

Charity registration number: 1135105

The Parochial Church Council of the Ecclesiastical Parish of St Peter, Heswall
Annual Report and Financial Statements
for the Year Ended 31 December 2020

Hailwood & Co
Chartered Accountants and Registered Auditors
392-394 Hoylake Road
Moreton
Wirral
CH46 6DF

The Parochial Church Council of the Ecclesiastical Parish of St Peter, Heswall

Annual Report and Financial Statements

for the Year Ended 31 December 2020

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The Parochial Church Council of the Ecclesiastical Parish of St Peter, Heswall

Reference and Administrative Details

Trustees Clergy and Officers :	<p>The Revd Martin Cannam, Rector Mr Michael Barritt, Reader (Designated) Mrs Jennie Hewitt, Reader (Designated) The Revd Josh Carlson, Curate Mr Clive Pleasance, Churchwarden Mr David Rushworth, Churchwarden and Deanery Synod Representative Mr David Wetherell, Deanery Synod Representative Dr Christine Wetherell PhD, Deanery Synod Representative Mr Michael Donnan, Hon. Treasurer</p>
Secretary :	Mrs Barbara Brooker
Other Officers and Trustees :	<p>Miss Caroline Mainey, Elected Council Mr Noah Cambridge, Elected Council Mr Stephen Blair, Elected Council Miss Bethany Penn, Elected Council Ms Sophia Nelson, Elected Council Mr Ray Frobisher, Elected Council Mr Peter Klemperer, Elected Council Mrs Alison Bell, Elected Council Mrs Julie Draper, Elected Council Mr Mark Elson, Elected Council Ms Victoria Evans, Elected Council Mr Graham Sharpe, Elected Council</p>
Principal Office :	<p>The Parish Office St Peter's Church Village Road Heswall Wirral CH60 0DZ</p>
Charlty Registration Number :	1135105
Bankers :	<p>Lloyds Bank 137 Telegraph Road, Heswall Wirral CH60 0AN</p>
Independent Examiner:	<p>Hailwood & Co 392-394 Hoylake Road, Moreton Wirral CH46 6DF</p>

The Parochial Church Council of the Ecclesiastical Parish of St Peter, Heswall

Trustees' Report

The trustees present the annual report together with the financial statements and auditors' report of the charity for the year ended 31 December 2020.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity named: The Parish of Heswall
Charity registration number: 1135105

Principal office: The Parish Office
 St Peter's Centre
 Village Road
 Heswall
 Wirral
 CH60 0DZ

The Trustees:

The trustees who served the charity during the period were as follows:

CLERGY

Rector: The Revd Martin Cannam

Curates: The Revd Lyn Weston (to 30th June 2020)
 The Revd Josh Carlson

READER (DESIGNATED):

Mr Michael Barritt

Mrs Jennie Hewitt (from 16th September 2020)

CHURCHWARDENS

Mr Clive Pleasance

Mr David Rushworth

DEANERY SYNOD REPRESENTATIVES

Dr Christine Wetherell PhD (as a member of Diocesan Synod)

Mr David Rushworth

Mr David Wetherell (as a member of Diocesan Synod)

ELECTED COUNCIL

RETIRE 2021

Mrs Alison Bell

Miss Caroline Mainey

Mr Stephen Blair

Ms Sophia Nelson

RETIRE 2022

Mr Ray Frobisher

Mr Mark Elson

Ms Victoria Evans

Mr Graham Sharpe

RETIRE 2023

Mr Noah Cambridge

Miss Bethany Penn

Mr Peter Klemperer

Mrs Julie Draper

HON. SECRETARY

Mrs Barbara Brooker

HON. TREASURER

Mr Michael Donnan F.C.A. (co-opted)

The Parochial Church Council of the Ecclesiastical Parish of St Peter, Heswall

Trustees' Report

INDEPENDENT EXAMINER

Hailwood & Co
Chartered Accountants
392-394 Hoylake Road
Moreton
Wirral
CH46 6DF

AIM AND PURPOSES

The Parochial Church Council of Heswall (PCC) has the responsibility of cooperating with the Rector, the Revd Martin Cannam, in promoting in the ecclesiastical parish, the whole mission of the Church, pastoral, evangelistic, social and ecumenical. The PCC is also specifically responsible for the maintenance of the following buildings:

- St Peter's Church
- The Church of the Good Shepherd (a building licensed for public worship)
- The Parish Hall, Pye Road, Heswall
- 15 Castle Drive, Heswall
- The Parish Centre, Village Road, Heswall

To facilitate this work it is important that we maintain the fabric of both our churches, the Parish Centre and the Parish Hall.

OBJECTIVES AND ACTIVITIES

The objects of the charity are the provision of places of Christian worship, the promotion of Christian values and general support both directly and via other charities to those in need locally, nationally and abroad. The PCC is committed to enabling as many people as possible to worship at St Peter's Church (The Church of the Good Shepherd having been closed for the whole of 2020), and to become part of our parish community in Heswall. The PCC maintains an overview of worship throughout the parish and makes suggestions on how our services can involve the many groups that live within our parish. Our services and worship put faith into practice through prayer and scripture, music and sacrament.

When planning our activities for the year, we have considered the Commission's guidance on public benefit and, in particular, the supplementary guidance on charities for the advancement of religion. In particular, we 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 parish.
- Missionary and outreach work.

The Parochial Church Council of the Ecclesiastical Parish of St Peter, Heswall

Trustees' Report

The Trust carries out these objects by:

- Maintaining the Parish Church of St Peter and the Church of the Good Shepherd, the Parish Centre and the Parish Hall – this work is carried out by the Fabric Committee, which is entirely made up of volunteers;
- Providing a wide range of services to suit the varied preferences of churchgoers attending the two churches in the parish – as well as the licensed clergy, there are a number of retired clergy whose contribution is greatly appreciated, and there are also a number of lay volunteers, who both lead and preach at services;
- Providing facilities for Baptism, Wedding and Funeral services for persons who request these and qualify under the policies adopted for those services;
- Organising a wide range of youth and adult activities in Heswall and abroad – this work is mostly undertaken by lay volunteers, in addition to Andrew Field-Davies, a Children's and Family Worker employed by the PCC and two interns who assist with the youth work;
- Providing grants to other charities. The PCC has resolved that 10% of the planned and other giving received by the parish be donated to appropriate charities, with which the parish has connections.

As mentioned above, much of this work is carried out by volunteers whose contribution is essential to the smooth running of the parish.

By focusing on these areas, we achieve our strategic priorities of promoting Christian values and providing Christian care support.

ACHIEVEMENTS AND PERFORMANCE

Covid 19. Detailed and careful policies, procedures, and risk assessments have been instigated since the outbreak of covid early 2020. When the Church was allowed to be re-open, social distancing was rigorously adhered to, and thanks to the expert advice by Julia MacGregor, the new way of Church attendance was successfully arranged. However, by default, this social distancing, that regulations required, has brought loneliness and a sense of isolation to many, of all ages, in our Parish. So a scheme of Pastoral Care teams and group leaders was set in place, and was much appreciated. In a perverse way there has possibly been more 'remote' togetherness than before! The live streaming, [a whole new learning curve for the clergy team to whom we must be so grateful] has brought our 9am and 10.45am services live into our congregations' home. In fact we reached to a larger congregation of those in Church and those at home than we had before. Our Parish has learnt so much, and with careful planning, can hopefully move forward retaining the traditions but at the same time taking up the new opportunities.

Worship and Prayer

The PCC is keen to offer a range of services during the week and over the course of the year that our parishioners find both beneficial and spiritually fulfilling. Sunday services include said BCP Holy Communion at 8am, a more traditional service of Common Worship (Holy Communion or Morning Worship) at 9.00am, a contemporary worship service at 10.45am and Evensong at 6.30pm (all at St Peter's). It was decided to close the Good Shepherd Church at the being of the covid pandemic, and this congregation have been welcomed into each and all of the St Peter's Services. For most of the year only the 9am and 10.45am Services were held, as allowed, and as people felt comfortable in attending. The introduction of live streaming has really helped to keep our congregations together both in Church and at home. Opportunities are provided for people to engage in more outgoing

The Parochial Church Council of the Ecclesiastical Parish of St Peter, Heswall

Trustees' Report

worship such as that provided by the youth group (Youth Fellowship) within our parish at Encounter, which is prepared and run entirely by members of the Youth Fellowship.

Because of the covid regulations, weddings, and baptisms have been very restricted. Funerals have taken place, as permitted, with only allowed numbers. In the calendar/parish year 2020, we have celebrated 1 baptism, 4 weddings, and 18 funerals.

Deanery Synod

Three 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.

Pastoral Care

Some members of our parish are unable to attend church due to sickness, age or covid. One of the ministers has visited all church members who have requested it, to celebrate communion with them either at their homes or in hospital. A number of pastoral care teams visit those who are sick or unable to get out for any other reason to keep them in touch with church life. Small Pastoral Groups, as outlined above, have been formed to keep in regular touch by 'phone, email, or door step visits. touch during the lock down.

Parish Charitable Giving

Helping those in need is a demonstration of our faith. The Mission Committee is responsible for selecting the local and national charities who receive the tithe (amounting to one tenth of the planned and other giving received by the parish) to which the parish donates these funds.

Ecumenical Relationships

The parish is a member of Churches Together in Heswall. During the week of Christian Unity, there is an exchange of ministers among the churches in Heswall.

Development of the site of the Good Shepherd and the Parish Hall....The Lighthouse Church.

It has been a very busy year as plans were finalised and planning permission was agreed. Costs have gone up significantly, partly due to things like asbestos in the old building and partly due to some items having been left out of the original quote. We have therefore appointed a project manager who is doing a marvellous job, and has significantly reduced costs without reducing the quality of the building. Having asked for tenders, demolishers and builders have now been appointed. We thank God for the huge generosity of so many people which means that we have raised over £2 million already, which is 80% of the building costs. We pray that more donations will come in now that people would consider making legacies to the Church, as we put in place a loan to cover the shortfall. Demolition starts shortly and the building should be completed by the end of Summer 2022 opening up exciting opportunities to reach out to the community in service, and to build up the future membership of the whole Parish.

Youth Fellowship and Children and Families

The PCC has maintained its commitment of our work among children and families following the appointment of Andrew Field-Davies as our Children and Family Leader. The Interns, via Time for God this year have been Anna Sailer, 2019-2020, who was kindly looked after with the Hopkins, 2019-2020 Najib, looked after by the Johns till he disappeared; Jo Klemperer 20-21 staying with the Johns; and Alicia Goetze who is staying with Nnenda Miriees. We thank their hosts for making them welcome.

The Parochial Church Council of the Ecclesiastical Parish of St Peter, Heswall

Trustees' Report

Planned Giving Review

There was a general appeal for a 10% increase in the Planned Giving to cover the budgeted shortfall in the Parish finances for the year, which met with an encouraging response.

Thanks are due to the Finance Team for their careful work in this area.

The PCC has established and implemented a Legacies and Donations policy to encourage further giving in this way, which is a huge help and encouragement to our work.

Other Activities

Due to Covid, much of this paragraph has been on hold, and although not happening in practice, was very much there in spirit, in that the various groups kept in regular touch with each other pending the time when they can all meet up again.

We are very grateful for the involvement of lay people in a huge range of activities across the Parish, including pastoral care, bereavement support, Mothers' Union, Mother and Toddler Groups, music and worship, including the Choir at St Peter's (ably led by our Organist, John Lewis, who sadly died during the year and will be much missed) as well as music groups at both churches, and a whole host of others, especially those involved with our fantastic work among children and young people, and with the wonderful work that goes on each week at the St Peter's Centre. We are very grateful to the Bell Ringers who provide appropriate peals most Sundays, at weddings and on other special occasions.

Thanks

It would be very remiss not to record the PCC's extreme gratitude to the licensed Clergy, the Revds. Martin Cannam, Lyn Weston and Josh Carlson, who have all contributed so willingly to maintaining the spiritual life of the Parish during the last year. They have all worked tirelessly to ensure that all the normal services continued to be held, that occasional offices were undertaken as necessary, and that any parishioners who required a visit were attended to. They do have our especial thanks, as do the retired clergy, the Revds Alan Leach, Ian Hobbs, Ian Urquhart and John Eardley who also assist in leading and preaching at services.

Thanks are also due to all the office staff, Alison Collins, Julia MacGregor and Sarah Hall who have all assisted in the smooth running of the Parish Office over the year. Thanks are also due to Keith Kelly as Verger at St Peter's Church until his retirement.

The PCC expresses its sincere thanks to all of those who have contributed both practically and financially to sustaining the work of the Church in this past year. Your support is greatly appreciated.

FINANCIAL REVIEW

Investment Policy

In the light of the impending redevelopment of the site of the Church of the Good Shepherd and the Parish Hall the Finance committee has decided that the reserves of the Parish should be retained in cash on term deposit with banks and other financial institutions to ensure that liquid funds will be available for expenditure when required.

The Parochial Church Council of the Ecclesiastical Parish of St Peter, Heswall

Trustees' Report

Reserves Policy

The total amount held by the Parish as reserves at 31st December 2020 amounted to £2,714,050, of which £2,354,121 was held in restricted and endowed accounts, leaving £359,929 as unrestricted reserves. Of the total restricted reserves, £1,269,115 is held for the Parish Building Project, and is invested using a deposit service provided by Flagstone Cash Management. This provides access to different bank deposits so that the risk of default is adequately secured by ensuring that no more than £85,000 is deposited with any one bank or deposit taker. The Parish Building Project is now incurring professional fees prior to start on site.

The trustees aim to maintain free reserves in unrestricted funds at a level which equates to approximately four months of unrestricted charitable expenditure. The trustees consider that this level will provide sufficient funds to finance the grant policy of the church and ensure that there are sufficient funds available to cover support and governance costs. The trustees consider that a level of four months is sufficient given the anticipated needs of the forthcoming year.

The balance held as unrestricted funds at 31st December 2020 was £359,929. Of this, £209,020 represents Designated Funds set aside by the PCC in accordance with the Legacies and Donations Policy. The free unrestricted funds amount to £150,909, against actual average four-monthly unrestricted expenditure of £91,842. The target level of reserves has been achieved. The aim for the future is to maintain this level.

Risk Management

The trustees have reviewed the major risks, financial and non-financial to which the council is exposed in the course of its current activities. They have assessed these risks and ensured that appropriate systems and controls exist to minimise internal risks and the effective response mechanisms exist to respond to and minimise the impact of external risks. These risks and the strategy for managing the risks are shown below:

RISK	STRATEGY FOR RISK MANAGEMENT
Strategic	
Lack of strategic direction – failure to react to national church and Diocesan strategy changes.	Ensure PCC fully aware of national and Diocesan strategy through Deanery and Diocesan Synod representation, reports and discussion.
Ineffective governance.	Maintain an active and balance PCC, ensuring it is closely involved with planning and monitoring activities and finances
Loss of key members of clergy or staff without suitable succession planning.	Have realistic succession planning, suitable notice periods and effective handovers.
Church Services	

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Decline in congregation numbers.	Maintain quality of hospitality, worship, teaching and praying (both in church and online) and seek to attract new church attendees.
Decline in quality of church services.	Seek to maintain high quality clergy, preaching staff and worship and prayer offerings and implement/continue to offer welcoming hospitality. Continue to develop online facilities.
Failure to communicate effectively with congregations	Seek to improve existing communication channels
Safeguarding / Health & Safety	
Safeguarding issue/allegation (young people and vulnerable adults).	Parish Safeguarding Policy. DBS checks on volunteer recruitment, safeguarding training, Parish Safeguarding Officer in place, PCC advised of any safeguarding issues reported to Diocese.
Serious injury to adult or young person attending, volunteer or member of staff.	Policies for Parish buildings and activities classed as Parish activities including risk assessments, regular updates to risk assessments, third party insurance.
Physical disaster (e.g. fire)	Ensure Fire risk assessment up to date, fire extinguishers regularly checked, effective means of escape, recovery planning to ensure continued operation, up to date insurance cover.
Legal	
Failure to meet legal requirements : Parochial Church Councils (Powers) Measure 1956 and the Church Representation Rules, Charity Law, Employment Law, Health & Safety Regulations	Develop policies, procedures and controls that are legally compliant and document these. Review effectiveness of these regularly. Insurance.
Serious personnel issues	Best practice employment policies/procedures. Manage employee and clergy expectations. Insurance cover. DBS checks.
Financial	
Poor budgeting, loss of assets, unexpected liabilities.	Internal controls to protect cash and other assets and to prevent unauthorised commitments. External auditing or checks. Ensure these controls are in operation.
Poor management of invested assets	Policy set by Finance Committee, appointment of suitably qualified investment managers where

The Parochial Church Council of the Ecclesiastical Parish of St Peter, Heswall

Trustees' Report

	necessary. Active monitoring and market comparison, diverse asset allocation where appropriate. Diocesan management of endowment funds.
Failure of Parish administration and financial systems.	Strengthen IT network and Parish administration/finance system management.
Financial fraud	Strict controls over payments require all payments to be authorised by the Rector, two signatures to cheques and two separate authorisations for electronic payments. Cash receipts from collections should be signed off by Duty Warden and another.
Property / Premises	
Inadequate investment in premises.	Develop rolling programme for maintenance of premises, effective Fabric Committee.
Building Project	
Inadequate management of Project	Employ qualified and competent Project Manager
The project is started but runs out of money before completion	Ensure tight controls over budgeting and spending once building is started. Do not start building until certainty of adequate funding to complete the project sufficient that the building can be used.
The full amount required for the project is not raised	Keep the parish and everyone in Heswall and beyond fully informed of progress towards the target by regular and extensive communication
The Builder ceases to trade/goes bust/materially breaches contract	Ensure watertight contract provides for stage payments only on Architect's certificate that specific work has been completed or specific materials have been delivered to site and are free of any claim. Ensure contract provides for termination of contract on material breach by the builder.
The Architect ceases to trade/goes bust/materially breaches contract	Ensure Building Steering Group are kept fully informed of progress on the build, to simplify finding another architect
Unforeseen costs	Do as much research as possible beforehand to ensure that there are no surprises. Do not agree to any changes once the build has started
Injury to persons/damage to adjoining buildings/local disturbance	Ensure builder has adequate third party insurance (insist on seeing policy and checking it) The builders policy will only commence once he starts on site - until then, we will be liable for any public liability claims, so should take out

The Parochial Church Council of the Ecclesiastical Parish of St Peter, Heswall

Trustees' Report

	basic site insurance to cover us against this and any gaps in the builder's policy.
The project never starts	Continue to raise funds from congregation and from other funders. Do not start project until adequate funding in place to complete project so the building can be used.
Covid 19	
Physical congregation fails to return to worship in church	Maintain quality of hospitality, worship (both in church and online), teaching and praying and seek to attract new church attendees
Member of clergy catches Covid 19	Continue to observe stringent social distancing and hygiene conditions
Member of physical congregation catches Covid 19	Continue to require all persons present at church services to observe stringent social distancing and hygiene conditions

STRUCTURE, GOVERNANCE AND MAANGEMENT

The Parish of Heswall is served by St. Peter's Church, in the Lower Village, and the Church of the Good Shepherd on Telegraph Road (however it should be noted that The Church of the Good Shepherd has been closed for the whole of 2020). Each Church has equal representation from its members on the Parochial Church Council, which is the legal entity governing the Parish. Decisions are normally made by the PCC, although the Standing Committee (comprising the Rector, Revd Josh Carlson, the two Churchwardens, David Wetherell and Stephen Blair) is authorised to make any decisions in case of urgency, subject to ratification by the next PCC Meeting.

The governing documents for the Parish are the Parochial Church Councils (Powers) Measure 1956 and the Church Representation Rules.

Day to day management of the Parish is delegated to the Rector.

During 2019 the staff team consisted of:

Rector:	Revd Martin Cannam;
Curate:	Revd Josh Carlson;
Self Supporting Youth Worker:	Mrs Christine Blair;
Children and Family Leader:	Mr Andrew Field-Davies;
Receptionist / Administrator:	Mrs Julia MacGregor;
Receptionist / Information Manager:	Mrs Sarah Hall;
Administrator / Assistant Treasurer:	Mrs Alison Collins
Youth Intern:	Miss Anna Sailer

The Parochial Church Council of the Ecclesiastical Parish of St Peter, Heswall

Trustees' Report

The Church's worship has been supported by the ministry of a team of dedicated lay people, including our Readers Emeritus, Peter Twin and Brenda Wilson, and our Readers: Michael Barritt and Jennifer Hewitt. We are also grateful for the assistance of a number of retired clergy, including Revd John Eardley, Revd Ian Hobbs and Revd. Ian Urquhart.

During the year the PCC has met bi-monthly, the Annual Parochial Church Meeting being held on 21st October and a Parish Weekend at home on the 25th & 26th September.

PCC Membership for the year

This is shown on the front sheet.

Committees of the PCC

The PCC elected the following committees and as appropriate delegated to them authority for action on its behalf:

Standing Committee,

Finance & Staffing Committee,

Fabric Committee,

Parish Building Project Steering Group.

Methods used to recruit and appoint new Trustees

Licensed Clergy are ex officio members of the PCC, as are Churchwardens. 4 members of the PCC are elected at each Annual Parochial Church Meeting (APCM) and serve for a period of 3 years, and there are therefore 12 elected PCC members. There are also three parishioners who are members of the Deanery Synod, one of whom is elected by the APCM for a three year period, and two of whom are members of the Diocesan Synod, who are elected by the Deanery for a three year period, all of whom are ex officio members of the PCC. The Treasurer of the Parish is normally co-opted onto the PCC by the virtue of his Parish responsibilities. The APCM has the power to decide whether any Lay Readers in the Parish may serve as members of the PCC.

Training of new Trustees

New Trustees are provided with copies of documents outlining their responsibilities as Trustees of a Charity provided by HM Government.

Remuneration of Key Personnel

The remuneration of all employees of the Parish is reviewed annually, and notice is taken of any increase recommended by the Chester Diocese.

The Parochial Church Council of the Ecclesiastical Parish of St Peter, Heswall

Trustees' Report

Bankers

Lloyds Bank provides banking services to the Parish.

Auditors

Hailwood & Co hold the office of Auditors to the Parish, although in accordance with Charity Law, the financial statements have only been subject to independent examination.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under the law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and the income and expenditure of the charity for that period.

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

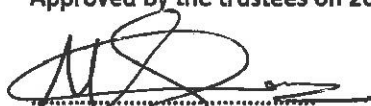
- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and accounting estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. 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.

Each of the persons who are a trustee at the date of approval of this report confirms that:

- So far as each trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- Each trustee has taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Approved by the trustees on 26 May 2021 and signed on their behalf by:


The Revd Martin Cannam
Trustee


Mr Michael Donnan
Trustee

The Parochial Church Council of the Ecclesiastical Parish of St Peter, Heswall**Independent Examiner's Report**

Report to the trustees of The Parochial Church Council of the Ecclesiastical Parish of St Peter, Heswall on the accounts for the year ended 31 December 2020 set out on pages 14 to 26.

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31 December 2020.

Responsibilities and basis of report

As the charity's trustees, 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 Trust'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 Act.

Independent examiner's statement

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of Institute of Chartered Accountants in England and Wales.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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.



A D French FCA

Hailwood & Co Chartered Accountants

392-394 Hoylake Road

Moreton, Wirral, CH46 6DF.

Date: 27/5/21

The Parochial Church Council of the Ecclesiastical Parish of St Peter, Heswall

Statement of Financial Activities

for the Year Ended 31 December 2020

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2020 £	Total 2019 £
Income and endowments:						
Donations and legacies	2	321,377	228,849	-	550,226	898,262
Charitable activities	3	36,713	-	-	36,713	52,654
Investment income	4	9,631	11,813	2,316	23,760	9,134
Total income		367,721	240,662	2,316	610,699	960,050
Expenditure:						
Charitable activities	5	271,371	3,908	-	275,279	432,423
Other	6	5,930	9,882	-	15,812	15,437
Total expenditure		277,301	13,790	-	291,091	447,860
Net income/(expenditure)		90,420	226,872	2,316	319,608	512,190
Gross transfers between funds		-	-	-	-	-
Other recognised gains/(losses)		2,609	-	3,386	5,995	35,188
Net movement in funds	17	93,029	226,872	5,702	325,603	547,378
Reconciliation of funds						
Total funds brought forward	17	266,900	2,042,996	78,551	2,388,447	1,841,069
Total funds carried forward	17	359,929	2,269,868	84,253	2,714,050	2,388,447

All of the Charity's activities in 2020 and 2019 derive from continuing operations.

The Parochial Church Council of the Ecclesiastical Parish of St Peter, Heswall

Balance Sheet

as at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	10	1,029,728	951,602
Investments	11	347,519	267,638
		<u>1,377,247</u>	<u>1,219,240</u>
Current assets			
Debtors	12	28,877	28,177
Cash at bank and in hand	17	1,315,918	1,224,139
		<u>1,344,795</u>	<u>1,252,316</u>
Creditors: Amounts falling due within one year	13	(7,992)	(83,109)
Net current assets		<u>1,336,803</u>	<u>1,169,207</u>
Net assets		<u>2,714,050</u>	<u>2,388,447</u>
Funds of the charity:			
Endowment funds	15	84,253	78,551
Restricted funds	15	2,269,868	2,042,996
Unrestricted income funds			
Unrestricted funds	15	359,929	266,900
Total funds	15	<u>2,714,050</u>	<u>2,388,447</u>

The financial statements on pages 14 to 26 were approved by the trustees, and authorised for issue on 26 May 2021 and signed on their behalf by:



The Revd Martin Cannam
Trustee



Mr Michael Donnan
Trustee

The Parochial Church Council of the Ecclesiastical Parish of St Peter, Heswall

Cash Flow Statement

for the Year Ended 31 December 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash income		325,603	547,378
Adjustments to cash flows from non-cash items			
Depreciation		9,882	9,924
Revaluation of investments		(5,995)	(35,188)
		329,490	522,114
Working capital adjustments			
(Increase)/decrease in debtors	12	(700)	(3,996)
Increase/(decrease) in creditors	13	(75,117)	73,373
Decrease in provisions		-	-
		253,673	591,491
Cash flows from investing activities			
Purchase of tangible fixed assets	10	(88,008)	-
Sale of tangible fixed assets	10	-	-
Purchase of investments	11	(76,536)	(2,428)
Sale of investments	11	2,650	199,954
		(161,894)	197,526
Net cash flows from investing activities			
Net increase in cash and cash equivalents	17	91,779	789,017
Cash and cash equivalents at 1 January	17	1,224,139	435,122
Cash and cash equivalents at 31 December	17	1,315,918	1,224,139
Reconciliation of net cash flow to movement in net funds			
Increase in cash		91,779	789,017
Net funds at 1 January		1,224,139	435,122
Net funds at 31 December		1,315,918	1,224,139

The Parochial Church Council of the Ecclesiastical Parish of St Peter, Heswall

Notes to the financial statements

for the Year Ended 31 December 2020

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

Basis of preparation

The Parochial Church Council of the Ecclesiastical Parish of St Peter, Heswall meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor has communicated in writing both the amount and settlement date.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading, and where costs are not directly attributable to one heading they have been allocated on an appropriate basis.

The Parochial Church Council of the Ecclesiastical Parish of St Peter, Heswall

Notes to the financial statements

for the Year Ended 31 December 2020

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Interest

Interest on funds held on deposit is included when receivable and when the amount can be reliably measured by the charity.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses

Pension costs

In line with workplace pensions legislation, the charity makes contributions into a defined contribution pension scheme on behalf of its employees, accounting for the expenditure as it falls due.

Taxation

The charity meets the definition of a charitable entity for UK corporation tax purposes. Accordingly, it is exempt from taxation in respect of its income or capital gains to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £1,000 or more are initially recorded at cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Fixtures and fittings	10 % straight line
Land and buildings	1 % straight line

The Parochial Church Council of the Ecclesiastical Parish of St Peter, Heswall

Notes to the financial statements

for the Year Ended 31 December 2020

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Designated funds are legacies set aside by the PCC in accordance with the legacies and donations policy and are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Endowment funds created by gifts from various individuals. The income is used for the purpose specified when the capital was donated.

The Parochial Church Council of the Ecclesiastical Parish of St Peter, Heswall

Notes to the financial statements

for the Year Ended 31 December 2020

2 Income from donations and legacies

	Unrestricted funds		Restricted funds	Total 2020	Total 2019
	Designated	General			
	£	£	£	£	£
Donations and legacies:					
Appeals, donations and legacies	70,000	9,887	217,139	297,026	558,616
Gift aid reclaimed	-	48,544	11,710	60,254	118,423
Direct giving	-	192,946	-	192,946	221,223
	<u>70,000</u>	<u>251,377</u>	<u>228,849</u>	<u>550,226</u>	<u>898,262</u>

3 Income from charitable activities

	Unrestricted funds	Total 2020	Total 2019
	General		
	£	£	£
Fees and sundries	20,787	20,787	21,717
Hall lettings	12,775	12,775	27,236
Magazines etc.	3,151	3,151	3,701
	<u>36,713</u>	<u>36,713</u>	<u>52,654</u>

4 Investment income

	Unrestricted funds	Restricted funds	Endowment funds	Total 2020	Total 2019
	General				
	£	£	£	£	£
Dividends and interest	9,631	11,813	2,316	23,760	9,134
	<u>9,631</u>	<u>11,813</u>	<u>2,316</u>	<u>23,760</u>	<u>9,134</u>

The Parochial Church Council of the Ecclesiastical Parish of St Peter, Heswall

Notes to the financial statements

for the Year Ended 31 December 2020

5 Expenditure on charitable activities

	Unrestricted funds	Restricted funds	Endowment funds	Total	Total
	General	funds	funds	2020	2019
	£	£	£	£	£
Diocesan share	86,946	-	-	86,946	161,167
Clergy expenses	1,095	-	-	1,095	3,147
Rent and rates	14,221	-	-	14,221	15,877
Other property expenses	25,213	-	-	25,213	21,763
Uganda mission	-	-	-	-	62,532
Staff training and support	4,319	-	-	4,319	11,940
Stationery and postage	850	-	-	850	975
Telephone	1,461	-	-	1,461	2,025
Equipment costs	11,393	-	-	11,393	9,380
Insurance	10,888	-	-	10,888	10,784
Miscellaneous	467	-	-	467	965
Bank charges	515	2,592	-	3,107	822
Office wages and salaries	29,187	-	-	29,187	24,986
Professional fees	-	-	-	-	-
Water rates	5,086	-	-	5,086	7,179
Upkeep of churches	3,269	-	-	3,269	3,954
Upkeep of churchyard and walls	9,480	-	-	9,480	6,699
Halls running costs	9,599	-	-	9,599	14,471
Youth projects and parish resources	2,139	-	-	2,139	3,572
Children and family leader salary	25,870	1,316	-	27,186	24,810
Other wages and salaries	14,036	-	-	14,036	25,020
St Peter's school costs	5,112	-	-	5,112	5,681
Grants paid	8,974	-	-	8,974	14,286
Sundry expenses	1,251	-	-	1,251	388
	<u>271,371</u>	<u>3,908</u>	<u>-</u>	<u>275,279</u>	<u>432,423</u>

The Parochial Church Council of the Ecclesiastical Parish of St Peter, Heswall

Notes to the financial statements

for the Year Ended 31 December 2020

6 Analysis of governance and other costs

	Unrestricted funds General £	Restricted funds £	Total 2020 £	Total 2019 £
Governance costs				
Independent examination and accountancy fees:				
Independent examination fees	1,039		1,039	1,020
Other accountancy fees	4,891		4,891	4,800
Overprovision in earlier year	-		-	(307)
	5,930	-	5,930	5,513
Other costs				
Depreciation	-	9,882	9,882	9,924
	5,930	9,882	15,812	15,437

Net incoming/outgoing resources for the year are stated after charging the above items.

7 Related party transactions

Trustees remuneration and expenses	2020 £	2019 £
The Charity made the following transactions with Trustees:		
Mileage and telephone expenses	1,134	1,628

There were no other related party transactions in the year.

8 Staff costs

The number of persons (including senior management team) employed by the Charity during the year expressed in full time equivalents was 3 (2019: 3). Another 2 were employed by the Diocese and are in the Diocesan Share. Employee salaries totalled £70,409 (2019: £74,816), and included social security costs of £64 (2019: £Nil) and pension contributions of £708 (2019: £649).

No employee received emoluments in excess of £60,000 in either year.

9 Taxation

The Charity is a registered charity and is therefore exempt from taxation.

The Parochial Church Council of the Ecclesiastical Parish of St Peter, Heswall

Notes to the financial statements

for the Year Ended 31 December 2020

10 Tangible fixed assets

	Freehold land and buildings £	Assets under construction £	Fixtures fittings and equipment £	Total £
Cost				
At 1 January 2020	904,308	61,345	66,768	1,032,421
Additions	-	88,008	-	88,008
Disposals	-	-	-	-
At 31 December 2020	904,308	149,353	66,768	1,120,429
Depreciation				
At 1 January 2020	18,086	-	62,733	80,819
Charge for the year	9,043	-	839	9,882
Eliminated on disposals	-	-	-	-
At 31 December 2020	27,129	-	63,572	90,701
Net book value				
At 31 December 2020	877,179	149,353	3,196	1,029,728
At 31 December 2019	886,222	61,345	4,035	951,602

The Curate's House, 15 Castle Drive, Heswall is Parish property and is included in tangible fixed assets at its cost of £125,320. In the opinion of the Trustees the current market value is in excess of £300,000.

The St Peter's Centre building has been included at contractual cost plus other improvement costs to date. In the opinion of the Trustees the current market value is similar to cost.

Beneficed and Consecrated properties are excluded from the financial statements by s10.2(a) and 10.2(c) of the Charities Act 2011. These comprise St Peter's Church and The Rectory.

The Church of the Good Shepherd and the Parish Hall were transferred by deed of appropriation in 1925 to the Parochial Church Council at no cost.

The Parochial Church Council of the Ecclesiastical Parish of St Peter, Heswall

Notes to the financial statements

for the Year Ended 31 December 2020

11 Fixed asset investments

	Listed £	Unlisted £	Total £
Other investments			
Cost or valuation			
At 1 January 2020	116,486	151,152	267,638
Additions	38	76,498	76,536
Disposals	-	(2,650)	(2,650)
Revaluation	5,995	-	5,995
At 31 December 2020	122,519	225,000	347,519

The historical cost of the listed investments is not available. All are held in the UK.

Listed shares are valued based on share price at the year end.

Unlisted cash investments are valued at cost.

12 Debtors

	2020 £	2019 £
Prepayments	2,119	2,122
Other debtors	26,758	26,055
	28,877	28,177

13 Creditors: amounts due within one year

	2020 £	2019 £
Other taxation and social security	578	644
Accruals	7,414	7,465
Deferred income	-	75,000
Grants payable	-	-
	7,992	83,109

Deferred income related to a restricted donation given to fund the Children and Family leader.

The donor agreed to its reallocation to the Youth & Children's Work Fund in 2020.

The Parochial Church Council of the Ecclesiastical Parish of St Peter, Heswall

Notes to the financial statements

for the Year Ended 31 December 2020

14 Obligations under leases and hire purchase contracts

	2020
The total value of future minimum lease payments was as follows:	£
Within one year	3,725
In two to five years	-
	<u>3,725</u>

15 Funds

	Opening balance £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains £	Closing balance £
Unrestricted funds						
General funds	126,105	297,721	(275,526)	-	2,609	150,909
Designated funds	140,795	70,000	(1,775)	-	-	209,020
Total unrestricted	266,900	367,721	(277,301)	-	2,609	359,929
Restricted funds						
St Peter's Centre	767,831	-	(8,629)	-	-	759,202
The Lighthouse Church	1,106,125	165,582	(2,592)	-	-	1,269,115
Youth & Children's Work	-	75,000	-	24,440	-	99,440
Castle Drive	122,814	-	(1,253)	-	-	121,561
BESOM	-	-	-	-	-	-
Other	-	-	-	-	-	-
St Peter's Church Restoration	20,550	-	-	-	-	20,550
Children & Family Leader	25,676	80	(1,316)	(24,440)	-	-
Total restricted	2,042,996	240,662	(13,790)	-	-	2,269,868
Endowment funds						
Permanent	78,551	2,316	-	-	3,386	84,253
Total funds	2,388,447	610,699	(291,091)	-	5,995	2,714,050

The Parochial Church Council of the Ecclesiastical Parish of St Peter, Heswall

Notes to the financial statements

for the Year Ended 31 December 2020

15 Funds (continued)

There follows a description of the larger restricted funds:

St Peter's Centre and Castle Drive Funds

These funds represent the book cost of the two properties. An amount equal to the depreciation charged is transferred to unrestricted funds each year.

The Lighthouse Church Fund

This represents the funds collected so far towards the planned building of the Lighthouse Church. It does not include funding that has been pledged but not yet paid over.

St Peter's Church Restoration and Youth & Children's Work Funds

Both funds are self explanatory, being ring fenced donations to fund relevant expenditure.

16 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Endowment funds £	Total 2020 £	Total 2019 £
Tangible fixed assets	-	1,029,728	-	1,029,728	951,602
Fixed asset investments	188,266	75,000	84,253	347,519	267,638
Current assets	179,655	1,165,140	-	1,344,795	1,252,316
Current liabilities	(7,992)	-	-	(7,992)	(83,109)
Total net assets	359,929	2,269,868	84,253	2,714,050	2,388,447

17 Analysis of net funds

	As at 01/01/2020 £	Net cash inflow £	As at 31/12/2020 £
Cash at bank and in hand	1,224,139	91,779	1,315,918

The Parochial Church Council of the Ecclesiastical Parish of St Peter, Heston
Statement of Financial Activities by Fund
for the Year Ended 31 December 2020

	Unrestricted Funds		Restricted Funds				Endowment		Total
	Designated	General	St Peter's Centre	The Lighthouse Church	Children's Work	Castle Drive	St Peter's Church Restoration	Children & Family Leader	Permanent
	£	£	£	£	£	£	£	£	£
Income									
Appeals, donations and legacies		9,887		142,039	75,000			80	297,026
Gift aid reclaimed	70,000	48,544		11,710					60,254
Direct giving		192,946							192,946
Fees and surpluses		20,787							20,787
Hall lettings		12,775							12,775
Magazines etc.		3,151							3,151
Investment income		9,631		11,813					23,760
Total income	70,000	297,721	-	165,562	75,000	-	-	80	610,699
Expenditure									
Diocesan share		86,946							86,946
Clergy expenses		1,095							1,095
Rent and rates		14,221							14,221
Other property expenses		25,213							25,213
Uganda mission									
Staff training and support		4,319							4,319
Stationery and postage		850							850
Telephone		1,461							1,461
Equipment costs	1,775	9,618							11,393
Insurance		10,888							10,888
Miscellaneous		467							467
Bank charges		515		2,592					3,107
Office wages and salaries		29,187							29,187
Professional fees									
Water rates		5,086							5,086
Uplkeep of churches		3,269							3,269
Uplkeep of churchyard and walls		9,480							9,480
Halls running costs		9,599							9,599
Youth projects and parish resources		2,139							2,139
Children and family leader salary		25,870						1,316	27,186
Other wages and salaries		14,036							14,036
St Peter's school costs		5,112							5,112
Grants paid		8,974							8,974
Sundry expenses		1,251							1,251
Independent examination and accountability fees:		5,930							5,930
Depreciation		8,629				1,253			9,882
Total expenditure	1,775	275,526	8,629	2,592	-	1,253	-	1,316	291,091
Transfers					24,440			(24,440)	
Revaluation gains (losses)		2,609							3,386
Net movement in funds	68,225	24,804	(8,629)	162,990	99,440	(1,253)	-	(25,876)	5,995
Funds at 1 January 2020	140,795	126,105	767,831	1,106,125	-	122,814	20,550	25,876	2,388,447
Funds at 31 December 2020	209,020	150,909	759,202	1,269,115	99,440	121,561	20,550	-	2,714,050

