

PCC OF BROUGHTON

Financial statements

for the year ended 31 December 2020

PCC OF BROUGHTON
LEGAL INFORMATION

Trustees

Mr D Brand
Mrs P Brand
Mrs C Buckley
Mrs S Cherry
Mr C Couper
Mrs M Couper
Mr R Edney
Mrs T Eves
Mr J Gibson
Mr B Hurley
Mr D Millbank
Mrs K Morris
Mrs C Pettinger
Mrs A-L Robson
Canon A Titterington
Mr J Titterington
Mr B Townsend
Mr P Ward

Incumbent

Currently vacant

Vice-Chair

Mr B Townsend

Treasurer

Mr J Titterington

Secretary

Mrs M Couper

Charity Registration Number

1134595

Principal address

St. Martin's House
25 Northway
Fulwood
Preston
PR2 9TP

Independent examiner

Mr S Worswick BA FCA
R P Smith & Co
2 Southport Road
Chorley
PR7 1LB

PCC OF BROUGHTON
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PCC OF BROUGHTON
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their report and accounts for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out in the notes to the accounts 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 primary 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. The PCC will co-operate with the clergy in promoting in the parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical.

Public Benefit Statement

When planning our activities for the year, the PCC have considered the Commission's guidance on public benefit and, in particular, the supplementary guidance on charities for the advancement of religion. In particular, the PCC try to enable ordinary people to live out their faith as part of our parish community through:

Worship and prayer;

learning about the Gospel;

and developing their knowledge and trust in Jesus.

Provision of pastoral care for people living in the wider parish.

Missionary and outreach work.

To facilitate this work it is important that we maintain the fabric of the three worship centres within the parish: St John Baptist; St Martin's and St Peter's.

Achievements and Performance

Worship and Prayer

Regular services were held until 23 March 2020. Following this, due to the Coronavirus (COVID-19) pandemic, the Church was closed for worship for over four months. When services resumed it was in a restricted capacity in order to incorporate social distancing protocols.

During the year the PCC met on 20 January and 5 March. The meetings were held remotely on 9 November and for the delayed APCM On 24 November. Major topics discussed included: Parish Church maintenance, Parish Hall maintenance and development, health and safety policy and safe from harm procedures.

The activities within the parish are usually reported in the monthly magazine "Outlook" and on the parish website. During the Covid pandemic, "Outlook" has been published 'in house' and distributed throughout the Parish via email and post/hand delivery from the Parish Office.

Representative members of the PCC sit on the Deanery Synod. This provides the PCC with an important link between the parish and the wider structures of the church.

Some members of our parish are unable to attend church due to sickness and/or age. Due to the Covid pandemic, visiting has not been possible but regular contact has been maintained by clergy and the Pastoral Care Team by remote means. Many parishioners have also been part of this and food parcels and clothing have been distributed.

Ecumenical Relationships

The church is a member of the ecumenical covenant Churches Together in Fulwood and Broughton.

Financial Review

Total receipts on unrestricted funds were £97,695 of which £53,172 was unrestricted voluntary donations, and a further £14,413 was from Gift Aid.

The total expenditure from unrestricted funds was £52,980. The diocese has reduced the contribution to the parish share to £zero for 2019 and 2020 to assist with the development of the Parish Hall complex

PCC OF BROUGHTON
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The income for the year exceeded expenditure on unrestricted funds by £44,715. Losses on realisation of investments of £45,365 resulted in an overall deficit for the year of £650. The balance of unrestricted funds at 31 December 2020 was £324,906, of which £240,000 has been designated for the development of mission and worship.

The restricted funds balance is made up of £71,511 in the choir fund and £14,411 residual balance from the organ appeal. There is also a balance of £33 held on behalf of the walkers and talkers' group and a donation received of £1,200 to be applied to the cost of exterior lighting.

Reserves Policy

The PCC consider that they should hold one years' average expenditure in bank accounts and easily realisable investments which has been achieved throughout the year.

Volunteers

The PCC would like to thank all the volunteers who work so hard to make our church the lively and vibrant community that it is

Structure, Governance and Management

The method of appointment of PCC members is set out in the Church Representation Rules. The PCC is registered with the Charity Commission (Charity Number 1134595).

The membership of the PCC consists of the incumbent (currently vacant), churchwardens, parish clergy and members elected by those members of the congregation who are on the electoral roll of the church. All those who attend our services / members of the congregation are encouraged to register on the Electoral Roll and stand for election to the PCC.

The PCC members are responsible for making decisions on all matters of general concern and importance to the parish including how the funds of the PCC are spent. New members receive initial training in to the workings of the PCC.

The PCC members regularly assess the major risks to which the parish is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

Administrative Information

PCC of Broughton is part of the Diocese of Blackburn within the Church of England. The correspondence address is St Martin's House, 25 Northway, Fulwood, Preston PR2 9TP. The PCC is a body corporate (PCC Powers Measure 1956, Church Representation Rules 2006) and a charity registered with the Charity Commission.

PCC members who have served during the year are:

Mr D Brand
Mrs P Brand
Mrs C Buckley
Mrs S Cherry
Mr C Couper
Mrs M Couper
Mr R Edney
Mrs T Eves
Mr J Gibson
Mr B Hurley
Mr D Millbank
Mrs K Morris
Mrs C Pettinger
Mrs A-L Robson
Canon A Titterington
Mr J Titterington
Mr B Townsend
Mr P Ward

PCC OF BROUGHTON
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of Trustees responsibilities

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

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

In preparing these accounts, the Trustees are required to:

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

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations, current Church Accounting Regulations and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the PCC on 22 March 2021 and signed on their behalf by:



Mr B Townsend (PCC Vice Chair)

INDEPENDENT EXAMINER'S REPORT TO THE

PCC OF BROUGHTON

I report to the Trustees on my examination of the accounts of PCC of Broughton for the year ended 31 December 2020, which are set out on pages iv to xvii.

Responsibilities and basis of report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011('the Act').

I report in respect of my examination of the Trustee's accounts carried out under section 145 of the 2011 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 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no material 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 Trust 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.

Signed.....*Simon Worswick*.....**Simon Worswick, B.A, F.C.A**

Date *22 March 2021*

R P Smith & Co, Chartered Accountants
2 Southport Road, Chorley, PR7 1LB

PCC OF BROUGHTON

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDING 31 DECEMBER 2020

	NOTE	UNRESTRICTED FUNDS £	DESIGNATED FUNDS £	RESTRICTED FUNDS £	TOTAL 2020 £	TOTAL 2019 £
INCOME AND ENDOWMENTS						
FROM:						
Donations and legacies	2(a)	90,485	-	-	90,485	115,324
Charitable activities	2(d)	4,167	-	-	4,167	27,076
Income from investments	2(c)	3,043	-	1,734	4,777	15,779
TOTAL INCOME		97,695	-	1,734	99,429	158,179
EXPENDITURE ON:						
Provision of ministry and mission	5(a)	36,218	-	1,734	37,952	126,414
Fund raising costs		-	-	-	-	4,123
Parish hall running expenses	5(b)	16,762	-	-	16,762	27,406
TOTAL EXPENDITURE		52,980	-	1,734	54,714	157,943
NET INCOME/EXPENDITURE		44,715	-	-	44,715	236
Gains (Losses) on investment assets						
On revaluation	6(b)	(45,365)	-	3,037	(42,328)	35,584
Transfers between funds		-	-	-	-	-
NET MOVEMENT IN FUNDS		(650)	-	3,037	2,387	35,820
BALANCES B/FWD 1 JANUARY		85,556	240,000	84,118	409,674	373,854
BALANCES C/FWD 31 DECEMBER		84,906	240,000	87,155	412,061	409,674

The breakdown of the 2019 figures between the unrestricted, restricted and endowment funds are in note 10 on page xvi.

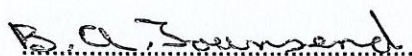
PCC OF BROUGHTON

BALANCE SHEET

AS AT 31 DECEMBER 2020

	NOTES	2020 £	2019 £
Fixed Assets			
Tangible fixed assets		72,410	-
Investments	6	62,250	359,527
Current Assets			
Stocks		66	133
Sundry debtors and prepayments	8	3,127	27,889
Cash at bank and in hand	7	277,571	22,125
		<u>280,764</u>	<u>50,147</u>
Current Liabilities			
Creditors	9	<u>(3,363)</u>	<u>(-)</u>
Net Current Assets		<u>277,401</u>	<u>50,147</u>
Total Net Assets		<u>412,061</u>	<u>409,674</u>
The Funds of the Charity			
Restricted funds	11	87,155	85,556
Unrestricted funds:			
Designated funds	12	240,000	240,000
Other charitable funds	12	84,906	84,118
Total Charity Funds		<u>409,674</u>	<u>409,674</u>

Approved by the Parochial Church Council on 22 March 2021 and signed on its behalf by:


Mr B Townsend (PCC Vice Chair)

PCC OF BROUGHTON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

Accounting Convention

The accounts have been prepared in accordance with the current Church Accounting Regulations together with the accounting policies set out in the notes to the accounts 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)". The Charity is a Public Benefit Entity as defined by FRS 102.

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The accounts 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 except for the valuation of investment assets, which are shown at market value. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law.

Going Concern

At the time of approving the accounts, 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 accounts. There are no material uncertainties about the Charity's ability to continue.

Funds

Restricted funds represent donations or grants received for a specific purpose or objective. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund.

Unrestricted funds are general funds which can be used for PCC ordinary purposes. A designated fund is established for expenditure which has been committed to projects but remains unspent at the year end.

PCC OF BROUGHTON
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Incoming Resources

These are included in the Statement of Financial Activities (SOFA) when:

1. the PCC becomes legally entitled to the benefit of use of the resources;
2. an inflow of economic benefit is probable; and
3. the monetary value can be measured with sufficient reliability.

Resources Expended

Liabilities are recognised as soon as an outflow of economic benefit is probable.

Costs are included in the accounts gross including irrecoverable VAT.

Fixed Assets

Consecrated and benefice property is not included in the financial statements in accordance with s.10 of the Charities Act 2011.

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognized in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

Stock

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Items held for distribution at no or nominal consideration are measured at cost.

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.

PCC OF BROUGHTON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

2. INCOMING RESOURCES	UNRESTRICTED FUNDS	RESTRICTED	TOTAL 2020	TOTAL 2019
	£	£	£	£
2(a) Donations and legacies				
Planned giving				
Gift Aid	53,172	-	53,172	66,668
Tax receivable	14,413	-	14,413	16,667
Other giving				
Collections	-	-	-	430
Baptisms, weddings and funerals	2,596	-	2,596	7,160
Donations	15,296	-	15,296	6,974
Functions and fund raising	-	-	-	2,196
Floodlighting	2,369	-	2,369	1,657
Magazine income	2,316	-	2,316	4,717
Parish Council grant	-	-	-	-
VAT refund	-	-	-	-
Insurance claim	-	-	-	8,200
Other income	323	-	323	655
	<u>90,485</u>	<u>-</u>	<u>90,485</u>	<u>115,324</u>
2(c) Income from Investments				
Rental income	-	-	-	5,560
Interest and dividends receivable	3,043	1,734	4,777	10,219
	<u>3,043</u>	<u>1,734</u>	<u>4,777</u>	<u>15,779</u>
2(d) Income from charitable activities				
Income generated by parish hall	4,167	-	4,167	27,076

3. EMPLOYEES

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Administration and parish hall management	<u>1</u>	<u>3</u>

There were no employees whose annual emoluments were £60,000 or more.

PCC OF BROUGHTON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

4. TRANSACTIONS WITH MEMBERS OF THE PCC AND RELATED PARTIES

The Vicar is a member of the PCC. He is remunerated through the diocese. He receives expenses in respect of his duties as Vicar from the PCC.

5. RESOURCES EXPENDED

5(a) Provision of ministry and mission

	UNRESTRICTED FUNDS £	RESTRICTED £	TOTAL 2020 £	TOTAL 2019 £
Mission giving	175	-	175	2,204
Diocesan Parish Share	-	-	-	62,311
Clergy expenses	1,806	-	1,806	13,767
Music costs	5,947	1,734	7,681	15,000
Parish office	6,744	-	6,744	4,396
Church expenses	2,895	-	2,895	4,935
Bank charges	619	-	619	994
Parish magazine costs	2,225	-	2,225	5,340
Church Running Expenses				
Electricity	578	-	578	1,462
Heating oil	3,079	-	3,079	4,200
Insurance	2,664	-	2,664	2,645
Church Maintenance				
Parish church	8,619	-	8,619	4,507
Other expenses	867	-	867	653
Write-off loan to diocese	-	-	-	4,000
	36,218	1,734	37,952	126,414

5(b) Parish hall running expenses

Bad debt	4,784	-	4,784	15,584
Wages	9,840	-	9,840	15,584
Electricity	445	-	445	3,699
Gas	516	-	516	1,253
Water	453	-	453	991
Insurance	246	-	246	2,498
Maintenance and grounds	478	-	478	1,644
Other expenses	-	-	-	1,737
	16,762	-	16,762	27,406

PCC OF BROUGHTON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

6. FIXED ASSETS FOR USE BY THE PCC

6.(a) Tangible Fixed Assets

	2020	2019
	£	£
St. Martins and Parish Hall Redevelopment		
Cost of additions	72,410	-

6.(b) Investments

	COST	MARKET VALUE 2019	ADDITIONS / DISPOSALS	INCREASE/ DECREASE IN VALUE	MARKET VALUE 2020
	£	£	£	£	£
Unrestricted held by the PCC					
M & G Charibond 276 units	1,000	343	-	4	347
Brown Shipley	220,00	300,318	(300,318)	-	-
		<u>300,661</u>	<u>(300,318)</u>	<u>4</u>	<u>347</u>
Restricted investment funds					
St CCLA Church of England CBF	36,200	58,866	-	3,037	61,903
		<u>58,866</u>	<u>-</u>	<u>3,037</u>	<u>61,903</u>
Total Market Values		<u>359,527</u>	<u>(300,318)</u>	<u>3,041</u>	<u>62,250</u>

6.(c) Unrealised Gains/(Losses) in Investments and Fixed Assets

This relates to the revaluation of investments held by or on behalf of the PCC, on an annual basis and is represented by the difference between the opening and closing market values.

	2020	2019
	£	£
Unrealised gains/(losses) in unrestricted investments	3,041	25,946
Unrealised gain/(losses) in restricted investments	(45,369)	9,450
Total unrealised gains/(losses) in the year	<u>(42,328)</u>	<u>35,396</u>

7. CASH AT BANK AND IN HAND

	2020	2019
	£	£
Restricted	-	-
Designated	240,000	-
Unrestricted general funds	37,572	22,125
	<u>277,572</u>	<u>22,125</u>

PCC OF BROUGHTON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

8. DEBTORS

	2020	2019
	£	£
Income Tax re: Gift Aid	2,481	3,601
Hall lettings	-	4,784
Sundry debtor	646	3,722
Prepaid development costs	-	15,782
	<hr/>	<hr/>
	3,127	27,889

9. CREDITORS

	2020	2019
	£	£
Amounts falling due inside one year		
PAYE liability	-	-
Receipts in advance	732	-
Accrued expenditure	2,631	-
	<hr/>	<hr/>
	3,363	-

PCC OF BROUGHTON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

10. 2019 COMPARATIVES

		UNRESTRICTED FUNDS £	DESIGNATED FUNDS £	RESTRICTED FUNDS £	TOTAL 2019 £
INCOME AND ENDOWMENTS					
FROM:					
Donations and legacies	2(a)	114,124	-	1,200	115,324
Charitable activities	2(d)	27,076	-	-	27,076
Income from investments	2(c)	14,134	-	1,645	15,779
TOTAL INCOME		155,334	-	2,845	158,179
EXPENDITURE ON:					
Provision of ministry and mission	5(a)	119,719	-	6,695	126,414
Fund raising costs		4,123	-	-	4,123
Parish hall running expenses	5(b)	27,406	-	-	27,406
TOTAL EXPENDITURE		151,248	-	6,695	157,943
NET INCOME/EXPENDITURE		4,086	-	(3,850)	236
Gains (Losses) on investment assets					
On revaluation		25,943	-	9,641	35,584
Transfers between funds		-	-	-	-
NET MOVEMENT IN FUNDS		30,029	-	5,791	35,820
BALANCES B/FWD 1 JANUARY		55,527	240,000	78,327	373,854
BALANCES C/FWD 31 DECEMBER		85,556	240,000	84,118	409,674

PCC OF BROUGHTON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

11. FUNDS

Restricted Funds

Organ appeal	Funds raised for the replacement of the organ.
Choir fund	Bequests received to maintain the choral music in church.
Walkers and talkers fund	Residue of funds held on behalf of the walkers and talkers group.

Funds	Balance at 1 January 2020	Movement in funds			Balance at 31 December 2020
		Income	Expenditure	Revaluation	
Restricted – Organ appeal	14,411	-	-	-	14,411
Restricted – Choir fund	68,474	1,734	(1,734)	3,037	71,511
Restricted – Walkers and talkers	33	-	-	-	33
Restricted – Exterior lighting	1,200	-	-	-	1,200
Designated – Mission and worship fund	240,000				240,000
Unrestricted Fund	85,556	97,695	(52,980)	(45,365)	84,906
Total Funds	409,674	99,429	(54,714)	(42,328)	412,061

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted	Restricted	Endowment	Total
Tangible fixed assets	72,410	-	-	72,410
Investments	-	62,250	-	62,250
Current Assets	255,860	24,905	-	280,765
Creditors: amounts falling due within one year	(3,363)	-	-	(3,363)
	324,907	87,155	-	412,062