



CHRIST CHURCH
PENNINGTON

**ANNUAL REPORT
AND
FINANCIAL STATEMENTS
OF THE PAROCHIAL CHURCH COUNCIL OF THE
ECCLESIASTICAL PARISH OF CHRIST CHURCH PENNINGTON
(MANCHESTER DIOCESE)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Registered Charity No. 1130715

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ADMINISTRATIVE DETAILS

PCC members

Members who have served during the year and until the date of approval of this report are:

Incumbent (Ex-officio): The Revd Alan Saunders (Chair)

Associate Minister (Ex-officio): The Revd Eric White

Curate (Ex-officio): The Revd Adam Whittle

SVC Senior Pastor (Ex-officio): Mr John Bennett

Assistant Ministers (Reader): Miss Alison Davies
(Ex-officio)

Wardens: (ex- officio, elected annually)

Dr Paul Richardson

Representatives on the Deanery Synod: (ex- officio to APCM 2023)

Mrs Joan Longworth

Mrs Mavis McLean

Other elected members:

To APCM 2020

Mrs Alison Urquhart
Mr Scott Nicholson

Mrs Jackie White
Mr Craig Gaskell

To APCM 2021

Mr James Johnson
Mrs Aimee Moore

Miss Kim Waddup

To APCM 2022

Mr J Russell Roberts
Mrs Jessica Cooper

Mr Cyril Roberts

To APCM 2023

Mr D Clough
Mr J Bennett
Mrs J Piotrowski
Mr M Brown

Mr A Leakey
Mrs H Owen
Mr Simon Bennett

(Total 13 elected members at 31st December 2020)

Treasurer

Mr Cyril Roberts

Location and correspondence address

Christ Church Pennington is situated about 250 yards south of the centre of Leigh in Lancashire, off St. Helen's Road. The correspondence address is Church House, Schofield Street, Pennington, Leigh, WN7 4HT.

Bankers

Co-operative Bank PLC, Balloon Street, Manchester, M60 4EP
CCLA Investment Management Limited, 80 Cheapside, London, EC2V 6DZ

Independent Examiner

Mr Edward T Moss

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

The Members of the Parochial Church Council (PCC), who are the trustees of the charity, present their annual report and financial statements for the year ended 31 December 2020.

Structure, governance and management

The PCC of Christ Church Pennington is an independent charity within the Diocese of Manchester in the Church of England. It is registered with the Charity Commission, number 1130715, with the formal title of the Parochial Church Council of the ecclesiastical parish of Christ Church Pennington (Manchester Diocese).

PCC's are governed by two pieces of Church of England legislation, called Measures. These are:

- the Parochial Church Councils (Powers) Measure 1956 as amended, which defines the principal function, or purpose, of the PCC as "promoting in the parish the whole mission of the Church"
- the Church Representation Rules (contained in Schedule 3 to the Synodical Government Measure 1969 as amended)

The method of appointment of PCC members (trustees) is set out in the Church Representation Rules, each member being elected for a three year period. All Church attendees are encouraged to register on the Electoral Roll and consider standing for election to the PCC.

Charitable Objectives and Principal Activities

The trustees have the responsibility of co-operating with the incumbent to benefit the public by promoting, in the ecclesiastical parish, the whole mission of the Church - pastoral, evangelical, social and ecumenical.

The PCC seeks to achieve its objectives by providing opportunities for worship and fellowship as well as providing services and support for the wider community of Pennington, Leigh and beyond. The trustees have placed special emphasis on support for local young people and their families, debt and poverty issues and on the long-term sustainability of the Sports Village Church (SVC). The PCC has maintenance responsibilities for 2 buildings, namely the Church itself and Church House (the former vicarage now used as a Church Hall) on Schofield Street, Pennington, Leigh. SVC operates out of a room at Leigh Harriers which is the subject of an informal hire agreement.

The trustees have referred to the information contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning future activities. The trustees believe that the activities carried out benefit the public by providing opportunities to meet as a community, to serve one another and to provide service and otherwise assist those individuals in need because of social exclusion, poverty, disability or lack of opportunity.

Church Vision

Our church Mission is summarised in the strap-line:

Love Jesus, Love Leigh, Love Life

Achievements and Performance

Church attendance

Due to the covid pandemic physical attendances in church were dramatically reduced. At 31st December there were 160 persons (2019: 162) on the Church Electoral Roll.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020 (cont.)

Review of the year

Normally the PCC would meet 6 times per year, but because of the impact of the Covid-19 pandemic the PCC met 4 times (3 times over Zoom) in the year with 8 persons having 100% attendance and an average 75% attendance

The early part of 2020, prior to the pandemic, saw continued progress with youth outreach. We had a Pais youth work apprentice team of two young people from Germany and weekly sessions were taking place in Bedford, Westleigh and Lowton High Schools. Weekly sessions with young people were flourishing in Church House. We had established a 'Soul Leigh' brand for our outreach activities which included weekly Soul Sunday youth services, a Soul Group discipleship group, our regularly midweek youth group (#youthy), and a Soul Children gospel choir, which was honoured to sing for a Royal visit by Princess Anne to Parbold Equestrian Centre. To build momentum with the development of the choir we held a gospel music workshop attended by over 100 students from Westleigh, Lowton and Bedford High Schools at church on 30th January. We held a Message Bus vision event in partnership with Wigan Council's Community Capacity Officer for Leigh on 28th January and were working to build funding and volunteers towards launching a third bus project later in the year. The Soul Leigh brand grew in popularity and we had over 200 followers on Instagram, comprising mainly local young people. Weekday after school drop-in sessions were well attended at Bridgewater's Café with support by volunteers, our Senior Youth Worker and Pais team. A funding bid was submitted to Wigan Council's 'The Deal' Community Investment Fund for an initiative called 'The Friendship Project' to further our youth outreach work.

Our relationship with Christ Church CE Primary continued to flourish and we provide a strong team of foundation governors under the capable chairing of Mrs Helen Dowman. The school received a 'Good' rating following a full Ofsted inspection. Clergy and our Senior Youth Worker were actively involved in school worship and support for the school Ethos Group which has been participating in our monthly All-Age worship services. Consultation with Wigan Council and developers of the West Bridgewater Street housing development have resulted in the gift of extra land, plus surfacing work to create a new staff car park on the canal side of school, and construction of perimeter fencing.

Support of Lowton CE High School continues where the vicar is a Foundation Governor. A new headteacher has been appointed, Mr Kieran Larkin, who is also a member of Christ Church. We continue to provide chaplaincy services to the school and a SIAMS inspection achieved a good result and the chaplaincy work was particularly identified as a model example of school chaplaincy.

Our staff team (Vicar, Curate, Senior Youth Worker, Operations Manager, two Pais Apprentices) were working well and the Pais team members integrated well into the team. Steph, our Operations Manager took over responsibility for Safeguarding. John Bennett continues to provide effective leadership as Lead Pastor of Sports Village Church.

Services continued to flourish and this year we were seeing further evidence of modest growth in attendance at both our Sunday services and midweek Holy Grounds Coffee Morning and service.

The onset of the pandemic later in March had a dramatic affect on all our ministry and operations. Bringing significant change and the need to quickly adapt to changing circumstances and finding new ways of sustaining our community.

Significant investment (both financially through gifts and grants, and in terms of time commitment by the vicar and our tech team) in up to date, fit-for-purpose technology in order to produce good quality online output for all areas of church life. This has helped us retain regular worshippers and attract more people from further afield and from our local "fringe" who are now participating regularly.

We created a YouTube Channel from scratch, which now has 229 subscribers, hundreds of individual videos - including reflections, assemblies, children's groups activities and teaching, youth messages and livestream recordings, Holy Grounds quizzes, sermons, services, Soul Sunday services, school staff reflections and class sessions, live interviews, etc. www.youtube.com/christchurchpennington

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020 (cont.)

We have seen significant growth in regular posts and updates on **Facebook** - several every day - an increase in followers of our page from 445 before lockdown to current figure of over 800, a growth of over 70% - and generally engagement with our Facebook page has increased considerably.

We now are livestreaming all services and the Holy Grounds quiz every week. Max viewers 181 on Easter Sunday settled to around 120 each Sunday morning - difficult to interpret these figures into actual people numbers as some households may share one device or smart TV as a family group, whilst others may have several logged in simultaneously.

Life Groups (home groups), Alpha courses, prayer meetings, youth meetings, etc have all been held virtually on-line. In parallel, we have organised a network of people to pass on regular communications, newsletters, magazines, and spiritual resources to people who are not digitally connected.

Efforts have been made to improve the quality and reliability of the data kept about people who attend, under the GDPR guidelines. This has also helped us to keep in regular touch with people through email or other means. We have phased in the use of ChurchSuite and have a large database of regular as well as more fringe people with whom enhanced communication is possible.

We have enhanced safeguarding policies to enabled us to develop safe ways to engage young people online, which has included young people themselves participating in and initiating and running virtual activities. Our Pais team had to return home to Germany but continued providing on-line activities remotely from Germany until the end of the academic year.

Our church community Cafe while unable to open this year because of its small size (not possible even out of lockdown to make it customer-Covid-Safe) has been able to run a Fun Food Box project for vulnerable families both with and without links to church or to the two church schools. In 2020 there was a summer (school holidays) and an autumn phase, and 15 families were supported each time, with a total of 1295 meals. (135 boxes) by between 10 and 14 drivers involving 172 hours of driver time. Total volunteer time was 650 hours (including driving).

The interior of the church has been repainted and new carpets fitted. A new amplifier and speaker system has been installed. Buildings and grounds maintenance has continued.

We were successful in our application to Wigan Council's 'The Deal' Community Investment Fund and were awarded £45k, payable in three £15k annual payments. This means we will be in a position to employ an additional youth worker to deliver a youth outreach project called The Friendship Project.

The pandemic has affected our income and so PCC took the difficult decision to reduce our parish share payment to Manchester Diocese from £70k requested for 2020 down to £54k to avoid a deficit position in our accounts.

Arrangements were initiated to start the migration of the Christians Against Poverty (CAP) project from the Sports Village Church charity (SVCC+) to the PCC. This will mean PCC will take over as employer of the CAP Lifeskills Manager, a transfer of all funds, and regular contributions to a restricted PCC fund. This process is expected to be completed early in 2021.

Financial Review

During the year the PCC continued to take a prudent approach to its financial management, regularly receiving financial updates from the finance sub-group, which meets before every PCC meeting to carry out detailed financial monitoring against budgets.

Total unrestricted income (Including designated funds) was £121,864 (2019: £129,697). Restricted fund income was £50,895 (2019: £71,811). This included grants received, detailed in note 3 of the financial statements.

The parish share is an amount payable to the diocese to support ministry costs and the work of churches in other areas of Manchester. The PCC paid £54,000 parish share for the year. This was a reduction on the planned share of £70,000 which could not be met because of the reduction in planned income due to the covid pandemic.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020 (cont.)

Mission giving from unrestricted funds is calculated as 10% of prior year unrestricted incoming resources. The total amount given from unrestricted funds was £12,300, compared with £12,150 in 2019. For 2021 it will be £11,400.

Other unrestricted operating costs (Including designated funds) of £68,755 (2019: £49,863) an analysis can be found in note 6 of the financial statements. Expenditure from restricted funds was £53,717 (2019: £91,106), an analysis can be found in note 6 of the financial statements

All these factors combined to result in net income from unrestricted funds of £22,101 (2019: £14,894). Of this, £21,320 (2019: £15,980) was transferred to other funds for purposes agreed by the PCC. This left a increase in general funds of £781 (2019: £1,086 decrease) and a decrease in designated funds of £21,060 (2019: £7,580 decrease).

The net position from restricted funds was a net reduction of £6,132 (2019: £16,932 decrease). Movement in the various funds is set out in note 14, together with a brief explanation of the purpose of each individual fund.

Planned and tax-efficient giving

The number of people who gave regularly to General Church Funds through the Bank or the envelope scheme during 2020 was 103 (2019: 110) and of these 87 (2019: 96) donated through the Gift Aid Scheme.

Future developments

As and when Covid restrictions are eased and lifted we will seek further development in the following areas:

To recruit a new youth worker to further develop our youth outreach programme, including fulfilling our obligations to deliver activities under The Friendship Project using funds provided. We will continue to develop deeper partnerships across the town for the delivery of community, youth and children's outreach activities.

To recruit volunteers and deliver further weekly sessions using the Message Bus.

To continue with recruitment of a new PAIS youthwork apprentice team, potentially in September 2021, provided host homes can be found.

To raise additional funding for a new part time children's worker and support them in the ongoing development of our weekly children's group and links with Christ Church Primary and potentially other primary schools in Leigh. To look for new opportunities for worship with children, including the establishment of Messy Church. To continue with children's outreach including the delivery of another Summer of Fun holiday activities.

To review, and potentially renew, our agreement with Lowton Church of England High School to continue to provide a part time chaplaincy role.

We will work towards a recovery from the slowdown of progress and development arising from the pandemic. We continue to develop the mission, worship, discipleship and prayer life of our churches, to seek growth in attendance at services and financial stability to support the ministry. We will continue to support the SVC leadership team as they develop and strengthen the ministry of the church.

To further develop our outreach work through the CAP Centre.

To continue to develop our on-line presence through livestreaming and social media.

To work with Christ Church Primary School to ensure the new housing estate building works bring minimal impact and maximum benefit to the school.

To work with Wigan Council and Your Housing Group to secure the long-term future and potential expansion of Bridgewater's Cafe and community facilities.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020 (cont.)

To continue fundraising to progress the repointing and stonework renovation of the exterior of church.

To explore the feasibility of reordering the worship area of church.

To continue with building improvements to Church House and church.

Risk review, funds and reserves policy

The trustees have considered the key risks affecting the charity, and taken steps to mitigate them. They have identified the key risks as being;

- ❑ failure to maintain a listed church building and other old buildings in a good state of repair;
- ❑ balancing the needs of members of the Church, with its two congregations, and the wider community;
- ❑ financial risks associated with balancing the requirement for longer term investment in the buildings and projects in the parish and the shorter term demands on limited resources; and
- ❑ financial risks associated with declining levels of unrestricted giving.
- ❑ Covid19 pandemic and its affect on the financial stability of the PCC.

The trustees believe that these risks are minimised by regular meetings concentrating on building issues, development of policies and regular consideration of financial information and balancing ongoing maintenance expenditure with retention of funds for longer-term projects.

The trustees recognise the need for the charity to establish and maintain reserves to enable it to continue to carry out its charitable objectives in the event of unforeseeable matters arising. In particular, given the nature of the buildings, reserves need to be maintained to ensure any major repairs can be carried out when necessary.

Details of reserves held by the charity are given in note 14 to the financial statements. With the exception of funds held in trust for the Parish School, most restricted funds relate to ongoing activities, and there are only small balances held for building works, so any major investment in buildings would have to be funded either by appeals and grants or by making provisions within designated funds established for the purpose of longer-term building maintenance.

In addition to restricted and designated funds, the trustees have resolved to maintain a minimum of 2-3 months' average running costs in free reserves. At £37,047, free reserves meet this requirement.

The Covid19 pandemic reached the UK in March 2020, leading to the closure of the church buildings. This affected the income of the PCC and possibly the going concern basis on which the financial statements have been prepared. After analysis of various scenarios and much discussion the PCC are content that the reserves are sufficient to assure them that the going concern basis is correctly used as a basis for the preparation of these financial statements.

Statement of Trustees responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the trustees are required to:

- ❑ select suitable accounting policies and then apply them consistently;
- ❑ observe the methods and principles in the Charities SORP;
- ❑ make judgments and estimates that are reasonable and prudent;
- ❑ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ❑ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020 (cont.)

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees appointed Mr Edward T Moss as Independent Examiner for the year and a resolution to reappoint him for next year will be proposed at the Annual Parochial Church Meeting.

Approved by the members of the PCC on 27th April 2021 and signed on their behalf by

Reverend Alan Saunders
Chair

Cyril Roberts
Treasurer

INDEPENDENT EXAMINER'S REPORT TO THE PCC OF CHRIST CHURCH PENNINGTON FOR THE YEAR ENDED 31 DECEMBER 2020

This report on the financial statements of the PCC for the year ended 31st December 2020, which are set out on pages 10 to 21, is in respect of an examination carried out in accordance with the Church Accounting Regulations 2006 ("the Regulations") and s.145 of the Charities Act 2011 ("The Act")

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the financial statements. The charity's trustees consider that an audit is not required for this year (under section 144(2) of the Charities Act 2011, and that an independent examination is needed.

It is my responsibility to:

- examine the accounts (under section 145 of the Act);
- to follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 145(5)(b) of the Act); and
- to state whether particular matters have come to my attention.

Basis of this report

My examination was carried out in accordance with General Directions given by the Charity Commissioners. 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 trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in, any material respect, the trustees have not met the requirements to ensure that:

- proper accounting records are kept (in accordance with section 130 of the Act); and
- accounts are prepared which agree with the accounting records and comply with the accounting requirements of the Act; or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed:

**Edward T Moss, FCA
Chartered Accountant
29 Mauldeth Road
Stockport
SK4 3ND**

Date: 27th April 2021

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	----- Unrestricted Funds -----		Restricted Funds	Endowment Funds	Total 2020	Total 2019
		General £	Designated £	£	£	£	£
INCOME							
Donations & legacies	2	109,312	2,662	28,153	-	140,127	149,226
Investment income		1,662	-	-	-	1,662	3,066
Income from charitable activities							
Grants received	3	-	5,450	11,819	-	17,269	21,381
Fees & similar income	4	2,778	-	10,923	-	13,701	27,835
TOTAL INCOME		113,752	8,112	50,895	-	172,759	201,508
EXPENDITURE							
Costs of charitable activities							
Parish share paid to Manchester Diocese		52,700	-	-	-	52,700	63,740
Fees paid to fundraisers		-	480	4,200	-	4,680	3,120
Mission giving & charitable donations	5	12,300	-	7,018	-	19,318	19,277
Other operating costs	6	26,651	42,104	53,717	-	122,472	140,969
TOTAL EXPENDITURE		91,651	42,584	64,935	-	199,170	227,106
Net income and expenditure before gains and losses on investments		22,101	(34,472)	(14,040)	-	(26,411)	(25,598)
Unrealised gain / (loss) on of investments	9	-	-	-	9	9	5
NET INCOME / EXPENDITURE BEFORE TRANSFERS	8	22,101	(34,472)	(14,040)	9	(26,402)	(25,593)
TRANSFERS BETWEEN FUNDS	14	(21,320)	13,412	7,908	-	-	-
NET MOVEMENT IN FUNDS		781	(21,060)	(6,132)	9	(26,402)	(25,593)
FUND BALANCES B/F	14	36,266	124,049	256,721	5,251	422,287	447,880
FUND BALANCES C/F	14	37,047	102,989	250,589	5,260	395,885	422,287

TOTAL RECOGNISED GAINS AND LOSSES

There were no other gains or losses in the two years other than those stated above.

CONTINUING OPERATIONS

All results derive from continuing operations

The notes on pages 12 to 21 form part of these financial statements.

BALANCE SHEET AT 31 DECEMBER 2020

	Notes	2020 £	2020 £	2019 £	2019 £
FIXED ASSETS					
Tangible assets	9		1		1
Investments	10		<u>5,260</u>		<u>5,251</u>
			5,261		5,252
CURRENT ASSETS					
Debtors falling due within one year	11	1,993		2,151	
Cash at bank and in hand	12	<u>395,205</u>		<u>423,743</u>	
		397,198		425,894	
CREDITORS					
Amounts due in less than one year	13	<u>(6,574)</u>		<u>(8,859)</u>	
NET CURRENT ASSETS			390,624		417,035
NET ASSETS			<u><u>395,885</u></u>		<u><u>422,287</u></u>
FUNDS					
Endowment	14		5,260		5,251
Restricted	14		250,589		256,721
Unrestricted (Including Designated)	14		<u>140,036</u>		<u>160,315</u>
TOTAL FUNDS	14		<u><u>395,885</u></u>		<u><u>422,287</u></u>

The notes on pages 12 to 21 form part of these financial statements.

Approved by the Trustees on 27/4/21

And signed on their behalf by:-

Reverend Alan Saunders
Chair

Registered Charity No. 1130715

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**1 ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of the financial statements are set out below and have been consistently applied throughout the year.

Basis of preparation

The financial statements have been prepared on a going concern basis, in accordance with the Statement of Recommended Practice "Accounting and reporting by Charities 2015 (FRS102)", the Church Accounting Regulations 2006, the Charities Act 2011 and applicable accounting standards in the UK.

The charity presents its results under FRS 102. The last financial statements under previous UK GAAP were for the year ended 31 December 2014. The date of transition to FRS 102 was 1 January 2014. There have been no changes in accounting policies as a result of this transition, and the only significant change to the financial statements is the introduction of a Statement of Cash Flows.

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.

Fund accounting

General funds are available at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are funds subject to specific restrictive conditions imposed by donors, funders or by the purpose of grants. The purpose and use of the restricted funds is set out in note 14 to the accounts.

Donations and grants and similar incoming resources

Income from donations and grants, including capital grants and donations, is included in incoming resources when these are receivable, except when they relate to future accounting periods or when the donors or grantors impose pre-conditions that have not been met. In these cases the income is deferred until the future period and/or the conditions have been met. Tax refunds are recognised at the same time as the incoming resources to which they relate.

Legacies are accounted for when the PCC is legally entitled to the amounts due.

Where conditions are imposed which restrict the use of the income to specific purpose then it is included in incoming resources under restricted funds when it is due.

Grants received in respect of capital expenditure, which may be repayable in certain circumstances, are treated as restricted funds and included in incoming resources in the year of receipt. They are released to unrestricted funds, in so far as any restrictions have been met, by means of a transfer each year to match the depreciation charged.

Rental income

Income from tenants in respect of rented property is recognised in the period to which it relates. Rent paid in advance is deferred and carried forward as income in advance in creditors.

Fundraising income

Income from fundraising events is recognised in the period in which the event takes place. Income for specific purposes is included in restricted funds.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (cont.)**1 ACCOUNTING POLICIES (continued)****Resources expended**

Expenditure is classified under the principal categories of charitable and other expenditure rather than the type of expense.

The cost headings comprise expenditure, including staff costs, directly attributable to each activity. Where costs cannot be directly attributed they are allocated to activities on a basis consistent with the use of resources.

Fixed assets and Depreciation

Consecrated and benefice property such as the Church and Vicarage are not included in the accounts in accordance with s.10 of the Charities Act 2011.

Church House is considered a functional asset and is included in the balance sheet at either cost less depreciation or Trustees valuation. The Trustees are aware that the property has a market value in excess of net book value. No cost information is available for Church House, a building which was the vicarage prior to a replacement being built in the 1960's, and has been subsequently used as a Church Hall. This property is included in the balance sheet at a notional value of £1, on the basis of its dilapidated state when it was transferred to the PCC. The open market value of the property is likely to be significantly in excess of this recorded net book value.

Valuations are not carried out in respect of buildings on the basis that there is no intention to dispose of them.

Moveable 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 listed in the church's inventory, which can be inspected at any reasonable time. For anything acquired prior to 2000 there is insufficient cost information available and therefore such assets are not valued in the financial statements. Subsequently no individual item has cost more than £1,000 so all such expenditure has been written off when incurred.

Other assets which are used on a continuing basis for the work of the PCC, such as office equipment and vehicles are considered Functional assets and these are included in the balance sheet at cost less accumulated depreciation. Items costing less than £1,000 are not capitalised, but written off as revenue expenditure in the year of acquisition.

Depreciation is provided on the cost of tangible fixed assets in order to write off the cost after taking account of scrap values over the expected useful lives as follows:-

Electronic equipment	20% and 33%
Buildings	2%

Impairment reviews are carried out when there is any indication that the carrying amount of a functional fixed asset is below its net book value.

Investments

These are valued at market value at 31 December.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (cont.)

	----- Unrestricted Funds -----		Restricted	Endowment	Total	Total
	General	Designated	Funds	Funds	2020	2019
	£	£	£	£	£	£
2 DONATIONS & LEGACIES						
Tax efficient planned giving	79,195	630	20,952	-	100,777	104,252
Tax recovered through gift-aid & GASDS	20,386	158	5,238	-	25,782	27,357
Other planned giving	7,630	1,000	1,368	-	9,998	9,656
Other recurring donations	2,101	874	595	-	3,570	6,461
Non-recurring donations	-	-	-	-	-	1,500
	<u>109,312</u>	<u>2,662</u>	<u>28,153</u>	<u>-</u>	<u>140,127</u>	<u>149,226</u>

3 GRANTS RECEIVED

Tabeel Trust	-	3,500	5,000	-	8,500	3,000
WMBC Deal	-	750	6,000	-	6,750	11,045
Leigh Centurions	-	800	-	-	800	-
Duchy of Lancaster	-	-	600	-	600	-
Transforming Lives	-	400	-	-	400	-
Age Concern	-	-	219	-	219	2,842
National Lottery	-	-	-	-	-	2,500
Scripture Union	-	-	-	-	-	994
Leigh Shelter for Hope	-	-	-	-	-	1,000
	<u>-</u>	<u>5,450</u>	<u>11,819</u>	<u>-</u>	<u>17,269</u>	<u>21,381</u>

4 FEES & SIMILAR INCOME

Rental income	-	-	-	-	-	2,650
Chaplaincy services	-	-	10,000	-	10,000	15,500
Income from activities	-	-	923	-	923	7,242
Statutory fees retained by the PCC	2,099	-	-	-	2,099	1,624
Magazine sales	679	-	-	-	679	819
	<u>2,778</u>	<u>-</u>	<u>10,923</u>	<u>-</u>	<u>13,701</u>	<u>27,835</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (cont.)

	----- Unrestricted Funds -----		Restricted Funds	Endowment Funds	Total 2020	Total 2019
	General £	Designated £	£	£	£	£
5 MISSION GIVING & CHARITABLE DONATIONS						
R&E Leakey / YWAM	2,000	-	5,625	-	7,625	7,932
SVC Community Plus	2,000	-	1,393	-	3,393	3,195
CMS re SAMS	2,000	-	-	-	2,000	2,000
The Message Trust	2,000	-	-	-	2,000	2,000
Tearfund	900	-	-	-	900	850
Daylight	900	-	-	-	900	850
BOAZ Trust	900	-	-	-	900	850
Care For The Family	400	-	-	-	400	400
Atherton & Leigh Foodbank	400	-	-	-	400	400
Harambee for Kenya	400	-	-	-	400	400
OMF International	400	-	-	-	400	-
Gospel For Asia	-	-	-	-	-	400
	<u>12,300</u>	<u>-</u>	<u>7,018</u>	<u>-</u>	<u>19,318</u>	<u>19,277</u>

	£	£	£	£	£	£
6 OTHER OPERATING COSTS						
Clergy & Readers expenses	6,664	-	-	-	6,664	7,392
CCP activities & services	2,485	12,670	5,628	-	20,783	32,449
SVC activities & services	-	-	3,298	-	3,298	8,082
Youth activities (Incl staff costs)	-	-	44,791	-	44,791	58,087
CAP project costs	-	-	-	-	-	225
Contribution to School Governors' costs	1,841	-	-	-	1,841	1,797
Heat, light & water	6,221	-	-	-	6,221	7,626
Insurance	6,170	-	-	-	6,170	6,051
Telephone, office costs, website & IT	3,150	-	-	-	3,150	7,999
Grounds maintenance	-	2,432	-	-	2,432	976
Building repairs - routine items	-	27,002	-	-	27,002	10,175
Legal & Professional fees	120	-	-	-	120	110
	<u>26,651</u>	<u>42,104</u>	<u>53,717</u>	<u>-</u>	<u>122,472</u>	<u>140,969</u>

7 STAFF COSTS						
Gross Pay	-	3,120	39,504		42,624	46,086
Employers National Insurance	-	-	-		-	632
Pensions	-	-	810		810	641
Total staff costs	<u>-</u>	<u>3,120</u>	<u>40,314</u>	<u>-</u>	<u>43,434</u>	<u>47,359</u>

Average number of staff	2020	2019
Number of part time staff employed	2	2
Full-time equivalent staff numbers	2	2

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (cont.)

----- Unrestricted Funds -----		Restricted	Endowment	Total	Total
General	Designated	Funds	Funds	2020	2019
£	£	£	£	£	£

8 NET INCOME FOR THE YEAR

This is stated after charging:

Fees re Independent Examination	<u>120</u>	<u>110</u>
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The Independent Examiner agreed to waive fees, but donations are paid to a fellow PCC in recognition of his work.

The members of the PCC, who are the Charity Trustees, are entitled to claim out of pocket expenses to cover postage, phone and mileage. No claims were made during either year.

PCC members receive no remuneration in respect of their duties as Trustees.

9 TANGIBLE FIXED ASSETS

	Church	
	House	Total
Cost	£	£
As at January 1	1	1
Disposal in the year	-	-
As at December 31	<u>1</u>	<u>1</u>
Depreciation		
As at January 1	-	-
Charge for the year	-	-
Released on disposals	-	-
As at December 31	<u>-</u>	<u>-</u>
Net Book Value		
As at December 31 2019	<u>1</u>	<u>1</u>
As at December 31 2018	<u>1</u>	<u>1</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (cont.)

	2020	2019
	£	£
10 INVESTMENTS		
As at 1 January	5,251	5,246
Revaluation (loss) / gain	9	5
As at 31 December	5,260	5,251
11 DEBTORS		
Gift-aid tax rebates due	1,993	2,151
	1,993	2,151
12 CASH AT BANK AND IN HAND		
CBF Church of England Deposit Fund balances	329,426	387,800
Co-operative Bank balances	64,554	35,010
Cash	1,225	933
	395,205	423,743
13 CREDITORS falling due within one year		
Accruals & deferred income	6,574	8,859
	6,574	8,859

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (cont.)

14 STATEMENT OF FUNDS	Balance 1 Jan 2020	Income	Expenditure	Gains / losses / disposals	Transfers	Balance 31 Dec 2020
Endowment Funds:						
Anonymous Gift	5,000	-	-	-	-	5,000
A C Kemp	251	-	-	9	-	260
Total Endowment Funds:	5,251	-	-	9	-	5,260
Restricted Funds held in trust for the Parish School:						
School improvement	106,855	-	-	-	-	106,855
Day school special	2,207	-	-	-	-	2,207
Sub-total	109,062	-	-	-	-	109,062
Restricted Funds under direct control of the PCC:						
Sports Village Church	64,871	7,996	(4,701)			68,166
Sports Village Church Community Fund	1,447	-	(200)	-	-	1,247
Audio Visual systems	304	2,000	(2,466)	-	300	138
Flowers	1,330	430	(281)	-	-	1,479
Welcome team	3,142	-	-	-	240	3,382
Grants for school chaplain/Youth worker	40,000	-	-	-	(13,000)	27,000
Youth worker	8,948	18,388	(30,731)	-	9,896	6,501
Youth groups	12,230	9,338	(9,390)	-	3,378	15,556
Operations management	9,786	-	(10,204)	-	6,854	6,436
Outreach funds	4,851	7,119	(1,338)	-	240	10,872
Major building works - SVC	750	-	-	-	-	750
YWAM / R&E Leakey support	-	5,625	(5,625)	-	-	-
Sub-total	147,659	50,896	(64,936)	-	7,908	141,527
Total Restricted funds	256,721	50,896	(64,936)	-	7,908	250,589
Designated - Church improvements	32,393	-	(15,278)	-	-	17,115
Designated - Property repairs	4,646	-	(14,637)	-	13,771	3,780
Designated - Bridgewaters	3,009	8,111	(3,984)	-	(359)	6,777
Designated - Functional buildings	1	-	-	-	-	1
Designated - Worship area	84,000	-	(8,684)	-	-	75,316
Free reserves	36,266	113,752	(91,651)	-	(21,320)	37,047
Total Unrestricted funds	160,315	121,863	(134,234)	-	(7,908)	140,036
Total funds	422,287	172,759	(199,170)	9	-	395,885

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (cont.)

14 STATEMENT OF FUNDS (continued)

Endowment funds

There are two permanent endowments held on behalf of the PCC by the Diocesan Board of Finance. Capital cannot be accessed. Income from the anonymous gift is paid directly to the PCC forming part of general investment income and income from the AC Kemp fund is added to the capital.

School improvement

The fund arose from the sale of land belonging to the Parish school. Proceeds are held on deposit on behalf of the School Governors, and are available to help fund improvements to the physical environment of the school which the Governors continue to explore.

Day School Special

This represents donations to be used for any school purpose. The Diocesan Board of Education control access to the fund.

Sports Village Church

Sports Village Church is a "Fresh Expressions" church plant established by CCP in 2008. Any donations received specifically for SVC are ring-fenced in the SVC restricted fund. Any income in excess of running costs is accumulated to provide financial stability as SVC continues to grow and explore its future in terms of rented accommodation and equipment. The leaders of SVC resolved to hold £35,000 as a "building reserve" and to add £5,000 per annum to that figure until such time as a suitable building is identified into which SVC can invest resources, to hold a further £10,000 as a community reserve to support the CAP ministries and to pay 10% of annual income as mission giving in the subsequent year to support the SVC Community Fund. The remainder of the restricted fund is available to support annual running costs and investment in equipment.

Audio Visual systems

Restricted fund donations are received towards the cost of Audio-visual systems in the church. Some improvements were made during the year and the balance is carried forward and will be used in future periods.

Flowers

Restricted fund donations are received towards the cost of flowers in church. Any excess of receipts over expenditure is carried forward to be used in future periods.

Welcome team

Funds are used to improve the welcome experienced by those attending church.

Grants for School Chaplaincy and senior youth worker

Grants were received to support the post of School Chaplain / Senior youth worker. The post was filled in April 2018 and transfers to contribute to the senior youth worker's salary were made.

Youth worker and youth groups

Restricted fund donations, grants & subscriptions are received towards the employment of a part-time Youth worker and the cost of running youth activities. Any income in excess of expenditure is carried forward and will be used in future periods.

Major building works

Periodically, donations are received from individuals who specifically want the money to be spent on building improvements. Donations towards investigation of a building for SVC are held in a separate SVC building fund.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (cont.)

14 STATEMENT OF FUNDS (continued)

YWAM / R&E Leahey support

Richard & Elaine Leahey are missionaries working for YWAM in Switzerland supported by Christ Church Pennington and other churches in the UK. In addition to a donation from general church funds, as disclosed in note 5, restricted fund donations are received from members of the Church and passed on to Richard & Elaine to support their living costs.

Designated funds for church improvements

The PCC set aside an amount towards future church improvements such as decorating, the cost of which could not be borne in any single year. The balance at the end of the year is carried forward for future decoration costs or other work on the property.

Designated funds for property repairs

Each year the PCC sets aside an amount towards routine repairs to the church and church house. The balance at the end of the year is carried forward for future work on the properties.

Designated funds re Bridgewater

The PCC operates a community Café called Bridgewater at 41 St Helens Road. This is staffed by volunteers and is an outreach opportunity and a place to carry out many of the church's charitable objectives. Any excess is held as designated funds for future needs.

Designated fund re reserves invested in functional buildings

Church House is used for various church related activities.

Designated fund re worship area

Proceeds from the sale of Ruby Grove in 2017 were allocated to a new designated fund which will be used to make future improvements to the worship area in church.

Free reserves

Free reserves represents the amounts available to the PCC to meet its ongoing obligations, based on the assumption that reserves designated for specific purposes and those invested in land & buildings are not available for general use. The PCC aims to hold 2-3 months operating costs in free reserves. At 31 December 2020 the balance represents 4.8 months' costs.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (cont.)

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 December 2020 are represented by:-

	Unrestricted Funds		Restricted	Endowment	Total
	General	Designated	Funds	Funds	
	Funds	Funds	Funds	Funds	Total
	£	£	£	£	£
Tangible fixed assets	-	1	-	-	1
Investments	-	-	-	5,260	5,260
Bank and cash Balances	36,958	104,257	253,990	-	395,205
Other net current assets	89	(1,269)	(3,401)	-	(4,581)
	<u>37,047</u>	<u>102,989</u>	<u>250,589</u>	<u>5,260</u>	<u>395,885</u>

16 OPERATING LEASE COMMITMENTS

At 31 December 2020 the PCC had no commitments under non-cancellable operating leases.

17 TAXATION

The Parish of Christ Church Pennington is a registered charity and is entitled to claim annual exemption from UK corporation tax under part 11 of CTA 2010.

18 CONTROLLING AND RELATED PARTIES

The Charity is under the control of the elected members of the PCC who are the Charity's Trustees.

SVC Community Plus CIO (SVCC+) is an independent charity (No: 1151265) controlled by four trustees. Those trustees are appointed by the leaders of Sports Village Church. The PCC supports the work of SVCC+ financially and in prayer. All transactions between the PCC and SVCC+ are at arms length.