

Charity registration number 1134217

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE  
BAPTIST, HARTFORD, CHESTER DIOCESE**

**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST, HARTFORD, CHESTER DIOCESE

## LEGAL AND ADMINISTRATIVE INFORMATION

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### Trustees

Rev. Dimitri Alldridge  
Rev. George Agar  
Ian Barton  
Graham Campbell  
Andre Bulbeck  
Rosalind Campbell  
Barry Chidlow (Appointed 11 May 2021)  
Emily Dean (Appointed 11 May 2021)  
Simon Gatreax (Appointed 11 May 2021)  
Danny Greaves  
Audrey Kerr-Taylor  
David Richards  
Rev. James Robson  
Rev. Mike Smith  
C Yevseyev  
Stephen Carr  
Andrew Rodwell  
Fiona Hughes (Appointed 11 May 2021)  
David King (Appointed 11 May 2021)  
Caroline Mackenzie (Appointed 11 May 2021)  
Helen Small (Appointed 11 May 2021)  
Rev John Teasdale (Appointed 11 May 2021)

### Charity number

1134217

### Independent examiner

Mitchell Charlesworth  
24 Nicholas Street  
Chester  
CH1 2AU

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# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST, HARTFORD, CHESTER DIOCESE

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# **THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST, HARTFORD, CHESTER DIOCESE**

## **TRUSTEES' REPORT**

### ***FOR THE YEAR ENDED 31 DECEMBER 2021***

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The trustees present their annual report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

#### **Objectives and activities**

The objective of the PCC is the promotion of the Gospel of our Lord Jesus Christ according to the doctrines and practices of the Church of England.

In accordance with the requirements of the Parochial Church Council(Powers) Measure 1956, the PCC cooperates with the ministers in promoting in the parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical.

The main activities of the PCC are:

- the provision of regular public worship that is open to all
- the provision of pastoral work including the visiting of the sick, the elderly and the bereaved
- the teaching of the Christian faith through sermons, small groups, courses for adults, children's meetings and links with the local schools
- the promotion of the Christian faith through various events organised by the PCC
- the support of other charities involved in Christian outreach and development

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.



# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST, HARTFORD, CHESTER DIOCESE

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### Reserves and Financial Review

The Trustees have considered the advice provided by the Charity Commission in their note CC19. We believe that a prudent level of reserves is approximately eight to ten weeks cash outflow to allow sufficient working amounts in the current accounts at both St. John's and Christ Church.

During 2019, we started a 5-year strategy to build an additional "staffing reserve" for future hiring requirements, and this continued in 2020 and the first half of 2021. This reserve is to minimise and spread the required increases in planned giving in future years. As a result of this strategy, cash at the end of 2021 is higher than normal. Jon Teasdale joined us as Associate Vicar for St John's in July 2021. With Jon's arrival our Parish Share increased (Jon, like other clergy, is an office holder whose stipend is paid by the Diocese) and the Staffing Reserve has been used to offset the additional amount of Parish Share. Nathan Heeb joined the team as our Youth Worker in December 2020 and has made a valuable contribution to the work during 2021.

During the spring of 2021, we unexpectedly received an influx of people from Hong Kong, who had relocated to mid-Cheshire following the additional restrictions imposed by the Chinese Authorities. The PCC agreed to employ one of their number, Lewis Li, who is undertaking theological training, as a lay minister to the Cantonese speaking members of the congregation. To manage the financial risk, Lewis has been employed initially on a temporary one-year contract. We have already received generous gifts supporting this work and we pray that the Lord will continue to bless this work financially, to allow us to make the position permanent.

The Charity's main income is from planned (regular) giving and associated Gift Aid tax refunds. This comes from around 130 givers at St John's and 50 at Christ Church. A sudden cessation of income is therefore unlikely. In the event of a shortfall, the Trustees will either seek to increase income by holding a gift day, or to reduce expenditure by postponing capital expenditure, reducing staff levels, withholding Parish Share (a voluntary payment) or reducing the amount donated to Missionary Societies (a discretionary payment). Our reserve gives adequate time for the trustees to assess any situation and take appropriate action.

As reported at the AGM in 2021, the COVID-19 pandemic has had a considerable impact on certain areas of the PCC's finances. Offering plate income and fees from funerals & weddings have dropped. The largest impact has been a loss of rental income from St John's Church Centre of approximately £40,000 in both 2020 and 2021. In mitigation the PCC made the position of Facilities Manager redundant in September 2020, which helped to stabilise our finances through 2021.

The PCC's primary income is Gift Aided planned giving, this has been unaffected by the pandemic.

The huge rise in energy costs since the start of 2022 will put a considerable strain on our finances during 2022, and we are monitoring these costs closely and investigating ways of reducing energy consumption.

#### Financial Commentary

The PCC had a highly unusual and challenging financial year in 2021, but, by God's grace and through the mitigations described in the previous section, we were able to meet our commitments to ministry in the parish (including ministry to newcomers from Hong Kong), support our Mission Partners and to finance the appointment of Jon Teasdale as Associate Vicar at St John's by use of the Staffing Reserve.

Voluntary giving at the two churches, the PCC's main source of income, remained largely unchanged as noted in the section above. Due to continued restrictions on attendance at church services several cash givers switched to giving by bank transfer.

The main drop in income was around £40,000 from 2019 levels due to the closure of St John's Church Centre due to COVID-19 restrictions. This loss was offset by making the position of Facilities Manager redundant in September 2020, and hence saving employment costs in 2021. We also achieved cost reductions elsewhere, which are listed below:

- Reduced staff costs, due to the allowance on employers' National Insurance being further extended to 2020/21 and 2021/22, at the increased rate of £4,000.
- Reduction of £6,000 (compared to 2019) on utility bills, largely due to both churches and St John's Church Centre being closed for lengthy periods.
- Due to the limited use of our buildings, we spent £7,000 less than we spent in 2019 on catering, including catering for conferences in St John's Church Centre.

# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST, HARTFORD, CHESTER DIOCESE

## TRUSTEES' REPORT (CONTINUED)

### *FOR THE YEAR ENDED 31 DECEMBER 2021*

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The PCC's undesignated and unrestricted cash balances at December 2021 were £82,116 (compared to £95,539). The main areas of PCC expenditure are Parish Share, the payment of staff salaries, the support of mission and relief agencies, the maintenance of properties, plus rent and mortgage payments. In addition, £8,000 of general funds were used to pay part of the mortgage on St John's Church Centre.

The PCC has a non-contributory pension scheme which is a Defined Benefit Scheme run by the Church of England Pensions Board. It is auto-enrolment compliant and the permanent staff were auto-enrolled into this scheme in July 2016 in compliance with the appropriate legislation. There is no liability for a deficit at the moment for the Pension Scheme.

Regular giving towards the repayment of the loans on St John's Church Centre continued to be received. Gifts received during the year were £26,320 plus £3,165 tax refund on Gift Aided donations. During the year, the PCC repaid the final amounts outstanding on the short-term interest-free congregational loans, leaving only the mortgage loan with Virgin Money (previously Yorkshire Bank). The outstanding balance at 31 December 2021 was £187,616.

The restricted balances in the Church Centre Project Fund in December 2021 were £15,880 including the sum of £10,000 for support of Emmanuel Church in Leftwich, Northwich.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The Charity's objective is to preach the Gospel, and we plan to do this by:

- ministering to the people of Hartford and Greenbank
- supporting Mission Partners both in the UK and overseas
- further developing links with local schools and colleges
- developing and resourcing new opportunities for Christian outreach as they arise

These plans are reviewed regularly by the PCC through the work of its sub-committees.

# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST, HARTFORD, CHESTER DIOCESE

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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### Structure, governance and management

The PCC is a corporate body. Its governing documents are the Parochial Church Council (Powers) Measure 1956 as amended and the Church Representation Rules.

PCC members are recruited in a number of ways. The clergy and churchwardens are members by virtue of their office. General Synod and Diocesan Synod members are also ex-officio PCC members. Deanery Synod representatives and elected lay PCC members are elected by the Annual Parochial Church Meeting (APCM) and hold office for three years.

PCC members and Deanery Synod representatives are elected from both churches in the parish. At the APCM in April 2013, a resolution was passed to divide the elected places on Deanery Synod and PCC between St John's and Christ Church according to the ratio between attendance in the two churches, using a sample month each year.

At the APCM in October 2020, the size of the PCC was reduced to reflect the increased importance of the church sub-committees.

"From the next APCM, the total number of elected lay representatives to the Parochial Church Council of St John the Baptist Hartford and Christ Church Greenbank shall be 9, consisting of 6 from St John's and 3 from Christ Church".

At the first meeting of a newly elected PCC, members are reminded that they are Charity Trustees and are given a brief summary of their duties. On election each Trustee completes a Statement of Trustee's Interests and a Register of Trustees' Interests is kept.

### PCC Sub-committees

In addition to the PCC, we manage the activities of the parish using PCC sub-committees.

The Standing Committee has delegated powers to make decisions between PCC meetings, subject to keeping the PCC informed.

There are two church sub-committees – St John's Committee and Christ Church Committee.

Each committee comprises the clergy, those members of the PCC who worship at each respective church plus additional members who may be co-opted for one year.

There is one Missionary Strategy Group, operating across both churches. The PCC retains full financial decision-making powers but where possible other decisions are delegated to the relevant church committee.

- Standing Committee
- St John's Committee
- Christ Church Committee
- Missionary Strategy Group

Each church may establish further local sub-committees as required.



# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST, HARTFORD, CHESTER DIOCESE

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2021**

The trustees who served during the year and up to the date of signature of the financial statements were:

|                        |                         |
|------------------------|-------------------------|
| Rev. Dimitri Alldridge |                         |
| Rev. George Agar       |                         |
| Martin Barber          | (Resigned 11 May 2021)  |
| Russell Baker          | (Resigned 11 May 2021)  |
| Ian Barton             |                         |
| Rodney Bessent         | (Resigned 11 May 2021)  |
| Graham Campbell        |                         |
| Andre Bulbeck          |                         |
| Rosalind Campbell      |                         |
| Barry Chidlow          | (Appointed 11 May 2021) |
| Emily Dean             | (Appointed 11 May 2021) |
| Roger Gibson           | (Resigned 11 May 2021)  |
| Julia Gover            | (Resigned 11 May 2021)  |
| Simon Gatreax          | (Appointed 11 May 2021) |
| Danny Greaves          |                         |
| Rev. Alec Ham          | (Resigned 11 May 2021)  |
| Lisa Hobson            | (Resigned 11 May 2021)  |
| Rev. Phil Highton      | (Resigned 11 May 2021)  |
| Audrey Kerr-Taylor     |                         |
| David Richards         |                         |
| Matthew Rigby          | (Resigned 11 May 2021)  |
| Rev. James Robson      |                         |
| Susan Scarr-Hall       | (Resigned 11 May 2021)  |
| Rev. Mike Smith        |                         |
| Ian Williams           | (Resigned 11 May 2021)  |
| Stephen Williams       | (Resigned 11 May 2021)  |
| C Yevseyev             |                         |
| Stephen Carr           |                         |
| Andrew Rodwell         |                         |
| Fiona Hughes           | (Appointed 11 May 2021) |
| David King             | (Appointed 11 May 2021) |
| Caroline Mackenzie     | (Appointed 11 May 2021) |
| Helen Small            | (Appointed 11 May 2021) |
| Rev John Teasdale      | (Appointed 11 May 2021) |

The trustees' report was approved by the Board of Trustees.



Graham Campbell

Trustee

Dated: 25/09/22



Rev. Mike Smith

Trustee

Dated: 25/9/22

# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST, HARTFORD, CHESTER DIOCESE

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST, HARTFORD, CHESTER DIOCESE

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I report to the trustees on my examination of the financial statements of The Parochial Church Council of the Ecclesiastical Parish of St John the Baptist, Hartford, Chester Diocese (the charity) for the year ended 31 December 2021.

#### Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 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.

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

*I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.*

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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements to be reached.



Robert Hall, FCA  
Mitchell Charlesworth

24 Nicholas Street  
Chester  
CH1 2AU

Dated: 26 September 2022

# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST, HARTFORD, CHESTER DIOCESE

## STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

### Current financial year

|   |       | Unrestricted<br>funds<br>2021<br>£ | Restricted<br>funds<br>2021<br>£ | Endowment<br>funds<br>2021<br>£ | Total<br>2021<br>£ | Total<br>2020<br>£ |
|---|-------|------------------------------------|----------------------------------|---------------------------------|--------------------|--------------------|
|   | Notes |                                    |                                  |                                 |                    |                    |
| <b>Income and endowments from:</b>                        |       |                                    |                                  |                                 |                    |                    |
| Donations and legacies                                    | 3     | 416,916                            | 29,485                           | -                               | 446,401            | 446,407            |
| Charitable activities                                     | 4     | 7,076                              | 947                              | -                               | 8,023              | 37,645             |
| Investments   | 5     | 46                                 | 8                                | 2                               | 56                 | 359                |
| Other income  | 6     | 1,468                              | 5,276                            | -                               | 6,744              | 4,059              |
| <b>Total income and endowments</b>                        |       | <b>425,506</b>                     | <b>35,716</b>                    | <b>2</b>                        | <b>461,224</b>     | <b>488,470</b>     |
| <b>Expenditure on:</b>                                    |       |                                    |                                  |                                 |                    |                    |
| Raising funds   | 7     | -                                  | -                                | -                               | -                  | 4,358              |
| Charitable activities                                     | 8     | 443,757                            | 10,945                           | -                               | 454,702            | 450,344            |
| <b>Total expenditure</b>                                  |       | <b>443,757</b>                     | <b>10,945</b>                    | <b>-</b>                        | <b>454,702</b>     | <b>454,702</b>     |
| <b>Net (outgoing)/incoming resources before transfers</b> |       | <b>(18,251)</b>                    | <b>24,771</b>                    | <b>2</b>                        | <b>6,522</b>       | <b>33,768</b>      |
| Gross transfers between funds                             |       | 31,569                             | (31,569)                         | -                               | -                  | -                  |
| <b>Net movement in funds</b>                              |       | <b>13,318</b>                      | <b>(6,798)</b>                   | <b>2</b>                        | <b>6,522</b>       | <b>33,768</b>      |
| Fund balances at 1 January 2021                           |       | 1,287,972                          | 25,975                           | 4,362                           | 1,318,309          | 1,284,541          |
| <b>Fund balances at 31 December 2021</b>                  |       | <b>1,301,290</b>                   | <b>19,177</b>                    | <b>4,364</b>                    | <b>1,324,831</b>   | <b>1,318,309</b>   |

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

All income and expenditure derive from continuing activities.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST, HARTFORD, CHESTER DIOCESE**

**STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

Prior financial year

|   |       | Unrestricted<br>funds<br>2020<br>£ | Restricted<br>funds<br>2020<br>£ | Endowment<br>funds<br>2020<br>£ | Total<br>2020<br>£ |
|---|-------|------------------------------------|----------------------------------|---------------------------------|--------------------|
|   | Notes |                                    |                                  |                                 |                    |
| <b>Income and endowments from:</b>                        |       |                                    |                                  |                                 |                    |
| Donations and legacies                                    | 3     | 406,658                            | 39,749                           | -                               | 446,407            |
| Charitable activities                                     | 4     | 23,651                             | 13,994                           | -                               | 37,645             |
| Investments   | 5     | 224                                | 117                              | 18                              | 359                |
| Other income  | 6     | 4,059                              | -                                | -                               | 4,059              |
| <b>Total income and endowments</b>                        |       | <b>434,592</b>                     | <b>53,860</b>                    | <b>18</b>                       | <b>488,470</b>     |
| <b>Expenditure on:</b>                                    |       |                                    |                                  |                                 |                    |
| Raising funds   | 7     | 75                                 | 4,283                            | -                               | 4,358              |
| Charitable activities                                     | 8     | 397,008                            | 53,336                           | -                               | 450,344            |
| <b>Total expenditure</b>                                  |       | <b>397,083</b>                     | <b>57,619</b>                    | <b>-</b>                        | <b>454,702</b>     |
| <b>Net (outgoing)/incoming resources before transfers</b> |       | <b>37,509</b>                      | <b>(3,759)</b>                   | <b>18</b>                       | <b>33,768</b>      |
| Gross transfers between funds                             |       | 21,376                             | (21,376)                         | -                               | -                  |
| <b>Net movement in funds</b>                              |       | <b>58,885</b>                      | <b>(25,135)</b>                  | <b>18</b>                       | <b>33,768</b>      |
| Fund balances at 1 January 2020                           |       | 1,229,087                          | 51,111                           | 4,343                           | 1,284,541          |
| <b>Fund balances at 31 December 2020</b>                  |       | <b>1,287,972</b>                   | <b>25,976</b>                    | <b>4,361</b>                    | <b>1,318,309</b>   |



**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST, HARTFORD, CHESTER DIOCESE**

**BALANCE SHEET**

**AS AT 31 DECEMBER 2021**

|  | Notes | 2021<br>£ | £         | 2020<br>£ | £         |
|--|-------|-----------|-----------|-----------|-----------|
| <b>Fixed assets</b>  |       |           |           |           |           |
| Tangible assets  | 11    |           | 1,417,187 |           | 1,449,211 |
| <b>Current assets</b>  |       |           |           |           |           |
| Debtors  | 12    | 7,217     |           | 5,143     |           |
| Cash at bank and in hand                                       |       | 186,642   |           | 187,095   |           |
|  |       | 193,859   |           | 192,238   |           |
| <b>Creditors: amounts falling due within one year</b>          | 14    | (39,879)  |           | (51,760)  |           |
| Net current assets   |       |           | 153,980   |           | 140,478   |
| <b>Total assets less current liabilities</b>                   |       |           | 1,571,167 |           | 1,589,689 |
| <b>Creditors: amounts falling due after more than one year</b> | 15    |           | (246,336) |           | (271,380) |
| <b>Net assets</b>  |       |           | 1,324,831 |           | 1,318,309 |
| <b>Capital funds</b>   |       |           |           |           |           |
| Endowment funds - general                                      |       |           | 4,364     |           | 4,361     |
| <b>Income funds</b>  |       |           |           |           |           |
| Restricted funds   |       |           | 19,177    |           | 25,976    |
| Unrestricted funds   |       |           | 1,301,290 |           | 1,287,972 |
|  |       |           | 1,324,831 |           | 1,318,309 |

The financial statements were approved by the Trustees on 25 April 2022

  
Graham Campbell  
Trustee

  
Rev. Mike Smith  
Trustee



# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST, HARTFORD, CHESTER DIOCESE

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1 Accounting policies

##### Charity information

The Parochial Church Council of the Ecclesiastical Parish of St John the Baptist, Hartford, Chester Diocese is an unincorporated charity registered in England and Wales. The primary correspondence address is St John's Church Centre, School Lane, Hartford, Northwich, CW8 1NP.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Parochial Church Council (Powers) Measure 1956, the Church Representation Rules, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

##### Charitable Activities

The Charity has only one charitable activity, therefore all governance costs have been allocated to support costs.

# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST, HARTFORD, CHESTER DIOCESE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 1 Accounting policies

(Continued)

#### 1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

|                                   |   |
|-----------------------------------|---|
| Freehold land and buildings       | 50 years or shown at original purchase price, not depreciated |
| Fixtures, furniture and equipment | Between 3 and 5 years   |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.6 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### *Basic financial assets*

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST, HARTFORD, CHESTER DIOCESE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 1 Accounting policies

(Continued)

#### *Basic financial liabilities*

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### *Derecognition of financial liabilities*

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Donations and legacies

|                     | Unrestricted<br>funds | Restricted<br>funds | Total     | Unrestricted<br>funds | Restricted<br>funds | Total     |
|---------------------|-----------------------|---------------------|-----------|-----------------------|---------------------|-----------|
|                     | 2021<br>£             | 2021<br>£           | 2021<br>£ | 2020<br>£             | 2020<br>£           | 2020<br>£ |
| Donations and gifts | 416,916               | 29,485              | 446,401   | 406,658               | 39,749              | 446,407   |

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST, HARTFORD, CHESTER DIOCESE**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**4 Charitable activities**

|                                    | <b>2021</b>  | <b>2020</b>   |
|------------------------------------|--------------|---------------|
|                                    | <b>£</b>     | <b>£</b>      |
| Sales within charitable activities | 5,899        | 34,779        |
| Other income                       | 2,124        | 2,866         |
|                                    | <u>8,023</u> | <u>37,645</u> |
| Analysis by fund                   |              |               |
| Unrestricted funds                 | 7,076        | 23,651        |
| Restricted funds                   | 947          | 13,994        |
|                                    | <u>8,023</u> | <u>37,645</u> |



# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST, HARTFORD, CHESTER DIOCESE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 5 Investments

|                       | Unrestricted<br>funds | Restricted<br>funds | Endowment<br>funds<br>general | Total | Unrestricted<br>funds | Restricted<br>funds | Endowment<br>funds<br>general | Total |
|-----------------------|-----------------------|---------------------|-------------------------------|-------|-----------------------|---------------------|-------------------------------|-------|
|                       | 2021                  | 2021                | 2021                          | 2021  | 2020                  | 2020                | 2020                          | 2020  |
|                       | £                     | £                   | £                             | £     | £                     | £                   | £                             | £     |
| Interest on PCC funds | 46                    | 8                   | 2                             | 56    | 224                   | 117                 | 18                            | 359   |
|                       | ==                    | ==                  | ==                            | ==    | ==                    | ==                  | ==                            | ==    |

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST, HARTFORD, CHESTER DIOCESE**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**6 Other income**

|               | Unrestricted funds | Restricted funds | Total        | Unrestricted funds |
|---------------|--------------------|------------------|--------------|--------------------|
|               | 2021               | 2021             | 2021         | 2020               |
|               | £                  | £                | £            | £                  |
| Sundry income | 1,468              | -                | 1,468        | 4,059              |
| Sundry income | -                  | 5,276            | 5,276        | -                  |
|               | <u>1,468</u>       | <u>5,276</u>     | <u>6,744</u> | <u>4,059</u>       |

**7 Raising funds**

|  | Total    | Unrestricted funds | Restricted funds | Total        |
|--|----------|--------------------|------------------|--------------|
|  | 2021     | 2020               | 2020             | 2020         |
|  | £        | £                  | £                | £            |
| <u>Fundraising and publicity</u>       |          |                    |                  |              |
| Seeking donations, grants and legacies | -        | 75                 | -                | 75           |
|  | <u>-</u> | <u>75</u>          | <u>-</u>         | <u>75</u>    |
| <u>Trading costs</u>                   |          |                    |                  |              |
| Other trading activities               | -        | -                  | 4,283            | 4,283        |
|  | <u>-</u> | <u>75</u>          | <u>4,283</u>     | <u>4,358</u> |

# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST, HARTFORD, CHESTER DIOCESE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 8 Charitable activities

|   | 2021<br>£      | 2020<br>£      |
|---|----------------|----------------|
| Donations to Mission and Relief Agencies          | 51,047         | 52,671         |
| Costs of Charitable Activities within the Parish  | 330,189        | 318,152        |
| Support Costs in support of Charitable Activities | 22,906         | 17,274         |
| Publicity in Support of Charitable Activities     | 763            | 580            |
| Support Costs                                     | 17,773         | 28,068         |
| Depreciation                                      | 32,024         | 33,599         |
|   | <u>454,702</u> | <u>450,344</u> |
|   | <u>454,702</u> | <u>450,344</u> |
| <b>Analysis by fund</b>                           |                |                |
| Unrestricted funds                                | 443,757        | 397,008        |
| Restricted funds                                  | 10,945         | 53,336         |
|   | <u>454,702</u> | <u>450,344</u> |

### 9 Trustees

Expenses amounting to £9,811 were paid to 3 Trustees (2020 - Expenses amounting to £5,768 were paid to 3 Trustees).

The main expenses incurred were car travel, public transport, purchase of theological books, telephone/mobile/internet costs, attendance at conferences & training courses and computer hardware & software.

There were no other disclosable transactions in respect of PCC members, persons closely connected with them or related parties.

### 10 Employees

The average monthly number of employees during the year was:

| 2021<br>Number | 2020<br>Number |
|----------------|----------------|
| <u>7</u>       | <u>7</u>       |

There were no employees whose annual remuneration was more than £60,000.

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST, HARTFORD, CHESTER DIOCESE**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**11 Tangible fixed assets**

|                                    | Freehold land<br>and buildings | Fixtures,<br>furniture and<br>equipment | Total     |
|------------------------------------|--------------------------------|---|-----------|
|                                    | £                              | £                                       | £         |
| <b>Cost</b>                        |                                |   |           |
| At 1 January 2021                  | 1,747,215                      | 78,889                                  | 1,826,104 |
| At 31 December 2021                | 1,747,215                      | 78,889                                  | 1,826,104 |
| <b>Depreciation and impairment</b> |                                |   |           |
| At 1 January 2021                  | 302,127                        | 74,766                                  | 376,893   |
| Depreciation charged in the year   | 30,253                         | 1,771                                   | 32,024    |
| At 31 December 2021                | 332,380                        | 76,537                                  | 408,917   |
| <b>Carrying amount</b>             |                                |   |           |
| At 31 December 2021                | 1,414,835                      | 2,352                                   | 1,417,187 |
| At 31 December 2020                | 1,445,089                      | 4,122                                   | 1,449,211 |

**12 Debtors**

|   | 2021  | 2020  |
|---|-------|-------|
|   | £     | £     |
| <b>Amounts falling due within one year:</b> |       |       |
| Other debtors                               | 5,965 | 4,936 |
| Prepayments and accrued income              | 1,252 | 207   |
|   | 7,217 | 5,143 |

**13 Loans and overdrafts**

|                         | 2021    | 2020    |
|-------------------------|---------|---------|
|                         | £       | £       |
| Bank loans              | 270,736 | 314,380 |
| Payable within one year | 24,400  | 43,000  |
| Payable after one year  | 246,336 | 271,380 |



**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST, HARTFORD, CHESTER DIOCESE**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

**14 Creditors: amounts falling due within one year**

|                 | Notes | 2021<br>£     | 2020<br>£     |
|-----------------|-------|---------------|---------------|
| Bank loans      | 13    | 24,400        | 43,000        |
| Trade creditors |       | 15,479        | 8,760         |
|                 |       | <u>39,879</u> | <u>51,760</u> |

Bank loans include mortgages totalling £24,400 (2020 - £23,000) which are secured against properties held within fixed assets.

**15 Creditors: amounts falling due after more than one year**

|            | Notes | 2021<br>£      | 2020<br>£      |
|------------|-------|----------------|----------------|
| Bank loans | 13    | <u>246,336</u> | <u>271,380</u> |

Bank loans include mortgages totalling £246,336 (2020 - £271,380) which are secured against properties held within fixed assets.

# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST, HARTFORD, CHESTER DIOCESE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

### 16 Analysis of net assets between funds

|   | Unrestricted<br>funds | Restricted<br>funds | Endowment<br>funds | Total            | Unrestricted<br>funds | Restricted<br>funds | Endowment<br>funds | Total            |
|---|-----------------------|---------------------|--------------------|------------------|-----------------------|---------------------|--------------------|------------------|
|   | 2021                  | 2021                | 2021               | 2021             | 2020                  | 2020                | 2020               | 2020             |
|   | £                     | £                   | £                  | £                | £                     | £                   | £                  | £                |
| Fund balances at 31 December 2021 are represented by: |                       |                     |                    |                  |                       |                     |                    |                  |
| Tangible assets                                       | 1,417,187             | -                   | -                  | 1,417,187        | 1,449,211             | -                   | -                  | 1,449,211        |
| Current assets/(liabilities)                          | 153,980               | -                   | -                  | 153,980          | 110,141               | 25,976              | 4,361              | 140,478          |
| Long term liabilities                                 | (246,336)             | -                   | -                  | (246,336)        | (271,380)             | -                   | -                  | (271,380)        |
|   | <u>1,324,831</u>      | <u>-</u>            | <u>-</u>           | <u>1,324,831</u> | <u>1,287,972</u>      | <u>25,976</u>       | <u>4,361</u>       | <u>1,318,309</u> |

# THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST, HARTFORD, CHESTER DIOCESE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 17 Pensions

The PCC participates in the Pension Builder Classic Scheme section of CWPF for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the PCC and the other participating employers.

#### 18 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

|                            | 2021<br>£     | 2020<br>£     |
|----------------------------|---------------|---------------|
| Within one year            | 20,000        | 20,000        |
| Between two and five years | 20,000        | 40,000        |
|                            | <u>40,000</u> | <u>60,000</u> |