



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 2021

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 (until June 30th)

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

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

Wardens: (ex- officio, elected annually)

Dr Paul Richardson (until APCM 25th May 2021)

Mrs Pauline Heaton (from APCM 25th May 2021)

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

Mrs Joan Longworth

Mrs Mavis McLean

Other elected members:

To APCM 2021

Miss K Waddup

To APCM 2022

Mr J R Roberts

Mrs J Cooper

Mr C Roberts

To APCM 2023

Mr D Clough

Mr J Bennett

Mrs J Piotrowski

Mr M Brown

Mr A Leakey

Mrs H Owen

Mr S Bennett

To APCM 2024

Mr J Johnson

Mrs A Moore

Mr P Johnson

(Total 13 elected members at 31st December 2021)

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 2021

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 2021.

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 154 persons (2020: 160) on the Church Electoral Roll.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021 (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 5 times (once over Zoom) and 4 times both in the church foyer and over Zoom in the year. The Standing Committee met 7 times with 7 persons having 100% attendance and an average 82% attendance. 2021 was a year of significant change within our staff and churchwarden team.

Rev Adam Whittle, our curate, successfully completed his curacy and moved in July 2021 to be Rector at St Mark's Worsley.

Wiremu Kingi, our youth worker and Lowton CE High School Chaplain, moved back to New Zealand.

Steph Hewitt left her role as Operations Manager to take up the position of School Chaplain at Lowton CE High School.

Paul Richardson stepped down as churchwarden in preparation for a move to the south of England.

The result has been a time of rebuilding our team.

Pauline Heaton took on the role as Church Warden at the annual meeting in May 2021 and was joined informally by Steven Hall, who needed to serve at least 6 months as a member of the Electoral Roll before formally taking the role as churchwarden.

The curate training position, previously occupied by Rev Adam Whittle, has not been replaced as there were no suitable candidates available from Manchester Diocese.

We advertised for a new youth worker and school chaplain but did not fill the vacancy. Subsequently we took the decision with the senior leadership at Lowton CE High School to advertise for just a school chaplain separately. The result was the appointment of Steph Hewitt as chaplain. We went on to advertise for a youth worker for Christ Church but did not appoint as there were no suitable applicants. The decision was taken to put this position on hold whilst we recruited a new Pais team to start in September 2021.

We recruited a new Operations Manager, Emma Nicholson, in October 2021.

We have a new Authorised Lay Minister (ALM), Beth Hampson who is responsible for Pastoral Work. She completed her training in 2021. Judith Pitt and Beryl Thompson have both completed ALM training in Prayer and Spirituality and Judith plans to go forward to be an ALM in this area of ministry. James Cowley completed training in Worship and Liturgy.

Our youth outreach has continued despite the limitations presented by Covid. Throughout the year we adjusted our approach between online and Zoom meetings and face to face meetings when possible, always seeking to operate in the safest way possible to minimise the risk of infection.

With Wiremu's departure as youth worker in May, Alan Saunders picked up much of the responsibility for oversight of leadership of the groups. Volunteers continued our weekly Soul Group discipleship meetings until the summer and with the arrival of the new Pais team in September have continued to work together as an effective team.

As it became possible to open more face-to-face meetings and resume our public outreach, we reinstated groups. Gill Haddican, a former employee as youth worker at the church, was engaged on a sessional basis. She formed a new team of volunteers to restart our weekly Whizz Kids sessions for children of older primary age. Sadly, lack of leaders has meant that we were unable to restart Little Jems for younger primary age children. However, we are conscious that provision of Beaver Scouts does at least provide some activities for that age range within the church umbrella of activities and it is hoped that this group may restart at some stage in future.

Arrival of the Pais team in September has made a significant difference to our youth outreach and church-based youth work. Two Pais apprentices joined us in September 2021. Josabed from Mexico and Elli from

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021 (cont.)

Germany. Both are highly competent and experienced and quickly formed an effective team. Plans were in place to recruit a third team member in January 2022.

The Pais team, again working within the limitations of Covid precautions started regular sessions in Lowton CE High School and Bedford High School. They formed an art club, based at the church site, and reformed the youth worship band. In addition, the team mentor our young people and organise a variety of mission and social action projects.

We were successful in an application to Wigan Council's Community Safety Fund which provided £6k funding for the Message Bus. A team of volunteers, managed by Gill Haddican on contract to lead the sessions, together with the Pais team was formed and sessions started late October. In addition to the bus we provide a tuck shop and giant inflatable football pitch. Wigan Athletic football club came on board to provide two youth football coaches to assist with the sessions each week. Numbers of young people (aged 10 to 16) have been very good, with an average of about 50 young people each week.

Involvement with Wigan Council officers continues to be effective in a number of areas and has helped provide funding to sustain existing projects and enable new ones to start. The Pais team have enabled us to fulfil our obligations to Wigan Council funding from 'The Deal' Community Investment Fund in delivery of the Friendship Project. Funding is £15k pa for 3 years and started on 7 October 2020.

A new steering group was formed to look at the management and development of Bridgewater's Café. This was particularly important given the new opportunities to secure a long-term future of the existing shop unit of St Helens Road and the potential to expand the café into the two adjacent units. This has resulted in a number of meetings with Your Housing Group. A lease requiring a peppercorn rent is now in place until 27 March 2023. The volunteer team continued to provide considerable help to families in need of support through the Fun Food Box project under the leadership of Jean Richardson.

In partnership with Wigan Youth Zone (WYZ) we delivered 7 weeks of children's holiday clubs during school holidays in Whitsun, Easter, the summer and October. Funding was provided by WYZ via the government Holiday Activities and Food (HAF) programme.

The Tuesday toddler group restarted weekly sessions with a renewed team in September. Like most activities it has been a steady restart whilst volunteers and guests feel confident to mix socially after the Covid restrictions.

The 18th Leigh Scout Group and District Explorer Scouts Group meet regularly in Church House and have grown during the pandemic. Sadly the Rainbows Pack has closed, but the Brownie Pack has reformed and is growing.

Weekly services have been significantly affected by Covid restrictions although the delivery of livestream has continued to be a priority. Measures have continued to manage and reduce the risk of infections including a booking system, limitations on the number of people in church to achieve social distancing, mask wearing and hand sanitisation, etc. Attendance at children's Sunday Groups has been impacted and recruitment of volunteers to run the groups has been a challenge.

We have developed innovative ways to use technology to keep the church community well-connected. We have invested in improved camera, PC, AV and audio equipment for our livestreaming to enable a hybrid approach between worship in church and online.

Extra effort has continued to ensure communications are effective which has involved the prioritisation of regular updates on social media, email communications, and a more in-depth weekly newsletter. We have developed an effective welcome team online as well as in church. The implementation and development on our use of ChurchSuite software and Google Business Apps continue to enhance our operations. Our following on social media has continued to increase throughout the year and it is clear whilst the pandemic has resulted in many setbacks and limitations there has also been new opportunities to reach new people through our online presence.

Links with both Lowton CE High School and Christ Church CE Primary School continue to be strong. Alan Saunders is a governor for both schools and we provide a strong team of foundation governors for Christ Church CE Primary. Access to schools to run regular worship and other sessions has been very affected by

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021 (cont.)

Covid but using technology has enabled our involvement to continue. It is hoped as restrictions are lifted and normality returns those regular sessions will increase.

The pandemic has continued to affect our income and so PCC took the difficult decision to reduce our parish share payment to Manchester Diocese from £73k requested for 2021 down to £54k to avoid a deficit position in our accounts. This position has been monitored throughout the financial year.

Early in 2021 the transfer of the CAP Life skills project and staff member, Ally Murden, was successfully completed. This means the PCC is employer of the CAP Life skills Manager, and all funds for the project are held in a restricted fund. Ally has delivered a number of Life skills courses both online and face to face during the year and continues to support the clients.

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 £139,910 (2020: £121,864). Restricted fund income was £115,635 (2020: £50,895). 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 £71,400 which could not be met because of the reduction in planned income due to the Covid pandemic.

Mission giving from unrestricted funds is calculated as 10% of prior year unrestricted incoming resources. The total amount given from unrestricted funds was £11,400, compared with £12,300 in 2020. For 2022 it will be £11,400.

Other unrestricted operating costs (Including designated funds) of £44,287 (2020: £68,755) an analysis of which can be found in note 6 of the financial statements. Expenditure from restricted funds was £47,485 (2020: £53,717), an analysis of which can be found in note 6 of the financial statements

All these factors combined to result in a net income from unrestricted funds of £25,119 (2020: £22,101). Of this, £24,415 (2020: £21,320) was transferred to other funds for purposes agreed by the PCC. This left an increase in general funds of £704 (2020: £781) and an increase in designated funds of £27,430 (2020: £21,060 decrease).

The net position from restricted funds was a net increase of £68,024 (2020: £6,132 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 2021 was 101 (2020:103) and of these 84 (2020: 87) donated through the Gift Aid Scheme.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021 (cont.)**Future developments**

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

Having such an effective and experienced Pais team and also the availability of Gill Haddican to work on a sessional basis has meant we have been able to continue to deliver our youth work with employing a youth worker. However going forward plans are 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 continue to deliver further weekly sessions using the Message Bus.

To continue with recruitment of a new PAIS youthwork apprentice team, potentially in September 2022, 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.

We will continue to 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 we will establish a CAP Steering Group and explore the feasibility of starting a CAP Debt Centre in addition to the CAP Lifeskills Course.

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.

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.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021 (cont)

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 £37,141 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.

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

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021 (cont)

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

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 2021

This report on the financial statements of the PCC for the year ended 31st December 2021, which are set out on pages 11 to 20, 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: 22 April 2022

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	----- Unrestricted Funds -----	Restricted Funds	Endowment Funds	Total 2021	Total 2020
		General £	Designated £	Funds £	Funds £	£
INCOME						
Donations & legacies	2	110,441	21,205	30,950	-	162,596
Investment income		151	-	9	-	160
Income from charitable activities						
Grants received	3	350	1,125	82,158	-	83,633
Fees & similar income	4	3,488	3,150	2,518	-	9,156
TOTAL INCOME		114,430	25,480	115,635	-	255,545
EXPENDITURE						
Costs of charitable activities						
Parish share paid to Manchester Diocese		54,000	-	-	-	54,000
Fees paid to fundraisers		-	-	-	-	-
Mission giving & charitable donations	5	11,400	-	7,975	-	19,375
Other operating costs	6	23,911	20,376	47,485	-	91,772
TOTAL EXPENDITURE		89,311	20,376	55,460	-	165,147
Net income and expenditure before gains and losses on investments		25,119	5,104	60,175	-	90,398
Unrealised gain / (loss) on of investments	9	-	5,760	-	(11)	5,749
NET INCOME / EXPENDITURE BEFORE TRANSFERS	8	25,119	10,864	60,175	(11)	96,147
TRANSFERS BETWEEN FUNDS	14	(24,415)	16,566	7,849	-	-
NET MOVEMENT IN FUNDS		704	27,430	68,024	(11)	96,147
FUND BALANCES B/F	14	37,047	102,989	250,589	5,260	395,885
FUND BALANCES C/F	14	37,751	130,419	318,613	5,249	492,032

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 13 to 20 form part of these financial statements.

BALANCE SHEET AT 31 DECEMBER 2021

	Notes	2021 £	2021 £	2020 £	2020 £
FIXED ASSETS					
Tangible assets	9		1		1
Investments	10		<u>355,760</u>		<u>5,260</u>
			355,761		5,261
CURRENT ASSETS					
Debtors falling due within one year	11	2,088		1,993	
Cash at bank and in hand	12	<u>135,772</u>		<u>395,205</u>	
		137,860		397,198	
CREDITORS					
Amounts due in less than one year	13	<u>(1,589)</u>		<u>(6,574)</u>	
NET CURRENT ASSETS			136,271		390,624
NET ASSETS			<u>492,032</u>		<u>395,885</u>
FUNDS					
Endowment	14		5,249		5,260
Restricted	14		318,613		250,589
Unrestricted (Including Designated)	14		<u>168,170</u>		<u>140,036</u>
TOTAL FUNDS	14		<u>492,032</u>		<u>395,885</u>

The notes on pages 13 to 20 form part of these financial statements.

Approved by the Trustees on

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 2021

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 2021 (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 2021 (cont.)

	----- Unrestricted Funds -----		Restricted	Endowment	Total	Total
	General	Designated	Funds	Funds	2021	2020
	£	£	£	£	£	£
2 DONATIONS & LEGACIES						
Tax efficient planned giving	78,413	360	22,401	-	101,174	100,777
Tax recovered through gift-aid & GASDS	20,442	90	5,600	-	26,132	25,782
Other planned giving	7,224	500	1,176	-	8,900	9,998
Other recurring donations	4,362	255	1,773	-	6,390	3,570
Legacy	-	20,000	-	-	20,000	-
	<u>110,441</u>	<u>21,205</u>	<u>30,950</u>	<u>-</u>	<u>162,596</u>	<u>140,127</u>

3 GRANTS RECEIVED

WMBC Deal	-	125	31,500	-	31,625	6,750
SVC Community Plus	-	-	11,100	-	11,100	-
Wigan Youth Zone	-	-	11,058	-	11,058	-
The Message Trust	-	-	10,000	-	10,000	-
The Andrew Trust	-	-	10,000	-	10,000	-
Community Safety Fund	-	-	6,000	-	6,000	-
Tabeel Trust	-	-	1,500	-	1,500	8,500
Brighter Borough	-	-	1,000	-	1,000	-
Asda Foundation	-	900	-	-	900	-
Family worship fund	250	-	-	-	250	-
Transforming Lives	-	100	-	-	100	400
Forever Manchester	100	-	-	-	100	-
Leigh Centurions	-	-	-	-	-	800
Duchy of Lancaster	-	-	-	-	-	600
Age Concern	-	-	-	-	-	219
	<u>350</u>	<u>1,125</u>	<u>82,158</u>	<u>-</u>	<u>83,633</u>	<u>17,269</u>

4 FEES & SIMILAR INCOME

Statutory fees retained by the PCC	3,196	-	-	-	3,196	2,099
Rental income	-	3,150	-	-	3,150	-
Chaplaincy services	-	-	1,667	-	1,667	10,000
Income from activities	-	-	851	-	851	923
Magazine sales	292	-	-	-	292	679
	<u>3,488</u>	<u>3,150</u>	<u>2,518</u>	<u>-</u>	<u>9,156</u>	<u>13,701</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (cont.)

	----- Unrestricted Funds -----		Restricted	Endowment	Total	Total
	General	Designated	Funds	Funds	2021	2020
	£	£	£	£	£	£
5 MISSION GIVING & CHARITABLE DONATIONS						
R&E Leahey / YWAM	2,000	-	7,975	-	9,975	7,625
SVC Community Plus	1,100	-	-	-	1,100	3,393
CMS re SAMS	2,000	-	-	-	2,000	2,000
The Message Trust	2,000	-	-	-	2,000	2,000
Tearfund	900	-	-	-	900	900
Daylight	900	-	-	-	900	900
BOAZ Trust	900	-	-	-	900	900
Care For The Family	400	-	-	-	400	400
Atherton & Leigh Foodbank	400	-	-	-	400	400
Harambee for Kenya	400	-	-	-	400	400
OMF International	400	-	-	-	400	400
	<u>11,400</u>	<u>-</u>	<u>7,975</u>	<u>-</u>	<u>19,375</u>	<u>19,318</u>
6 OTHER OPERATING COSTS						
	£	£	£	£	£	£
Youth activities (Incl staff costs)	-	-	28,735	-	28,735	44,791
CCP activities & services	2,407	3,878	10,818	-	17,103	20,783
Building repairs - routine items	-	10,317	2,076	-	12,393	27,002
Heat, light & water	4,755	3,166	-	-	7,921	6,221
Clergy & Readers expenses	6,523	-	55	-	6,578	6,664
Insurance	5,166	1,291	-	-	6,457	6,170
Contribution to School Governors' costs	1,853	-	2,216	-	4,069	1,841
Telephone, office costs, website & IT	3,057	-	508	-	3,565	3,150
SVC activities & services	-	-	2,897	-	2,897	3,298
Grounds maintenance	-	1,724	-	-	1,724	2,432
CAP project costs	-	-	180	-	180	-
Legal & Professional fees	150	-	-	-	150	120
	<u>23,911</u>	<u>20,376</u>	<u>47,485</u>	<u>-</u>	<u>91,772</u>	<u>122,472</u>
7 STAFF COSTS						
Gross Pay	-	2,905	26,263	-	29,168	42,624
Employers National Insurance	-	-	-	-	-	-
Pensions	-	-	557	-	557	810
Total staff costs	<u>-</u>	<u>2,905</u>	<u>26,820</u>	<u>-</u>	<u>29,725</u>	<u>43,434</u>
Average number of staff			2021			2020
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 2021 (cont.)

	----- Unrestricted Funds -----	Restricted	Endowment	Total	Total
	General	Designated	Funds	2021	2020
	£	£	£	£	£

8 NET INCOME FOR THE YEAR

This is stated after charging:

Fees re Independent Examination				<u>150</u>	<u>120</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 2021 (cont.)

	2021	2020
	£	£
10 INVESTMENTS		
As at 1 January	5,260	5,251
Cash invested	350,000	-
Cash withdrawn	(5,249)	-
Revaluation gain	5,749	9
As at 31 December	355,760	5,260
11 DEBTORS		
Gift-aid tax rebates due	2,088	1,993
	2,088	1,993
12 CASH AT BANK AND IN HAND		
CBF Church of England Deposit Fund balances	57,357	329,426
Co-operative Bank balances	78,141	64,554
Cash	274	1,225
	135,772	395,205
13 CREDITORS falling due within one year		
Accruals & deferred income	1,589	6,574
	1,589	6,574

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (cont.)

14 STATEMENT OF FUNDS	Balance			Gains /		Balance
	1 Jan 2021	Income	Expenditure	losses /	Transfers	31 Dec 2021
				disposals		
Endowment Funds:						
Anonymous Gift	5,000	-	-	-	-	5,000
A C Kemp	260	-	-	(11)	-	249
Total Endowment Funds:	5,260	-	-	(11)	-	5,249
Restricted Funds held in trust for the Parish School:						
School improvement	106,855	-	-	-	-	106,855
Day school special	2,207	9	(2,216)	-	-	-
Sub-total	109,062	9	(2,216)	-	-	106,855
Restricted Funds under direct control of the PCC:						
Sports Village Church	68,166	7,089	(3,042)	-	-	72,213
Youth worker	6,501	16,425	(10,119)	-	27,000	39,807
Youth groups	15,556	3,422	(1,068)	-	5,075	22,985
Friendship project	-	30,000	(1,900)	-	(6,000)	22,100
Christians against poverty	-	26,732	(5,039)	-	-	21,693
Outreach funds	10,872	21,175	(10,994)	-	(4,835)	16,218
Operations management	6,436	-	(11,078)	-	12,769	8,127
Welcome team	3,382	2,000	(1,449)	-	240	4,173
Flowers	1,479	264	(11)	-	-	1,732
Sports Village Church Community Fund	1,247	-	-	-	-	1,247
Major building works - SVC	750	-	-	-	-	750
Mums & tots	-	544	-	-	-	544
Audio Visual systems	138	-	(569)	-	600	169
Grants for school chaplain/Youth worker	27,000	-	-	-	(27,000)	-
YWAM / R&E Leahey support	-	7,975	(7,975)	-	-	-
Sub-total	141,527	115,626	(53,244)	-	7,849	211,758
Total Restricted funds	250,589	115,635	(55,460)	-	7,849	318,613
Designated - Major church works	-	20,000	-	5,760	92,816	118,576
Designated - Property repairs	3,780	-	(6,945)	-	9,966	6,801
Designated - Bridgewaters	6,777	2,330	(4,066)	-	-	5,041
Designated - Functional buildings	1	-	-	-	-	1
Designated - Worship area	75,316	-	(2,615)	-	(72,701)	-
Designated - Church improvements	17,115	-	-	-	(17,115)	-
Designated - Community centre	-	3,150	(6,750)	-	3,600	-
Free reserves	37,047	114,430	(89,311)	-	(24,415)	37,751
Total Unrestricted funds	140,036	139,910	(109,687)	5,760	(7,849)	168,170
Total funds	395,885	255,545	(165,147)	5,749	-	492,032

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021 (cont.)**14 STATEMENT OF FUNDS (continued)****Endowment Funds**

There are two permanent endowments. Capital cannot be accessed. Any income is available for general purposes as part of free reserves.

Restricted Funds

Restricted funds represent giving, grants and donations for specific purposes. Funds can only be used for those specific purposes.

Designated Funds

Designated funds are funds allocated by the trustees for specific purposes. These funds are reviewed regularly and if there is no longer a need for the fund then it can be released back to free reserves.

Free reserves

Free reserves represents the amounts available to the trustees to meet its ongoing obligations. The trustees policy is to hold 2-3 months operating costs in free reserves. At 31 December 2021 the balance represents 3.9 months' costs.

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 December 2021 are represented by:-

	Unrestricted Funds				
	General Funds	Designated Funds	Restricted Funds	Endowment Funds	Total
	£	£	£	£	£
Tangible fixed assets	-	1	-	-	1
Investments	-	118,576	231,935	5,249	355,760
Bank and cash Balances	37,252	11,842	86,678	-	135,772
Other net current assets	499	-	-	-	499
	<u>37,751</u>	<u>130,419</u>	<u>318,613</u>	<u>5,249</u>	<u>492,032</u>

16 OPERATING LEASE COMMITMENTS

At 31 December 2021 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.