

ST JOHN THE BAPTIST CHURCH

KNUTSFORD

2021 ANNUAL REPORT



St John the Baptist Church, Knutsford

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CHARITY INFORMATION

INCUMBENT

Revd Nigel Atkinson

INDEPENDENT EXAMINER

Lourens du Plessis ACA CA(SA)
Stewardship
1 Lamb's Passage
London
EC1Y 8AB

BANKERS

Barclays Bank plc
Leicester
LE87 2BB

PRINCIPAL OFFICE

St John the Baptist Church
Church Office
Church Hill
Knutsford
Cheshire
WA16 6DH

Charity Registration Number 1131500

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The Revd Nigel Atkinson is the Vicar of St John the Baptist Church, Knutsford. Revd Tom Hollingsbee is Associate Vicar for Knutsford and Toft, and Hannah Dobson is our Youth Worker. Revd Helen Eccles, Deacon for Toft, also takes on some duties for Knutsford.

BACKGROUND

St John's PCC has the responsibility of co-operating with the Incumbent, the Associate Vicar and the Youth Worker for Knutsford in promoting in the parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. In particular it aims to encourage the Church family towards the vision of a Church which:

- Worships joyfully
- Prays faithfully
- Proclaims boldly
- Serves enthusiastically
- Learns diligently
- Uses God's gifts wisely
- Shares lovingly

It also has maintenance responsibilities for the Church and the Church Centre, 92 Grove Park and 6 Lilac Avenue.

MEMBERSHIP OF THE PCC

Members of the PCC are either *ex-officio* or elected by the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules.

During the year the following served as members of the PCC:

Incumbent:	Revd Nigel Atkinson
Associate Vicar	Revd Tom Hollingsbee
Readers:	Dr Thain Flowers – Reader Emeritus
Deacon:	Revd Helen Eccles

Wardens:	Stephen Watson Andy Worth
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Assistant Curate:	Revd Mel Lacy
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Representative on General Synod: Debbie Woods

Representatives on the Deanery Synod:	Neil Wall Sue Broadbent John Lee Debbie Woods
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Elected Members:	Steve Kitcher (<i>ex-officio</i>)	Ian Robertson (2018-2021)
	Jane Cartmel (2018-2021)	Bill Tamkin (2018-2021)
	Candace Jackson (2018-2021)	Emily Pegg (2019 – 2022)
	Charlotte Blakemore (2018-2021)	Rowena Nixon (2020-2023)
	Ken McPhail (2020-2023)	Hannah Waller (2020-2023)
	Stewart Dally (2020-2023)	Elaine Tamkin (2021-2024)
	Dave Broadbent (2021-2024)	Geoff Locke (2021-2024)
	Tania Adams (2021-2024)	Neil Wall
	Sue Broadbent	John Lee

In attendance: Chris Hogg (PCC Secretary), Hannah Dobson

The full PCC met six times during the year to deal with normal business. The PCC Committees met as and when necessary and their deliberations were received by the full PCC and fully discussed when appropriate.

Statement of PCC Responsibilities

Under the Charities Act 2011, the PCC is required to prepare a statement of accounts for each accounting year.

They are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the church and to ensure that such accounts comply with the Statements of Recommended Practice and the Regulations made under the Charities Act 2011. They also have a responsibility to safeguard the assets of the church and to take reasonable steps for the prevention of fraud and other irregularities and to provide reasonable assurances that:

1. The church is operating efficiently and effectively
2. Its assets are safeguarded against unauthorised use or disposition
3. Financial information used within the church or for publication is reliable
4. The church complies with relevant laws and regulations

COMMITTEES

The PCC operates through a number of Committees, which meet regularly and report to full meetings of the PCC.

STANDING COMMITTEE

This is the only committee required by law.

Terms of reference

- a) To deal with emergency matters on behalf of the PCC.
- b) To consider matters of general pastoral and public policy, reporting to Council as appropriate.

Members: Revd Nigel Atkinson (Vicar), Steve Kitcher, Andy Keeble, Debbie Woods, Andy Worth (Churchwarden) and Stephen Watson (Churchwarden).

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FINANCE COMMITTEE

Terms of reference

- a) To keep under review the financial position of the Church.
- b) To formulate the financial policy of the parish (subject to the approval of Council).

Members: Revd Nigel Atkinson (Vicar), Debbie Woods, Andy Worth (Churchwarden) Stephen Watson (Churchwarden), Steve Kitcher (Treasurer), Andy Keeble.

MISSION COMMITTEE

Terms of reference

To recommend ways in which the PCC should apply resources to:

- support Bible based witness, teaching and evangelism; and
- encourage interest, understanding, prayer and action in mission amongst all ages of our church family locally, nationally and globally.

Members: Revd Nigel Atkinson, Dan Young, Beki Parratt, Bill Tamkin, Richard Reeve and Debbie Woods.

BUILDINGS AND MAINTENANCE

In 2021 Covid continued to affect our use of the church and the works undertaken, my direct involvement only began in the autumn, so apologies if there are omissions of work carried out earlier. Giles and others have carried out numerous essential tasks as required, and we can give thanks for them and their continued service.

In November an extensive to-do list was provided by both Andy Lynes and the architects relating to the Quinquennial Reports which have been received. Initial visits were made to all the properties to get a feel for where we are at and to prioritise the work in terms of need. Some items have already been completed. We had a meeting with the Architect to tie in some of the minor works needed in order that they may be carried out by specialist contractors when they are known to be working locally on similar projects.

Church Internal

- Internal low-level plaster repairs carried out on the nave side wall and narthex columns. Following drying out these have now been redecorated.
- The vestry has been refurbished and an office workspace created for church ministry.
- On the main roof some pointing of masonry joints and securing of lead flashing has been carried out to the parapet wall to help prevent further water ingress to the internal gallery walls.
- A blocked rainwater gulley at high level was cleared and the left side wall of the chancel which was affected by the damp is currently drying out and will require redecoration in the coming year.
- The main heating boilers required action to the electrics to ensure continued operation.

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Church External

- All Church entrance paths have been brushed and chemically treated with algicide.
- A request has been made to Cheshire East for them to consider addressing some of the sunken flags along with introducing handrails to the lower steps of the King St path.
- Routine cleaning of the main roof gullies and drains and drain downspouts has been carried out.

Church Centre

The furniture and fittings within the Centre are starting to show their age which increased the amount of maintenance needed. It will require a fundamental rethink of how we utilise the space to steer what refurbishment might look like. In the meantime, upgrading of water taps in the toilets and the conversion of the ceiling lighting in the Drop to LED is being carried out ahead of any significant upgrade works.

Grove Park

The house requires significant work as outlined within the quinquennial report, not only to bring it up to standard but also to include work needed to bring the property up to the requirements of the Diocese to meet the needs of the Associate Vicar. This is currently being looked at with a view to raising funds via a Gift Day Appeal to church family and to complete the works in 2022 to accommodate the Associate Vicar and family. This will be carried out when the property is vacated in the summer of 2022.

Lilac Ave

The property is the home of our Youth Worker and whilst there are some minor issues to be addressed soon the main focus should be upgrading the kitchen.

ELECTORAL ROLL

There are 181 names on the Electoral Roll, a net decrease of two. Four new names have been added and six removed.

REVIEW OF ACTIVITIES

In planning the activities the Trustees have applied the guidance on public benefit issued by the Charity Commission.

TEACHING OBJECTIVES

St John's has had a challenging and difficult year as we endured the rigours and demands of the pandemic. Nevertheless, sermons were preached on the Letter to the Hebrews, John 17 (during Lent), Philippians, Proverbs, Philemon, Revelation and Luke (during Advent). Many of these services and sermons were being accessed online.

Evening Services recommenced on 3rd October 2021 under the overarching title *Life is a Journey* in which we looked at the themes of Conversion, Change, Falling, Biblical Revelation, Prayer, the Incarnation and the Crucifixion. Two sessions were spent looking at some of the issues in *Living in Love and Faith*. One evening meeting was a Prayer Meeting. On 19th December we had a Carol Service.

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YOUTH AND CHILDREN'S MINISTRY

As one would expect, the continued pandemic restrictions had a significant impact on the Youth and Children's work over the last year.

Due to the January lockdown, in-person provision for children and families during the Sunday services had to stop. However, All-Age slots were integrated into the Live-streamed services to help all members of our Church family to engage in the worship service. Also, there was a specific 'Families' zoom session following each service to provide opportunities for those with young families to share the highs and lows of lockdown life and pray for one-another.

The two youth discipleship groups also had to be moved to Zoom on Thursday evenings. Even with the challenges of being online, the youth had a great time catching up each week and looking deeper into the Hebrews 11 and John 17 passages that had been preached the previous Sunday morning. To help combat some of the loneliness of lockdown, there were Zoom Socials held on Sunday evenings which included various challenges, games and quizzes, providing much needed fun and fellowship for the young people.

The Easter weekend saw the lifting of some restrictions and so the Family Special sessions (0-10yrs) on a Sunday morning could continue as before Christmas and Pathfinders (10-14yrs), could begin again for the first time since the start of the pandemic. Then, after much prayer and involvement of volunteer leaders, mid-June saw the start of the full Junior Church programme with the inclusion of more focused age-specific teaching for Crèche (0-2yrs), Scramblers (3-5yrs) and Explorers (6-9yrs).

Mid-week youth activities were also able to resume in person during the summer term. The first half term was spent doing a Bible Overview and the second took the theme of Wisdom from the Sunday morning series in Proverbs and applied it to specific areas of the lives of the young people. Topics included friendships, attitudes to work, use of social media and video gaming. There was also a successful summer BBQ held in the grounds of Toft Church where 3 young people were "sent off" to university and 2 soon-to-be yr6s were welcomed into Youth at St John's.

After the holidays, all Children's and Youth groups continued to run on Sunday mornings, with Explorers and Pathfinders following the same teaching series as the adults in Revelation and Advent. The young people spent Thursday evening that term going through a series on "What is the Church" aiming to answer their questions, dig into some of the Biblical language and imagery of the Church and encourage the youth to see, value and live out their role in the body of Christ. The new Sunday evening services helped in this by providing great opportunities for the older youth to build relationships, serve, pray with, and discuss and apply God's Word with the wider Church family.

Tom and Hannah have loved getting to know the families at St John's better and working with the children and young people. Despite the stunted form of church life earlier in the year, there have been many encouragements including having some new young people getting plugged into youth activities and church life at St John's. They are immensely thankful for all of the support from the church family and especially the dedicated volunteers who have served the families so faithfully over the past year. Mostly they are thankful for God's grace in enabling the opening up of these ministry opportunities and his sustaining love and care throughout.

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SAFEGUARDING

During the past year we can be grateful that there have been no incidents that required reporting to the Safeguarding Office at Chester Diocese. Nevertheless, we regularly seek their advice and guidance over policy and practicalities.

With regard to the PCC's obligations to safeguard children and vulnerable adults, the members of the PCC confirm that they have complied with their duties under section 5 of the Safeguarding and Clergy Discipline Measure 2016.

Indeed, the heart of good safeguarding at St John's is based on each of us looking out for each other and in particular those who are most vulnerable within our community. Early intervention is very important so I would ask that if anyone has any concerns during this coming year then please contact me so that we can prevent inappropriate incidents occurring. Can I also encourage anyone who has any responsible role within St John's Knutsford or Toft that they undertake the free training provided by the Church of England. This can be accessed at: [Safeguardingtraining.cofeportal.org](https://safeguardingtraining.cofeportal.org)

Basic Awareness and Safeguarding Foundations are the two courses that are suitable and each can be completed within an hour.

SMALL GROUPS

It has been a year of two halves for our small groups. As the year started with the third national lockdown, we continued with Service Station on a Tuesday night. We gathered together as a large group over Zoom to sing together, listen to a Bible talk and split into groups to discuss and pray. The teaching tracked the content from the main Sunday service and sought to apply it more deeply. We maintained this format until July.

Although limited in its scope and only a temporary solution that helped us meet together during the pandemic, we're very grateful for Service Station. It provided for many a much-needed connection and encouragement during the week. The number of attendees remained steady throughout the whole at somewhere between 50-60.

As society opened up over the second half of the year, we made the decision to stop Service Station and to encourage groups to meet on their own from September. Five groups that existed before the pandemic met and one new daytime women's group started. Three of these met online and three in person. These all followed the teaching of the morning sermon series, looking at the early chapters of the book of Revelation. Many thanks to all the leaders who have tirelessly served their groups over the last months.

It is worth noting that there has been a reduction in the number of groups from before the pandemic. This isn't wholly surprising. The pandemic has caused many to stop, slow down and to rethink priorities. Likewise, it affords us a similar opportunity to look at how to grow and refresh the small group ministry moving forward.

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MISSION REPORT

Due to the Covid-19 pandemic, normal mission activities were/are suspended. However, it has been a blessing to be able to welcome our mission partners to the St John's prayer gatherings via Zoom and to hear from them in person and to pray with them. Wanyeki and Mary did visit us in person for an update on their ministry and potential retiring.

During the year we have been able to support the following: Wanyeki and Mary Mahiaini (Kenya); the Kralovi family (Czech Republic); Crosslinks and Growing Young Disciples.

FUNERALS

There were eight funerals in 2021. Five were members of the Church Family.

CHURCH HILL CAFÉ

The year began with a lockdown that ran from Dec 2020 until May 2021. The cafe was closed over that period. Following Covid guidelines, we reopened on May 17th. The cafe was well used again as soon as we opened and customers were pleased for the space and other measures in place to protect them. We have an average of over 200 people each week coming through the cafe, although some days are quieter and others much busier, such as when Rock Choir are using the church building. Other regular groups include friends from the Methodist Church, some members of the women's Bible study group, Oasis mums, a language class, a book club, and regular visits from our own Cornerstone group (birthday parties and small get together meetings). Having held the same prices since 2019, in September we increased our prices across the menu. Our main ingredients supplier withdrew this year due to transport issues. We set up an account with a different supplier. We have had one inspection from the Food Standard Agency who advised some very minor adjustments which were immediately implemented. We were again awarded a maximum 5-star rating with the Agency.

PLANS FOR THE YEAR AHEAD

As we are gradually emerging out of Covid we are hoping to build and consolidate on the foundations laid during the pandemic. We are thankful for new members that have joined. We will need to think carefully about what provision will continue to be provided online. We are hoping to re-energise the Youth work. Richard Reeve and his family will be starting a curacy at St Chads Handforth and Tom and his family will be occupying Grove Park. God willing. A lot of preparation work will need to be done and funds will need to be raised. We will continue with our pattern of services and are grateful that the 6:30 Service is enthusiastically supported.

MARRIAGE PREPARATION

Over the course of year there were two weddings and one thanksgiving. Preparation for one of the weddings was delivered satisfactorily elsewhere. The other wedding couple were prepared by Nigel.

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FINANCE

In 2021 expenditure exceeded income by £24,709 (2020: £14,230). At year-end unrestricted general cash reserves amounted to £59,406, designated cash reserves were £17,015 and restricted cash reserves were £17,681. Full details of the various funds are set out in note 15 to the accounts.

The PCC set aside 10% of regular and unrestricted giving for mission purposes in the unrestricted Mission Giving Fund. Mission giving is detailed in notes 7c and 15 to the financial statements.

We received ca.£16,000 Covid-related financial support through the Job Retention Scheme and local council grants to offset our costs.

The Parish Share paid in 2021 was £110,509 (2020: £77,141). The increase shows the first full-year cost (Jan-Dec) following the appointment of an Associate Vicar.

INVESTMENT POLICY

The Church's funds were held as cash at Barclays Bank plc. The Church does not invest in equity funds.

RESERVES

PCC reviewed the Reserves Policy. It was agreed that the target level of reserves should continue to represent available cash held in unrestricted funds (excluding the Mission Fund) and that a minimum target of £60,000 was the most appropriate target, based on an assessment of key financial risks.

At year-end the total unrestricted cash reserves were £76,420. An analysis of all Church funds is included in the Financial Statements note 15.

FIXED ASSETS

In the opinion of the PCC, the market value of the land and buildings exceeds the amount at which they are stated in the accounts but they are unable to quantify the excess.

RISK ASSESSMENT

The financial stability of the Church depends to a significant extent on the giving of the church family and our ability to balance this and other sources of income in line with Church expenditure.

With a historical church building, unexpected repair costs will arise from time to time. However, it is relevant to note that a Maintenance Group assists the Church and the PCC to maintain the buildings which the Church owns and for which it is responsible. These are the Church, Church Centre, 92 Grove Park and 6 Lilac Avenue. This enables necessary work to be highlighted and planned through the budget process.

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CONCLUSION

St Johns has had another busy year, even though the church buildings were unavailable for significant periods.

We are thankful for the continued efforts from everyone involved in live streaming services and engaging remotely with various groups.

Over the course of the year we maintained resilient financial performance. Strong one-off donations offset lower collections and standing orders. We continued to pay close attention to discretionary spending wherever possible to ensure adequate reserves were maintained.

The outcome for the year was relatively positive, given the circumstances, and we are looking forward to higher levels of activity in the year ahead.

Nigel Atkinson

Revd Nigel Atkinson

Date: 6 July 2022

INDEPENDENT EXAMINER'S REPORT
TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF
PCC OF ST JOHN THE BAPTIST KNUTSFORD
('the Charity')

I report to the charity trustees on my examination of the accounts of the Charity for the year ended 31 December 2021 on pages 13 to 23 following, which have been prepared on the basis of the accounting policies set out on pages 15 to 16.

Responsibilities and basis of report

As the trustees of the charity, the members of the PCC are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Lourens du Plessis

Lourens du Plessis ACA CA(SA)
Institute of Chartered Accountants in England and Wales

Stewardship
1 Lamb's Passage
London
EC1Y 8AB

Date: 14 Jul 2022

PCC OF ST JOHN THE BAPTIST KNUTSFORD
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	193,530	22,242	215,772	221,458
Charitable activities	4	13,121	-	13,121	18,262
Other trading activities	5	54,852	-	54,852	47,076
Investments	6	9	-	9	78
Total income and endowments		261,512	22,242	283,754	286,874
EXPENDITURE ON:					
Charitable activities	7	266,878	8,008	274,886	269,827
Other trading activities	8	33,577	-	33,577	31,277
Total expenditure		300,455	8,008	308,463	301,104
Net income/(expenditure)		(38,943)	14,234	(24,709)	(14,230)
Transfers between funds	15	(2,237)	2,237	-	-
Net movement in funds		(41,180)	16,471	(24,709)	(14,230)
Reconciliation of funds:					
Total funds brought forward		491,235	1,210	492,445	506,675
Total funds carried forward	15	450,055	17,681	467,736	492,445

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

The notes on page 15-22 form part of these accounts.

PCC OF ST JOHN THE BAPTIST KNUTSFORD

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds Restated 2020 £
FIXED ASSETS					
Tangible assets	10	372,500	-	372,500	376,500
		<u>372,500</u>	<u>-</u>	<u>372,500</u>	<u>376,500</u>
CURRENT ASSETS					
Debtors	11	20,030	-	20,030	13,659
Cash at bank and in hand	12	76,421	17,681	94,102	125,115
		96,451	17,681	114,132	138,774
CREDITORS: Amounts falling due within one year	13	(18,896)	-	(18,896)	(22,829)
Net current assets / (liabilities)		<u>77,555</u>	<u>17,681</u>	<u>95,236</u>	<u>115,945</u>
TOTAL NET ASSETS		<u>450,055</u>	<u>17,681</u>	<u>467,736</u>	<u>492,445</u>
FUND BALANCES	15				
Unrestricted Funds					
General funds		60,540	-	60,540	90,922
Designated funds		389,515	-	389,515	400,313
		<u>450,055</u>	<u>-</u>	<u>450,055</u>	<u>491,235</u>
Restricted Funds		<u>-</u>	<u>17,681</u>	<u>17,681</u>	<u>1,210</u>
		<u>450,055</u>	<u>17,681</u>	<u>467,736</u>	<u>492,445</u>

The financial statements were approved by the Board of Directors and were signed on its behalf by:

Nigel Atkinson

REV. NIGEL ATKINSON

6 July 2022

Date

Charity number: 1131500

The notes on page 15-22 form part of these accounts.

PCC OF ST JOHN THE BAPTIST KNUTSFORD
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1 Statutory Information

The Parochial Church Council of St John the Baptist Knutsford is a charity registered with the Charity Commission in England & Wales. The charity's registered number and principal address can be found on the Charity Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention. The financial statements include all activities for which the PCC is legally responsible; the activities of informal gatherings of church members and groups that owe their main affiliation to another body and are excluded.

These financial statements have been prepared in accordance with The Church Accounting Regulations 2006, the 'Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)' ('the Charities SORP'), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102") and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The Charities (Accounts and Reports) Regulations 2008 (the '2008 Regulations') requires charities to prepare their accounts in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005' but this accounting standard has since been withdrawn and has been replaced by the Charities SORP mentioned in the preceding paragraph. The charity has prepared these financial statements in accordance with the new Charities SORP; this departure from the 2008 Regulations is believed to be necessary for these financial statements to give a 'true and fair view'.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The PCC have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The PCC have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the PCC have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The PCC have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements. In making this assessment the trustees have considered the impact of Covid-19 and have concluded that its impact on net income will not be material.

b) Income

Income (which includes planned giving, collections and other donations) is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part income is generally recognised when it is received by, or on behalf of, the PCC. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations and legacies includes:

- i) Recoverable gift aid. This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.
- ii) The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.
- iii) Legacies. Income from legacies is recognised when a distribution is received from the estate or, if earlier, when the charity has been notified that a distribution will be made and the amount receivable can be measured reliably.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from church retreats and other events and courses.

Income from other trading activities represents income receivable from activities undertaken to generate funds for the charity. It includes income from the Church Hill Café and from lettings of the Church Centre.

Investment income represents income generated by the charity's assets and includes bank interest.

PCC OF ST JOHN THE BAPTIST KNUTSFORD
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Contributions in respect of the diocesan parish share are included in the Statement of Financial Activities for all amounts agreed to being payable for the financial year. Any contributions that have not been paid over by the year end are included as a creditor.

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

The cost of raising funds is not significant and has not been separately disclosed.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the PCC in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the PCC for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects.

e) Tangible fixed assets

Consecrated and beneficed property is not included in these financial statements by virtue of s.10(2) of the Charities Act 2011. All expenditure on consecrated or beneficed buildings is written off in the year in which it is incurred.

Movable church furnishings held by the incumbent and Churchwardens on special trust for the PCC and which require a faculty for disposal are capitalised in accordance with the policy set out below. These items are regarded as inalienable property and are listed in the church's inventory which can be inspected at any reasonable time. Inalienable property acquired prior to 2000 has not been capitalised as there is insufficient cost information available.

Items purchased or donated for the charity's own use are capitalised when the cost of purchased items, or the fair value of donated items, is more than £5,000 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

Freehold land	Is not depreciated (because it is not consumed by use)
Freehold buildings	Over 75 years after taking account of the building's residual value
Equipment	Over 3 to 7 years

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

f) Stocks

Stocks of goods purchased for re-sale or for use by the church are stated at the lower of cost and net realisable value.

g) Pension scheme arrangements

The charity operates defined contribution pension schemes for its employees. Obligations for contributions to these schemes are recognised as an expense when the liability arises. The assets of these schemes are held separately from those of the charity in independently administered funds.

h) Taxation

The charity has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

i) Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Except for loans, creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises liabilities for the principal of those loans that remains outstanding at the year end (i.e. the liabilities exclude any interest chargeable on the loans in future years).

j) Exemption from preparing a cashflow statement

The charity has taken advantage of an exemption conferred by the Charities SORP and has not prepared a cash flow statement.

k) Critical accounting estimates and areas of judgement

The members of the PCC do not consider that there are any material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

PCC OF ST JOHN THE BAPTIST KNUTSFORD
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

3 Donations and legacies

	2021	2020
	£	£
Donations of cash and similar	171,680	186,165
Government grants	10,964	-
Legacies receivable	-	2,000
Income tax recoverable	33,128	33,293
	<u>215,772</u>	<u>221,458</u>

4 Income from charitable activities

	2021	2020
	£	£
Church retreats and events	146	1,694
Fees	6,629	3,599
St John's Toft	5,738	4,857
Church organisations	438	8,046
Miscellaneous income	170	65
	<u>13,121</u>	<u>18,262</u>

5 Income from other trading activities

	2021	2020
	£	£
Church Hill Café	22,268	16,851
COVID related grants for Café	8,536	13,304
Church and centre hire	5,250	4,712
Rental of Lilac Avenue	18,798	12,209
	<u>54,852</u>	<u>47,076</u>

6 Investment income

	2021	2020
	£	£
Bank interest	9	78
	<u>9</u>	<u>78</u>

7 Charitable expenditure

a Costs incurred directly on specific activities

	2021	2020
	£	£
Ministry expenses:		
Parish share	110,509	77,141
Staff costs	26,739	78,392
Vicar's expenses	2,449	3,644
Other staff expenses	2,240	2,667
Verger and organist fees	529	479
Church organisations	975	3,743
Music fund	2,259	-
Youth and children's work	859	3,620
Home groups and church courses	97	154
Church events	170	970
Service fees	1,126	-
Fees payable to the diocese	1,386	2,236
Other ministry costs	2,510	1,536
	<u>151,848</u>	<u>174,582</u>
Property expenses:		
Church running expenses	21,924	13,114
Gas and electricity for church and centre	12,636	9,385
Centre maintenance and costs	288	379
Decreciation of church centre	4,000	4,000
Vicar's housing costs	6,240	6,403
Associate Minister's housing costs	25,150	9,654
Grove Park costs	990	5,302
Interest on Grove Park value linked loan	2,189	2,163
Lilac Avenue	984	737
Major maintenance costs	102	16,970
	<u>74,503</u>	<u>68,108</u>
Grants and donations payable (note 7c)	40,775	20,183
	<u>267,126</u>	<u>262,873</u>

PCC OF ST JOHN THE BAPTIST KNUTSFORD
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

b Costs incurred on support & administration

Governance costs		
Accounts preparation and independent examination	3,120	3,120
	<u>3,120</u>	<u>3,120</u>
Office expenses	4,002	3,663
Publications and publicity	638	171
	<u>7,760</u>	<u>6,954</u>
Total expenditure	<u><u>274,886</u></u>	<u><u>269,827</u></u>

The fee payable to the independent examiner for preparing and examining the accounts was £3,120 (2020: £3,120); in addition the charity paid £1,111 (2020: £1,051) to Stewardship for payroll bureau services.

c Grants payable

	Institutions £	Individuals £	2021 £
Grant payments for UK mission	19,275	1,500	20,775
Grant payments for overseas mission	18,000	2,000	20,000
	<u>37,275</u>	<u>3,500</u>	<u>40,775</u>

The comparatives for the previous year are as follows:

	Institutions £	Individuals £	2020 £
Grant payments for UK mission	8,171	-	8,171
Grant payments for overseas mission	12,012	-	12,012
	<u>20,183</u>	<u>-</u>	<u>20,183</u>

The charity's principal grant payments to institutions comprised:

	2021 £	2020 £
Crosslinks	19,500	13,512
Growing Young Disciples	5,000	2,321
St Peter's Church Rock Ferry	5,500	3,400
Hope Central	5,675	-
UCCF	1,000	-
North West Partnership	500	-
Grants to institutions for less than £1,000 each	100	950
	<u>37,275</u>	<u>20,183</u>

8 Other expenditure

	2021 £	2020 £
Church Hill Café expenditure	8,432	6,556
Church Hill Café salaries	25,144	24,721
	<u>33,577</u>	<u>31,277</u>

9 Analysis of staff costs, the cost of key management personnel and trustee remuneration and expenses

The average monthly number of employees during the year was 5 (2020: 6.5). Most of the charity's activities are carried out by volunteers.

No staff received salaries at a rate of more than £60,000 per annum.

The charity's key management comprise the members of the PCC and the key staff named on the Charity Information page. No employment benefits were payable to key management by the PCC.

Rev. Nigel Atkinson and Rev. Tom Hollingsbee (clergy members of the PCC) receive stipends from the Diocese and so are not employees of the PCC; some of the Parish Share paid to the Diocese is used to help meet the cost of these stipends. These clergy are provided with accommodation (which is customary for clergy) and the cost of this accommodation to the PCC is disclosed in note 7 'Charitable expenditure'. The charity also reimbursed expenses to these clergy; again these costs are disclosed in note 7 'Charitable expenditure' under the heading 'Clergy expenses'.

Staff costs in 2020 included redundancy and termination payments totalling £11,737 and comprise only statutory redundancy payments. Redundancy and termination payments are charged when the liability or obligation arises.

No other member of the PCC received employment benefits in either the current or preceding year.

PCC OF ST JOHN THE BAPTIST KNUTSFORD
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

10 Tangible fixed assets

	Freehold Property £	Long leasehold Property £	Fixtures, fittings and equipment £	Total 2021 £
Cost				
At 1 January 2021	396,500	96,000	-	492,500
At 31 December 2021	<u>396,500</u>	<u>96,000</u>	<u>-</u>	<u>492,500</u>
Accumulated depreciation				
At 1 January 2021	116,000	-	-	116,000
Charge for the year	4,000	-	-	4,000
At 31 December 2021	<u>120,000</u>	<u>-</u>	<u>-</u>	<u>120,000</u>
Net book value				
At 31 December 2021	<u>276,500</u>	<u>96,000</u>	<u>-</u>	<u>372,500</u>
At 1 January 2021	<u>280,500</u>	<u>96,000</u>	<u>-</u>	<u>376,500</u>

Freehold properties are stated at historic cost and comprise a residential property at 6 Lilac Avenue (used by the Youth Worker) and the Church Centre attached to the Church.

The leasehold property at 92 Grove Park is held on a 999 year lease expiring in 2948 and is rented from the church by the former Associate Minister. The lease of 92 Grove Park is included at 74.4% of historic cost as this property is subject to an arrangement with the Church Commissioners (known as a Value Linked Loan) whereby if the property is sold 25.6% of the proceeds will be payable to the Church Commissioners. While this arrangement represents an equity share of 25.6% of the ownership, interest is also payable on the original Church Commissioners investment. This interest is shown in note 7a above.

11 Debtors

	2021 £	2020 £
Falling due within one year:		
Tax recoverable	15,098	8,825
Other debtors	4,932	4,834
Total debtors	<u>20,030</u>	<u>13,659</u>

12 Cash at bank and in hand

	2021 £	2020 £
Cash at bank with immediate access	94,102	125,115
	<u>94,102</u>	<u>125,115</u>

13 Creditors: liabilities falling due within one year

	2021 £	2020 £
Trade and other creditors	2,276	5,995
Pension contributions	-	214
Accruals	3,120	3,120
Grant obligations	13,500	13,500
	<u>18,896</u>	<u>22,829</u>

14 Pension commitments

During the year employer's pension contributions totalling £1,145 (2020: £5,939) were payable to defined contribution personal pension schemes. Pension contributions of £nil were owing at the balance sheet date (2020: £214).

PCC OF ST JOHN THE BAPTIST KNUTSFORD
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

15 Funds

During the year the movements in the charity's funds were as follows:

	Opening balance 2021 £	Incoming resources 2021 £	Outgoing resources 2021 £	Transfers in the year 2021 £	Gains and losses 2021 £	Closing balance 2021 £
<i>Designated Funds</i>						
Mission giving	8,710	-	(40,500)	35,790	-	4,000
Evangelism	470	-	(470)	-	-	-
Café	-	30,804	(33,577)	2,773	-	-
Bell restoration	1,678	-	-	(1,678)	-	-
ACF	459	-	-	(459)	-	-
Young at heart	100	-	-	(100)	-	-
OASIS	8,229	438	(652)	-	-	8,015
Youth work	4,166	-	-	(4,166)	-	-
Fixed assets	376,500	-	(4,000)	-	-	372,500
Building reserve	-	-	-	5,000	-	5,000
	400,313	31,242	(79,199)	37,159	-	389,515
<i>General Unrestricted Funds</i>	90,922	230,270	(221,256)	(39,396)	-	60,540
Total Unrestricted Funds	491,235	261,512	(300,455)	(2,237)	-	450,055
<i>Restricted Funds</i>						
Church and Centre refurbishment	-	18,750	(3,094)	-	-	15,656
Music fund	905	2,500	(2,519)	-	-	886
Reordering fund	251	-	(102)	-	-	149
Bell restoration	-	982	(1,960)	1,678	-	700
ACF	-	-	(323)	459	-	136
Young at heart	-	-	-	100	-	100
Coffee morning mission fund	54	-	-	-	-	54
Special donations	-	10	(10)	-	-	-
	1,210	22,242	(8,008)	2,237	-	17,681
Aggregate of funds	492,444	283,754	(308,463)	-	-	467,736

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

	<u>Unrestricted Funds</u>		<u>Restricted Funds</u>	<u>2021</u>
	General funds £	Designated funds £	funds £	£
Tangible fixed assets	-	372,500	-	372,500
Debtors	20,030	-	-	20,030
Cash at bank and in hand	59,406	17,015	17,681	94,102
Creditors falling due within one year	(18,896)	-	-	(18,896)
	60,540	389,515	17,681	467,736

PCC OF ST JOHN THE BAPTIST KNUTSFORD
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

In the previous year the movements in the charity's funds were as follows:

	Opening balance 2020 £	Incoming resources 2020 £	Outgoing resources 2020 £	Transfers in the year 2020 £	Gains and losses 2020 £	Closing balance 2020 £
<i>Designated Funds</i>						
Mission giving	20,556	-	(33,910)	22,064	-	8,710
Evangelism	665	-	(195)	-	-	470
Café	-	30,155	(31,277)	1,123	-	-
Bell restoration	1,661	17	-	-	-	1,678
ACF	307	645	(493)	-	-	459
Young at heart	101	299	(300)	-	-	100
OASIS	7,995	1,353	(1,119)	-	-	8,229
Youth work	265	5,732	(1,831)	-	-	4,166
Fixed assets	380,500	-	(4,000)	-	-	376,500
	<u>412,050</u>	<u>38,201</u>	<u>(73,125)</u>	<u>23,187</u>	<u>-</u>	<u>400,313</u>
<i>General Unrestricted Funds</i>	<u>76,154</u>	<u>246,998</u>	<u>(209,043)</u>	<u>(23,187)</u>	<u>-</u>	<u>90,922</u>
Total Unrestricted Funds	<u>488,204</u>	<u>285,199</u>	<u>(282,168)</u>	<u>-</u>	<u>-</u>	<u>491,235</u>
<i>Restricted Funds</i>						
Music fund	1,250	-	(345)	-	-	905
Reordering fund	17,221	-	(16,970)	-	-	251
Coffee morning mission fund	-	1,675	(1,621)	-	-	54
	<u>18,471</u>	<u>1,675</u>	<u>(18,936)</u>	<u>-</u>	<u>-</u>	<u>1,210</u>
Aggregate of funds	<u>506,675</u>	<u>286,874</u>	<u>(301,104)</u>	<u>-</u>	<u>-</u>	<u>492,445</u>

Analysis of net assets by fund

In the previous year, the assets and liabilities of the various funds were as follows:

	<u>Unrestricted Funds</u>		Restricted funds	2020
	General funds	Designated funds	funds	
	£	£	£	£
Tangible fixed assets	-	376,500	-	376,500
Debtors	13,659	-	-	13,659
Cash at bank and in hand	86,592	37,313	1,210	125,115
Creditors falling due within one year	(9,329)	(13,500)	-	(22,829)
	<u>90,922</u>	<u>400,313</u>	<u>1,210</u>	<u>492,445</u>

Annually the members of the PCC set aside some of the charity's income for grant giving to institutions and individuals who undertake activities that further the charity's own objects. It is anticipated that all of the mission funds designated for this purpose will be distributed in the new financial year.

16 Operating lease commitments

The charity has an operating lease for its photocopier. The minimum amount payable (until the next break clause and ignoring the potential effect of future rent reviews) in respect of this lease is as follows:

	2021 £	2020 £
Payments falling due:		
Within one year	1,114	1,148
Between one and five years	<u>4,454</u>	<u>-</u>
	<u>5,568</u>	<u>1,148</u>

During the year the charity was charged £1,130 (2020: £1,148) for its operating lease.

PCC OF ST JOHN THE BAPTIST KNUTSFORD
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2021

17 Transactions with related parties

During the year the charity:

received donations totalling £53,590 (2020: £47,416) from related parties (which includes members of the PCC, any other members of key management and anyone closely connected to them).

During the year the charity also made the following payments to, or for, related parties:

£2,300 (2020: £2,321) in grants to Growing Young Disciples, a charity over which PCC member Debbie Woods has significant influence as a trustee.

Except as disclosed in note 9 'Analysis of staff costs', there have been no other transactions with related parties during the year.

PCC OF ST JOHN THE BAPTIST KNUTSFORD
DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted funds				Unrestricted funds			
		General	Designated	Restricted	Total	General	Designated	Restricted	Total
		2021	2021	2021	2021	2020	2020	2020	2020
		£	£	£	£	£	£	£	
INCOME AND ENDOWMENTS FROM:									
Donations and legacies	3	193,530	-	22,242	215,772	221,458	-	-	221,458
Charitable activities	4	12,683	438	-	13,121	8,541	8,046	1,675	18,262
Other trading activities	5	24,048	30,804	-	54,852	16,921	30,155	-	47,076
Investments	6	9	-	-	9	78	-	-	78
Total income and endowments		230,270	31,242	22,242	283,754	246,998	38,201	1,675	286,874
EXPENDITURE ON:									
Charitable activities	7	221,256	45,622	8,008	274,886	209,043	41,848	18,936	269,827
Other trading activities	8	-	33,577	-	33,577	-	31,277	-	31,277
Total Expenditure		221,256	79,199	8,008	308,463	209,043	73,125	18,936	301,104
Net income/(expenditure)		9,014	(47,957)	14,234	(24,709)	37,955	(34,924)	(17,261)	(14,230)
Transfers between funds	15	(39,396)	37,159	2,237	-	(23,187)	23,187	-	-
Net movement in funds		(30,382)	(10,798)	16,471	(24,709)	14,768	(11,737)	(17,261)	(14,230)
Reconciliation of funds:									
Total funds brought forward		90,922	400,313	1,210	492,445	76,154	412,050	18,471	506,675
Total funds carried forward	15	60,540	389,515	17,681	467,736	90,922	400,313	1,210	492,445