throughout this transition.

Progress so far: good

Among other major decisions taken recently: we have a new attitude to raising money, which I call "putting the fun back into fundraising". Among the events planned are a Last Night of the Proms, a pantomime in January and a big concert next summer. We are looking to hire a paid fundraiser, who would also have responsibility for overseeing the church building, and are confident that our income can be boosted considerably - thus making that link-worker for the schools-community a real possibility.

I would like to thank all those who have borne an unreasonable burden this year. Hilary Preston and Carole Perry are standing down as Wardens, and we all owe them more than we express - thank you. No doubt you will continue to have nightmares about builders and fire officers for years to come. Alan Shinn, after more than a decade, is standing down from PCC membership. Graeme Anderson, I'm glad to say, isn't standing down from anything, and it continues to be fun to work together - though working with someone completely different from ourselves is daily bracing for both of us! I am aware that my increased involvement in deanery matters as Rural Dean has left Graeme carrying more around the parish, and thank him for his understanding. (It's left Alison with more as well, and I'm grateful to her also - both because she's the one that keeps me organised, and because I don't give her the time she deserves).

Janet Payne started work at Easter 2007 as headteacher of St Michael's School, and the appointment of Sonia Strickland as Deputy Head means we now have a senior leadership team that is 100% practising Christians, enthusiastic about partnership with the local church.

In 1953 the great Scottish preacher George MacLeod dreamed of a day when "the cross will be raised again in the centre of the market-place as well as on the steeple of the church - for Christ was not crucified on a crucifix in a cathedral between two candles, but on a cross between two thieves at the town garbage-heap, at a crossroads so cosmopolitan they had to write his title in Hebrew and in Latin and in Greek; at the kind of place where cynics talk smut, and thieves curse, and soldiers gamble." If you think you've heard these words before, I quoted them right back in 2005 when I became Vicar. And yet, perhaps inevitably and very properly, we seem to have spent a great deal of the intervening time looking at our church, discerning its strengths and weaknesses, seeing what sort of ministry God calls us to, spending enormous amounts on our buildings, and wondering who the next churchwarden is going to be. Now let's get cross-raising outside our Sunday worship, loving and sharing in provocative unexpected service, cheerful suffering and attractively interest-raising words. For God so loved the world that he gave... Jesus. And you.

ST MICHAEL AND ALL ANGELS CHURCH, GALLEYWOOD

**REVIEW OF THE YEAR (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2008**

Trustees Responsibilities

The Charities Act 1993 require the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the trust and of the surplus of the trust for that period. In preparing those financial statements the trustees are required to:

- Select suitable accounting policies and apply them consistently
- Make judgements and estimates that are reasonable and prudent
- Prepare financial statements on the going concern basis unless it is inappropriate to presume that the trust will continue in existence.

The trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the trust. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Trustees.....Rev'd Andrew T Griffiths, Chairman.

Date: 3rd April 2011.

ST MICHAEL AND ALL ANGELS CHURCH, GALLEYWOOD

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2008**

	Notes	Unrestricted Funds £	Restricted Funds £	TOTAL 2008 £	TOTAL 2007 £
INCOMING RESOURCES					
Incoming Resources from Generated Funds					
Voluntary Income	3a	128,291	1,328	129,619	108,380
Activities for Generating Funds	3b	2,576	0	2,576	0
Investment Income	3c	1,935	0	1,935	3,097
Incoming Resources from Charitable Activities	3d	8,813	0	8,813	9,625
TOTAL INCOMING RESOURCES		141,615	1,328	142,943	121,102
RESOURCES EXPENDED					
Costs of Generating Funds					
Costs of Generating Voluntary Income	4a	86	0	86	0
Charitable Activities	4b	137,620	81	137,701	147,458
Governance Costs	4c	932	0	932	0
TOTAL RESOURCES EXPENDED		138,638	81	138,719	147,458
NET INCOMING/ (OUTGOING) RESOURCES		2,977	1,247	4,224	-26,356
Total Funds Brought Forward		55,687	6,098	61,785	87,601
Adjustment to Prior Year accounts	15	0	0	0	540
TOTAL FUNDS CARRIED FORWARD		58,664	7,345	66,009	61,785

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 11 to 16 form part of these financial statements.

ST MICHAEL AND ALL ANGELS CHURCH, GALLEYWOOD

**BALANCE SHEET
AS AT 31ST DECEMBER 2008**

	Notes	Unrestricted Funds £	Restricted Funds £	31-Dec-08 Total £	31-Dec-07 Total £
Fixed Assets					
Tangible assets	2	62,400	0	62,400	62,400
Current Assets					
Debtors	7	16,751	0	16,751	7,605
Cash at bank and in hand	6	23,815	7,345	31,160	45,898
Total Current Assets		40,566	7,345	47,911	53,503
Creditors: amounts falling due within one year	8	3,074	0	3,074	8,690
NET CURRENT ASSETS		37,492	7,345	44,837	44,813
TOTAL ASSETS less current liabilities		99,892	7,345	107,237	107,213
Creditors: amounts falling due in more than one year	9	41,228	0	41,228	45,428
NET ASSETS		58,664	7,345	66,009	61,785
 Funds of the Charity					
Unrestricted Funds		58,664	0	58,664	55,687
Restricted Funds		0	7,345	7,345	6,098
Total Funds		58,664	7,345	66,009	61,785

Approved by the Trustees on the 3rd April 2011 and

Signed on their behalf byRev'd Andrew T Griffiths, Chairman.

ST MICHAEL AND ALL ANGELS CHURCH, GALLEYWOOD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2008

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 2005.

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.96(2)(A) of the Charities Act 1993

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 £1,000 (PCC's should fix a figure appropriate to their circumstance) 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 2008**

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, eg 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 other than the correction to last years accounts see Note 15 on Page 16.

Basis of preparation:

The financial statements have been prepared on the historical cost basis of accounting in accordance with the Charities Act 1993 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" (SORP 2005) issued in March 2005.

2. TANGIBLE FIXED ASSETS

a) St Michael's House

		Unrestricted £	Restricted £	Total £
		Freehold Property		
Freehold Property				
Cost of improvements	01-Jan-08	62,400	0	62,400
Revaluation		0	0	0
Additions		0	0	0
Cost at	31-Dec-08	<u>62,400</u>	<u>0</u>	<u>62,400</u>
Depreciation	01-Jan-08	0	0	0
Charge		0	0	0
Depreciation at	31-Dec-08	<u>0</u>	<u>0</u>	<u>0</u>
Net Book Value	31-Dec-08	<u>62,400</u>	<u>0</u>	<u>62,400</u>
Net Book Value	31-Dec-07	62,400	0	62,400

The cost of £62,400 represents improvements to the freehold property included in last years accounts St Michael's House been valued at £238,000 this year and therefore £175,600 has been included to more accurately represent the values of St Michael's House.

The insurance value of St Michael's House at 31st December 2008 is £238,896 (2007: £223,450).

ST MICHAEL AND ALL ANGELS CHURCH, GALLEYWOOD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2008**

2. TANGIBLE FIXED ASSETS (continued)

b) The Church of St Michael and All Angels, Gallywood

Consecrated and Beneficed property is excluded from the accounts by s.96(2)(A) of the Charities Act 1993.

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 insurance value of The Church of St Michael and All Angels, Gallywood at 31st December 2008 is £5,152,170 (2007: £4,865,279).

c) Vicarage Hall

The PCC no longer consider that a 13 year lease has an asset value.

The insurance value of the Vicarage Hall at 31st December 2008 is £186,429 (2007: £182,683).

3. INCOMING RESOURCES

	Unrestricted Funds £	Restricted Funds £	TOTAL 2008 £	TOTAL 2007 £
a) Voluntary Income				
Collections	7,754		7,754	5,174
Donations	7,636		7,636	7,905
Gift Aid Donations	74,537	1,328	75,865	80,378
Gift Aid Recoverable	29,871		29,871	14,423
Gift Days	8,493		8,493	0
Grants			0	500
	128,291	1,328	129,619	108,380
b) Activities for Generating Funds				
Fund Raising Sales	1,876		1,876	0
Hire Church Hall - Fund Raising	700		700	0
	2,576	0	2,576	0
c) Investment Income				
Bank Interest	1,935		1,935	206
Central Board of Finance			0	2,891
	1,935	0	1,935	3,097
d) Incoming Resources from Charitable Activities				
Fees	7,412		7,412	6,820
Hire Church Hall - Objectives	915		915	2,390
Sundries	486		486	415
	8,813	0	8,813	9,625

ST MICHAEL AND ALL ANGELS CHURCH, GALLEYWOOD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2008**

4. RESOURCES EXPENDED

	Unrestricted Funds £	Restricted Funds £	TOTAL 2008 £	TOTAL 2009 £
a) Costs of Generating Voluntary Income				
Costs of Fetes and Events	86		86	0
	86	0	86	0
b) Charitable Activities				
Missionary & Charitable Giving				
Home	5,463		5,463	7,796
Overseas	6,290		6,290	2,700
Ministry				
Church Running & Maintenance	13,271		13,271	19,197
Churchyard Running Costs	2,000		2,000	1,518
Diocesan Parish Share	85,680		85,680	84,254
Disabled Access/ Repairs etc	4,819	22	4,841	2,951
Family Hour/SONlight/Youth	220		220	3,121
Holiday Club/Race Runners/GC	365		365	1,035
Major Repairs	1,785		1,785	0
Miscellaneous			0	540
Mortgage	2,816		2,816	3,148
Organist Fees	1,120		1,120	0
Other Ministry Costs	2,751		2,751	2,864
Outreach			0	1,295
Printing Stationery & Postage	1,882		1,882	1,205
School Hall Hire	1,908		1,908	0
Service Costs	1,629		1,629	0
St Michael's House	235		235	5,788
Sundry Expenses	337		337	3,036
Vicarage Hall Expenses	3,970		3,970	3,510
Youth Worker	1,079	59	1,138	3,500
	137,620	81	137,701	147,458
c) Governance Costs				
Independent Examination	932		932	0
	932	0	932	0

ST MICHAEL AND ALL ANGELS CHURCH, GALLEYWOOD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2008**

5. RESTRICTED FUNDS

	Balance 01-Jan-08 £	Income £	Expenditure £	Balance 31-Dec-08 £
Disabled Access	81	0	81	0
Evelyn Bates	2,127	0	0	2,127
Galleywood Parish Council	0	1,328	0	1,328
Layzell/Bruce Legacies	1,856	0	0	1,856
Race Runners & Galleywood Children	2,034	0	0	2,034
	6,098	1,328	81	7,345

Disabled Access - used to improve the disabled access of The Church of St. Michael and All Angels, Galleywood.

Evelyn Bates - funds used in certain areas of the churchyard.

Galleywood Parish Council - funds used on the church yard.

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

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

6. CASH AT BANK AND IN HAND

	Unrestricted Fund £	Restricted Fund £	Total 31-Dec-08 £	Total 31-Dec-07 £
Current Account	-2,998	0	-2,998	-2,013
Deposit Account	6,362	7,345	13,707	14,650
CBF Deposit Fund	20,451	0	20,451	32,721
	23,815	7,345	31,160	45,358

7. DEBTORS AND PREPAYMENTS

	Unrestricted Fund £	Restricted Fund £	Total 31-Dec-08 £	Total 31-Dec-07 £
Tax Recoverable	16,751	0	16,751	7,605
	16,751	0	16,751	7,605

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

	Unrestricted Fund £	Restricted Fund £	Total 31-Dec-08 £	Total 31-Dec-07 £
Loans	3,074	0	3,074	0
Accruals	0	0	0	8,690
	3,074	0	3,074	8,690

ST MICHAEL AND ALL ANGELS CHURCH, GALLEYWOOD

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2008**

9. CREDITORS ACCRUALS AND DEFERRED INCOME: AMOUNTS FALLING DUE IN MORE THAN ONE YEAR

	Unrestricted Fund £	Restricted Fund £	Total 31-Dec-08 £	Total 31-Dec-07 £
Loans	41,228	0	41,228	45,428
	41,228	0	41,228	45,428

10. STAFF COSTS AND NUMBERS

During the year the PCC had no employees (2007: Nil)

11. TRUSTEES AND OTHER RELATED PARTIES

	2008	2007
Number of Trustees who were paid expenses	0	0
Total amount paid	£ 0	£ 0

PCC members were reimbursed mileage and out of pocket expenses totalling £Nil (2007: Nil).

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

12. 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.

13. 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.

14. 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

15. ADJUSTMENT TO PRIOR YEAR ACCOUNTS

The prior year accounts have been adjusted to match the correct position of the Cash at Bank as at 31st December 2007. The accounts showed a position of £45,358 while the correct figure was £45,898 an adjustment has been made of £540 to the final position.