



# 2020 Annual Report and Financial Statements of the Parochial Church Council of St Ann, Manchester



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*Front cover: Advent Sunday  
service on Zoom, screenshot.*



## 2020 – A Year of Crisis and Pandemic

Covid-19 appeared across the world and in the country early in the New Year. By February it was becoming clear that this was a very serious health crisis. On March 23rd the first of several lockdowns across the country was imposed. Churches, along with many other community organisations, were shut. Worship as we had known it, and all our activities, came to a sudden halt.

The first concern was for the welfare of congregation members. This was where a great deal of telephone contact across the church became vital. A mail-out with a palm cross, Easter card and pastoral letter communicated the login details for St Ann's first ever online service. This was held on Palm Sunday using the Zoom platform which was to become the essential tool for shared acts of worship, meetings and bible studies.

Manchester City Centre, usually so busy, became a place where no pedestrians and hardly any traffic could be seen. The picture above shows Deansgate during lockdown. People experiencing homelessness were almost all found a place to stay. The church's outreach to them, *Morning Hours*, was cancelled.

As with so many organisations, the PCC suddenly had to manage its affairs with a drastically reduced income. All fundraising events, Saturday Café, concerts, fairs and recitals had to be cancelled. The Government's *Coronavirus Job Retention Scheme* enabled the PCC to place our Verger, Paul Campion, on 'furlough'. This scheme was to prove a financial lifeline. The deterioration in finances led to the grave decision to leave the larger part of the

church's Parish Share for 2020 unpaid. The PCC is very aware this decision has had an impact on the wider capacity of the diocese to fulfil its work.

Lockdown was to last in one form or another for almost the whole of 2020. From the summer we were allowed to reopen the church using government-sanctioned hygiene protocol. However, very few people were to be seen in the City Centre. Church's open hours were scaled back.

St Ann's musicians are used to offering a very high standard of music making. During lockdown music was compiled electronically to be used in Zoom services. When lockdown was eased the choirs returned, 'socially distanced'. In so many ways the church has found new resources and ways to be the Church during this time.

The PCC puts on record its thanks to all our staff and volunteers who worked so hard and creatively to keep the life of the church going through this most difficult year.

## New Year Honour

It was with great pleasure to the entire community that the news came at the end of the year that Paul Campion, St Ann's Verger, had been made a recipient of the British Empire Medal in the Queen's New Year Honours.

Paul has served as Verger, keeping the church open to the public, for over twenty one years.



## Administrative details

### Address

St Ann's Church  
St Ann Street  
Manchester  
M2 7LF  
Telephone: 0161 834 0239

### Website

[www.stannsmanchester.com](http://www.stannsmanchester.com)

### Rector

The Revd Canon Nigel Ashworth  
[rector@stannsmanchester.com](mailto:rector@stannsmanchester.com)

### Church Manager

William Jeavons  
[manager@stannsmanchester.com](mailto:manager@stannsmanchester.com)

### Bankers

CAF Bank Limited  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent  
ME19 4JQ

### Independent Examiner

Helen Bolton, FCA  
894 Scott Hall Road  
Leeds  
LS17 6JZ

### Insurers

Ecclesiastical Insurance Group PLC  
Beaufort House  
Brunswick Road  
Gloucester  
GL1 1JZ

### Architect

Buttress Architects  
41 Bengal Street  
Manchester  
M4 6AF

### Solicitor

Jane Monks  
Diocesan Registrar  
90 Deansgate  
Manchester  
M3 2GH

### Safeguarding Co-ordinator

Andrew Kyle  
[safeguarding.stannsmanchester@gmail.com](mailto:safeguarding.stannsmanchester@gmail.com)

### Charity Registration

St Ann's PCC is Registered Charity Number 1136159



## Membership of the Parochial Church Council

The following members served during the year:

### **Clergy** *clergy licensed by the bishop serve 'ex-officio'.*

The Revd Canon Nigel Ashworth <i>Rector</i>	The Revd Sydwel Isaac <i>Curate</i>
The Revd Pete Horlock <i>Business Community Missioner</i>	

### **Churchwardens** *up to four Churchwardens are elected for each twelve-month term.*

Jennifer Frew <i>from APCM 2020</i>	Ottmar Morett <i>until APCM 2020</i>
Andrew Kyle <i>from APCM 2020</i>	Susan Soanes <i>until APCM 2020</i>

### **Deanery Synod Members** *Term of office 2020 -2023.*

Paul Campion <i>until APCM 2019</i>	Jennifer Frew <i>re-elected APCM 2020</i>
David Robinson <i>re-elected APCM 2020</i>	

### **Elected Members serving until the APCM of 2020** *Term of office 2017 – 2020.*

Linda Norris  
Surandini Jayatheepam *until APCM 2020*

### **Elected Members serving until the APCM of 2021** *Term of office 2018 – 2021.*

Andries de Jong <i>until August 2020</i>	Michael Johnson <i>from APCM 2020</i>
Alan Green	Susan Soanes

### **Elected Members serving until the APCM of 2022** *Term of office 2019 – 2022.*

Stacy Fox-Manning <i>elected APCM 2019</i>	Ken Halliwell <i>re-elected APCM 2019</i>
Martin Gregson <i>from APCM 2020</i>	

### **Elected Members serving until the APCM of 2023** *Term of office 2020 – 2023.*

Alan Davies <i>from APCM 2020</i>	Linda Norris <i>re-elected APCM 2020</i>
Dr James Hume <i>from APCM 2020</i>	

The Parochial Church Council is a registered charity no 1136159. PCC members are trustees of the charity.

Its work is set out in the Parochial Church Powers measure 1956. PCCs work in co-operation with their Rector “*in promoting in the parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical*”.

## Appointments

### Vice Chairman

Jennifer Frew

### PCC Treasurer

Susan Soanes

### Health & Safety Officer

Alan Green

### Church Manager

William Jeavons

### Verger

Paul Campion

### Director of Music

Simon Passmore

### Pilling Trust Organ Scholar

Harry Spain *until February*  
Harry Fletcher *from October*

### PCC Secretary

Stacy Fox-Manning *from April 2019*

### Electoral Roll Officer

Michael Johnson

### Safeguarding Co-ordinator

Surandini Jayatheepam *until November*  
Andrew Kyle *from November*

### Bookkeeper

Alison Steadman

### Assistant Director of Music

Dr James Hume

### Associate Organ Scholars

Harry Fletcher *until February*  
Chris Walton *until February*

**St Ann's is a body of people**  
and not only an important building  
or charitable structure.

**The PCC thanks everyone who**  
**contributes to the life of the**  
**church by their prayers,**  
**fellowship, financial giving and**  
**by serving in a voluntary**  
**capacity in many ways.**

**During 2020 we particularly**  
**thank all those who have**  
**continued their financial support**  
**despite not being able to attend**  
**worship in person.**

## Endowments and Support

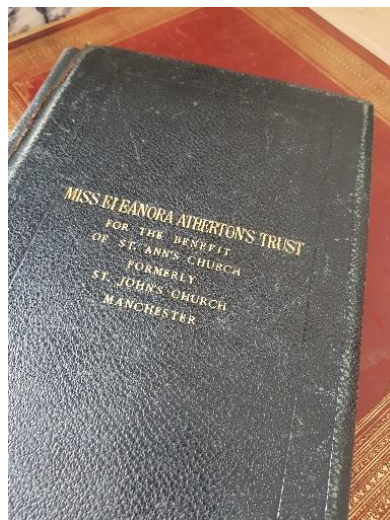
### Charitable Endowments

The PCC is the beneficiary of three historic endowments. During the year two of these were wound up as independent trusts and their charitable purpose incorporated within the management and control of the PCC.

The **St Ann's Ecclesiastical Charity** is the endowment which the PCC has managed and benefited from for a good number of years. It derives from two former Sunday School buildings in parishes which have been absorbed into St Ann's, St Peter's School and St Matthew's School. This endowment is governed by a 'Scheme' of the Charity Commission in which the Diocesan Board of Finance acts as 'custodian trustee' whilst the PCC collectively is the 'beneficial trustee'. Income is applied to the PCC's General Fund.

The **Eleanora Atherton Trust** comes from an endowment set up in 1840 by Miss Eleanora Atherton to support the stipend of the Rector of St John's Church, Deansgate. That church had been built by her grandfather Edward Byrom. On the closure of St John's in 1930 the trust switched its support to the successor parish, initially St Matthew's on Liverpool Road and latterly St Ann's.

In 2020 the trustees, whose Minute Book is shown right, transferred the endowment into the management of the PCC. It now appears in this Report and Accounts for the first time. Income is applied to the PCC's General Fund.



The **St John's Educational Trust** was a small registered parish charity, number 526429, which provided an income for educational purposes. It had the official name of the Manchester St Ann's Educational Foundation. Like the Eleanora Atherton Trust, it derived from the former Parish of St John. This charity was removed from the Public Register of Charities in 2020 and the trustees, namely the Rector and Churchwardens, transferred the endowment to the PCC. Income from this investment is to be used by the PCC in line with the charity's original purpose and is channeled through a restricted fund, the 'Education and Training Fund'.

Further details about endowments may be found on page 20.

### Other Charitable Support

The PCC records its appreciation of financial support from many individuals, including church members and others. There has also been support through the ongoing government **Gift-Aid** scheme, which allows for tax at the basic Income Tax rate to be reclaimed on declared donations for the benefit of the church. VAT from monies spent on building maintenance is recovered in grant form through the **Listed Places of Worship Grant Scheme**. During 2020 the PCC was successful in obtaining £10,000 through the **Discretionary Grants for Small Businesses Scheme**, administered by Manchester City Council with funds from central government.

The PCC gratefully acknowledges the support given towards the musical life of St Ann's by the **John Pilling Trust**, registered charity number 241812. The Trust has renewed its support of the music at St Ann's for a further five years from September 2019.

The PCC also acknowledges support for Microsoft Office 365 software by **Microsoft** on a discounted donation basis.

## Financial review

The PCC is responsible for overseeing the finances of the church and for making key decisions about matters which have an impact on income and expenditure. Day-to-day business is devolved by the PCC to the Treasurer and the Bookkeeper, principally by agreeing a budget for the forthcoming year and then reviewing spending under its budget categories in detail every few months.

### Income – an exceptionally challenging year

PCC income usually derives from donations, fundraising activities and events, fees from activities such as weddings, funerals or special services and some endowment income. Total income on unrestricted funds for the year was £102,281 (2019: £141,189).

One very positive note is that the level of planned giving from regular donors remained fairly constant despite the pandemic.

In a more typical year gifts into collection boxes, the open collection plate and candlestands in church could be expected to be in the range of £35,000 - £40,000. These were immensely reduced during 2020 by a figure within the range of £22,500 - £27,000. Government lockdowns meant that almost all events which could have generated income were cancelled. This was the main reason that fundraising events income saw a collapse on 2019 figures to under £5,000 from almost £35,000. The PCC was successful in obtaining some emergency government grant support administered by Manchester City Council of £10,000. This slightly offset the PCC's losses.

Nine weddings were cancelled or postponed. The usually extensive December programme had to be almost completely abandoned. These cancellations resulted in a decrease in income on 2019 figures of around £8,000.

### Expenditure – Parish Share

The single biggest expenditure each year (unless there is extensive building work) is the payment of Parish Share, which is the amount assessed for each

parish to contribute to central diocesan costs in a formula which includes regular attendance and an assessment of the ability of attenders to pay. The diocese uses the income from parishes to pay the stipends, training, housing and pensions of clergy and a range of other services to support the Church's mission. In 2020 St Ann's Parish Share was £62,154 and the PCC paid £15,600 (27.5%). In 2019 Parish Share of £ 73,600 had been paid in full.

### Expenditure – Keeping our doors open

The next main cost to the PCC is to keep the church open during the week. This necessitates the employment of staff supported by a team of volunteers. The cost of staffing the church is £34, 878 (2019: £36,045).

During much of the year the church Verger was 'on furlough' and so his employment was supported by the Coronavirus Job Retention scheme to the amount of £8,119.

### 2020 Pressure on the General Fund

Added all together the PCC suffered a loss of income of around £60,000 because of the Covid-19 pandemic. Total expenditure from the General Fund for the year was £81,809 (2019: £156,317), a reduction of 47%.

Because of the collapse in income and the need to protect the capacity of the General Fund to continue basic operations, the decision was made to not pay our parish share in full. This is the main reason the accounts show much lower expenditure. Other reasons are that the church building was closed for substantial periods and, because services were stopped, the costs of providing music were reduced.

Paradoxically, the accounts show a General Fund surplus for 2020 of £21,192. The PCC still faces severe challenges for 2021 and intends to pay its parish share allocation for that year in full.

2020 was the first time St Ann's PCC has failed in its obligations to the collective finances of the diocese.



## Risk review and reserves policy

The PCC had considered key risks around the stewardship of a Grade I listed church building, the health and safety of worshippers and members of the public using the building and the financial challenges associated with the economic climate and its effect on sources of income.

The PCC had not envisaged a scenario like the 2020 Coronavirus Pandemic. It was discovered that the reserve policy was inadequate in that it did not fully take into account the 'disaster scenario' of costs associated with the potential redundancy of staff, which would have triggered its liability in respect of the Church Workers' Pension Fund (see page 22).

### Financial Reserve Policy

The PCC, in line with Charity Commission requirements, recognises the need to have a target for free reserves to cover the following contingencies:

- Up to four months' PCC expenditure, to enable the PCC's activities to be scaled down in a 'disaster scenario', being presently set at £52,000.
- The cost of staff redundancy in the case of a 'disaster scenario' in addition to the above. This currently stands at £44,000.

Therefore, the PCC now assesses its reserve requirement at £96,000. At 31st December 2020 there was a General Fund balance of £50,606.

## Statement of Trustees' responsibilities

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

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

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

- Select suitable accounting policies and apply them consistently
- Observe the methods and principles in the Charities Statement of Recommended Practice (SORP)
- Make judgments and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. They are 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 members of the PCC on May 2nd 2021 and signed on their behalf by*



Jennifer Frew, Vice Chairman

## Independent Examiner's report

This report on the financial statements of the PCC for the year ended 31 December 2020, which are set out on pages 9 to 22, is in respect of an examination carried out in accordance with the Church Accounting Regulations 2006 ("the Regulations") and s. 144 of the Charities Act 2011 ("The Act").

### Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the financial statements. The charity's trustees consider that an audit is not required for this year (under section 144 of the Act), and that an independent examination is needed. It is my responsibility to:

- examine the accounts (under section 145 of the Act);
- to follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 145(5)(b) of the Act); and
- to state whether particular matters have come to my attention.

### Basis of this report

My examination was carried out in accordance with General Directions given by the Charity Commissioners and to be found in the Church guidance, 2006 edition. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the accounts.

### Independent Examiner's statement

In the course of my examination, no matter has come to my attention

- 1) which gives me reasonable cause to believe that in, any material respect, the trustees have not met the requirements to ensure that:
  - proper accounting records are kept (in accordance with section 41 of the Act); and
  - accounts are prepared which agree with the accounting records and comply with the accounting requirements of the Act; or
- 2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed:



Date: *May 2nd 2021*

Helen Bolton  
894 Scott Hall Road  
Leeds  
LS17 6JZ

# Parochial Church Council of St Ann's Manchester

## STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31st December 2020

		2020 Unrestricted	2020 Restricted	2020 Endowment	2020 TOTAL	2019 Unrestricted	2019 Restricted	2019 Endowment	2019 TOTAL
	Note	£	£	£	£	£	£	£	£
INCOME FROM	2								
I Donors at Church		60,199	7,841	-	68,040	90,511	1,592	-	92,103
II Outside Donors		28,325	19,795	167,246	215,366	3,418	24,034	-	27,452
III Fundraising activities		4,997	170	-	5,167	35,887	2,527	-	38,414
IV Charitable activities		1,503	-	-	1,503	7,582	-	-	7,582
V Investment income		7,257	425	-	7,682	3,791	-	-	3,791
<b>TOTAL INCOME</b>		<b>102,281</b>	<b>28,231</b>	<b>167,246</b>	<b>297,758</b>	<b>141,189</b>	<b>28,153</b>	-	<b>169,342</b>
EXPENDITURE ON	3								
VI Grants & Mission giving		25	1,433	-	1,458	25	2,735	-	2,760
VII Charitable activities		70,943	9,040	-	79,983	135,621	17,960	-	153,581
VIII Fundraising costs		2,645	199	-	2,844	10,234	4,429	-	14,663
IX Church administration		7,476	-	-	-	10,437	-	-	10,437
<b>TOTAL EXPENDITURE</b>		<b>81,089</b>	<b>10,672</b>	-	<b>91,761</b>	<b>156,317</b>	<b>25,124</b>	-	<b>181,441</b>
NET INCOME / (EXPENDITURE) BEFORE INVESTMENT GAINS / (LOSSES)		21,192	17,559	167,246	205,997	(15,128)	3,029	-	(12,099)
GAINS / (LOSSES) ON INVESTMENTS	5	-	-	35,544	35,544	-	-	41,652	41,652
<b>NET INCOME / (EXPENDITURE)</b>		<b>21,192</b>	<b>17,559</b>	<b>202,790</b>	<b>241,541</b>	<b>(15,128)</b>	<b>3,029</b>	<b>41,652</b>	<b>29,553</b>
TRANSFERS BETWEEN FUNDS		-	-	-	-	-	-	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>21,192</b>	<b>17,559</b>	<b>202,790</b>	<b>241,541</b>	<b>(15,128)</b>	<b>3,029</b>	<b>41,652</b>	<b>29,553</b>
BALANCES BROUGHT FORWARD	9	33,128	20,376	263,800	317,304	48,256	17,347	222,148	287,751
<b>BALANCES CARRIED FORWARD</b>		<b>54,320</b>	<b>37,935</b>	<b>466,590</b>	<b>558,845</b>	<b>33,128</b>	<b>20,376</b>	<b>263,800</b>	<b>317,304</b>

The Notes on pages 11 to 22 form part of these accounts.

# Parochial Church Council of St Ann's Manchester

## BALANCE SHEET as at 31st December 2020

	Note	2020 Unrestricted £	2020 Restricted £	2020 Endowment £	2020 TOTAL £	2019 Unrestricted £	2019 Restricted £	2019 Endowment £	2019 TOTAL £
<b>FIXED ASSETS</b>	<b>5</b>								
Investments		13,500	-	466,590	<b>480,090</b>	13,500	-	263,800	<b>277,300</b>
		<b>13,500</b>	-	<b>466,590</b>	<b>480,090</b>	<b>13,500</b>	-	<b>263,800</b>	<b>277,300</b>
<b>CURRENT ASSETS</b>	<b>6</b>								
Stock		893	-	-	<b>893</b>	825	-	-	<b>825</b>
Debtors		3,687	-	-	<b>3,687</b>	9,370	14,817	-	<b>24,187</b>
Cash at Bank		42,851	38,148	-	<b>80,999</b>	14,600	7,779	-	<b>22,379</b>
		<b>47,431</b>	<b>38,148</b>	-	<b>85,579</b>	<b>24,795</b>	<b>22,596</b>	-	<b>47,391</b>
<b>CREDITORS - Due Within One Year</b>	<b>7</b>								
Accruals & other creditors		6,611	213	-	<b>6,824</b>	5,167	2,220	-	<b>7,387</b>
		<b>6,611</b>	<b>213</b>	-	<b>6,824</b>	<b>5,167</b>	<b>2,220</b>	-	<b>7,387</b>
<b>NET CURRENT ASSETS</b>		<b>40,820</b>	<b>37,935</b>	-	<b>78,755</b>	<b>19,628</b>	<b>20,376</b>	-	<b>40,004</b>
<b>NET ASSETS</b>		<b>54,320</b>	<b>37,935</b>	<b>466,590</b>	<b>558,845</b>	<b>33,128</b>	<b>20,376</b>	<b>263,800</b>	<b>317,304</b>
<b>FUNDS</b>									
Unrestricted	<b>9a</b>	54,320	-	-	<b>54,320</b>	33,128	-	-	<b>33,128</b>
Restricted	<b>9b</b>	-	37,935	-	<b>37,935</b>	-	20,376	-	<b>20,376</b>
Endowment	<b>9c</b>	-	-	466,590	<b>466,590</b>	-	-	263,800	<b>263,800</b>
	<b>8</b>	<b>54,320</b>	<b>37,935</b>	<b>466,590</b>	<b>558,845</b>	<b>33,128</b>	<b>20,376</b>	<b>263,800</b>	<b>317,304</b>

Approved by the Parochial Church Council  
on May 2nd 2021

*Jennifer J. Frew*

Jennifer Frew – Vice Chairman

The Notes on pages 11 to 22 form part of these accounts.



**1. ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of the financial statements are set out below and have been consistently applied throughout the year.

**Basis of preparation**

The financial statements have been prepared on an accruals basis in accordance with the Church Accounting Regulations 2006 together with applicable UK accounting standards, the Charities Act 2011 and the SORP 2015. 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. They do not include the accounts of church groups that owe their main affiliation to another body, nor those that are informal gatherings of church members.

**Fund accounting**

**Endowment Funds** are funds, the capital of which must be maintained; only income arising from investment may be used either as restricted or unrestricted funds depending upon the purpose for which the endowment was established.

**Restricted Funds** represent (a) income from trusts or endowments which may be expended only on those restricted activities provided in the terms of the trust or bequest, and (b) donations or grants received for a specific purpose or invited by the PCC for a specific purpose. The funds may only be expended on the purpose for which they were given. Any balance remaining unspent at the end of the year is carried forward as a balance on that fund. The PCC does not normally invest separately for each fund and, when necessary, interest is apportioned to individual funds.

**Unrestricted Funds** are general funds which can be used for PCC ordinary purposes.

**Incoming Resources**

Planned giving, collections and donations are recognised when received. Tax refunds are recognised when the incoming resource to which they relate is received. Grants and Legacies are accounted for when the PCC is legally entitled to the amounts. All other income is recognised when it is received. All income is accounted for gross.

**Resources expended**

Grants and donations are accounted for when paid over, or when awarded, if a binding obligation on the PCC exists. Amounts received and subsequently expended specifically for mission are dealt with as restricted funds. The parish share is accounted for when payable. No provision is made for any parish share which may be requested but is unpaid by the date the Diocese closes its records for a particular year. All other expenditure is generally recognised when it is incurred and is accounted for gross.

**Fixed Assets**

Consecrated and benefice property is not included in the accounts as set out by s.10 of the Charities Act 2011.

Moveable church furnishings held by the Rector and Churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the Church inventory. All such expenditure has been written off when incurred.

Administrative equipment used within the church premises is included in fixed assets if the cost exceeds £2,000 otherwise it is written off in the year as consumables. Fixed assets are depreciated on a straight line basis over the estimated useful life, usually at 25% pa.

**Investments**

Investments are valued at market value at 31st December each year.

## Parochial Church Council of St Ann's Manchester

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st December 2020

	2020	2020	2020	2020	2019	2019	2019	2019
2. INCOME	Unrestricted	Restricted	Endowment	TOTAL	Unrestricted	Restricted	Endowment	TOTAL
	£	£	£	£	£	£	£	£
<b>I Donors at Church</b>								
Planned giving - Gift Aided	32,448	-	-	<b>32,448</b>	33,644	-	-	33,644
Planned giving - non-Gift Aided	480	-	-	<b>480</b>	530	-	-	530
Other giving - Gift Aided	5,804	180	-	<b>5,984</b>	15,328	490	-	15,818
Other giving - non-Gift Aided	5,197	1,000	-	<b>6,197</b>	3,513	-	-	3,513
Tax recoverable	9,508	-	-	<b>9,508</b>	12,291	122	-	12,413
Collections at services	4,062	6,661	-	<b>10,723</b>	9,304	980	-	10,284
Church Boxes & Candle stands	2,700	-	-	<b>2,700</b>	15,901	-	-	15,901
	<b>60,199</b>	<b>7,841</b>	-	<b>68,040</b>	<b>90,511</b>	<b>1,592</b>	-	<b>92,103</b>
<b>II Outside Donors</b>								
MCC Discretionary Covid Support	10,000	-	-	<b>10,000</b>	-	-	-	-
Pilling Trust	-	9,300	-	<b>9,300</b>	-	9,300	-	9,300
Eleanor Atherton Trust	6,437	-	142,128	<b>148,565</b>	2,400	2,234	-	4,634
St John's Educational Trust	-	495	25,118	<b>25,613</b>	-	2,500	-	2,500
HMRC Job retention Scheme	8,119	-	-	<b>8,119</b>	-	-	-	-
St Andrews's Churchyard fees	1,300	-	-	<b>1,300</b>	-	-	-	-
Manchester Diocese	-	-	-	-	-	10,000	-	10,000
LPW VAT Scheme	1,469	-	-	<b>1,469</b>	1,018	-	-	1,018
Legacies	1,000	10,000	-	<b>11,000</b>	-	-	-	-
	<b>28,325</b>	<b>19,795</b>	<b>167,246</b>	<b>215,366</b>	<b>3,418</b>	<b>24,034</b>	-	<b>27,452</b>

## Parochial Church Council of St Ann's Manchester

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st December 2020

	2020	2020	2020	2020	2019	2019	2019	2019
2. INCOME (cont)	Unrestricted	Restricted	Endowment	TOTAL	Unrestricted	Restricted	Endowment	TOTAL
	£	£	£	£	£	£	£	£
<b>III Income from Fundraising Activities</b>								
Flower Stall rent	-	-	-	-	2,560	-	-	2,560
Recitals & events	1,685	-	-	1,685	14,334	2,527	-	16,861
Café, refreshments, retail	3,312	170	-	3,482	15,137	-	-	15,137
Church Fairs		-	-	-	3,856	-	-	3,856
	<b>4,997</b>	<b>170</b>	<b>-</b>	<b>5,167</b>	<b>35,887</b>	<b>2,527</b>	<b>-</b>	<b>38,414</b>
<b>IV Income from Charitable Activities</b>								
Facilities Fees	810	-	-	810	4,467	-	-	4,467
Statutory Fees - weddings & funerals	693	-	-	693	3,115	-	-	3,115
	<b>1,503</b>	<b>-</b>	<b>-</b>	<b>1,503</b>	<b>7,582</b>	<b>-</b>	<b>-</b>	<b>7,582</b>
<b>V Investment Income</b>								
Dividends - Ecclesiastical investments	7,106	425	-	7,531	3,634	-	-	3,634
Interest - other investments	151	-	-	151	157	-	-	157
	<b>7,257</b>	<b>425</b>	<b>-</b>	<b>7,682</b>	<b>3,791</b>	<b>-</b>	<b>-</b>	<b>3,791</b>
<b>TOTAL INCOME</b>	<b>102,281</b>	<b>28,231</b>	<b>167,246</b>	<b>297,758</b>	<b>141,189</b>	<b>28,153</b>	<b>-</b>	<b>169,342</b>

## Parochial Church Council of St Ann's Manchester

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st December 2020

3. EXPENDITURE	2020 Unrestricted	2020 Restricted	2020 Endowment	2020 TOTAL	2019 Unrestricted	2019 Restricted	2019 Endowment	2019 TOTAL
	£	£	£	£	£	£	£	£
<b>VI Grants &amp; Mission giving</b>								
Pilling Scholars / music grants	-	1,300	-	1,300	-	2,383	-	2,383
Church organisations & charities	25	133	-	158	25	352	-	377
	<b>25</b>	<b>1,433</b>	-	<b>1,458</b>	<b>25</b>	<b>2,735</b>	-	<b>2,760</b>
<b>VII Charitable Activities</b>								
Ministry - Parish Share	15,600	-	-	15,600	73,600	-	-	73,600
Clergy expenses	1,113	-	-	1,113	1,212	-	-	1,212
Rectory council tax & expenses	2,055	-	-	2,055	2,016	-	-	2,016
Church electricity/gas/water	2,317	-	-	2,317	5,228	-	-	5,228
- Cleaning / hygiene	584	-	-	584	632	-	-	632
- Minor repairs/ servicing	3,011	-	-	3,011	6,607	-	-	6,607
- Organ maintenance	-	1,064	-	1,064	2,290	-	-	2,290
- Choir / Music	-	614	-	614	-	855	-	855
- Parish training & mission	45	302	-	347	-	294	-	294
- insurance	8,791	-	-	8,791	8,392	-	-	8,392
- security	1,019	-	-	1,019	1,697	-	-	1,697
Church services	677	-	-	677	2,628	118	-	2,746
Architects costs	-	-	-	-	2,100	-	-	2,100
Employment - Verger & Church Manager	31,545	3,333	-	34,878	20,865	15,180	-	36,045
Honoraria - Director of Music & assistant	4,186	3,727	-	7,913	8,354	1,513	-	9,867
	<b>70,943</b>	<b>9,040</b>	-	<b>79,983</b>	<b>135,621</b>	<b>17,960</b>	-	<b>153,581</b>



## Parochial Church Council of St Ann's Manchester

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st December 2020

3. EXPENDITURE (cont)	2020 Unrestricted £	2020 Restricted £	2020 Endowment £	2020 TOTAL £	2019 Unrestricted £	2019 Restricted £	2019 Endowment £	2019 TOTAL £
<b>VIII Fundraising costs</b>								
Café, refreshments & retail	617	-	-	617	4,717	-	-	4,717
Flower Stall	1,134	-	-	1,134	2,573	-	-	2,573
Contactless giving / envelope scheme	264	199	-	463	721	-	-	721
Cost of events (Incl Performing rights)	630	-	-	630	2,223	4,429	-	6,652
	<b>2,645</b>	<b>199</b>	-	<b>2,844</b>	<b>10,234</b>	<b>4,429</b>	-	<b>14,663</b>
<b>IX Church administration</b>								
Printing, Stationery, postage, telephone	2,038	-	-	2,038	3,215	-	-	3,215
Computer software licenses	507	-	-	507	363	-	-	363
Sundries		-	-	-	252	-	-	252
Bank Charges	68	-	-	68	364	-	-	364
Accountancy / Independent Examination	4,863	-	-	4,863	6,243	-	-	6,243
	<b>7,476</b>	-	-	<b>7,476</b>	<b>10,437</b>	-	-	<b>10,437</b>
<b>TOTAL EXPENDITURE</b>	<b>81,089</b>	<b>10,672</b>	-	<b>91,761</b>	<b>156,317</b>	<b>25,124</b>	-	<b>181,441</b>
<b>4. STAFF COSTS</b>				<b>2020 £</b>				<b>2019 £</b>
Wages and Salaries				32,201				33,300
Pension				2,677				2,745
National Insurance				-				-
Director of Music & Assistants fees				7,913				9,867
				<b>42,791</b>				<b>45,912</b>

The PCC employs a vergers and Church manager. A PAYE scheme is operated for these staff. No member of the PCC received any remuneration or reimbursement, except for minor administration expenses.

## Parochial Church Council of St Ann's Manchester

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st December 2020

<b>5. FIXED ASSET INVESTMENTS</b>	2020 Unrestricted £	2020 Endowment £	2020 TOTAL £	2019 Unrestricted £	2019 Endowment £	2019 TOTAL £
Market Value 1 January	13,500	263,800	277,300	13,500	222,148	235,648
Acquisitions	-	167,246	167,246	-	-	-
Net gains / (losses) on revaluation	-	35,544	35,544	-	41,652	41,652
Market Value 31 December	13,500	466,590	480,090	13,500	263,800	277,300

### Investments are held as follows

	No. of units held at year end	Value per unit	2020 Unrestricted £	2020 Endowment £	2020 TOTAL £	2019 Unrestricted £	2019 Endowment £	2019 TOTAL £
National Savings Income Bonds	13,500	£1.0000	13,500	-	13,500	13,500	-	13,500
CCLA Church of England Funds:								
CBF Investment Fund Income shares	7,970.00	£20.4467	-	162,960	162,960	-	124,518	124,518
COIF Investment Fund Income shares	8,425.58	£17.9686	-	151,396	151,396	-	-	-
Investment Fund Accumulation shares	2,334.08	£49.6199	-	115,817	115,817	-	105,068	105,068
Property Fund shares	18,967.52	£1.2741	-	24,166	24,166	-	24,228	24,228
Income fund Accumulation shares	2,623.78	£4.6692	-	12,251	12,251	-	9,986	9,986
			13,500	466,590	480,090	13,500	263,800	277,300

During 2020 the PCC became the beneficial owner of the assets and took over the charitable purposes relating to two former charities, The Manchester St Ann's Educational Foundation (also known as St John's Educational Trust) and The Charity of Eleanora Atherton. The donation of these investments is recorded in note 2 as new endowment funds. The PCC undertook to preserve the value of the charities and preserve the names within its accounts. Income from the investments related to the Educational Foundation former charity will be used for educational purposes within the parish and income from the investments related to Eleanora Atherton are available for the general purposes of the PCC.

The PCC is the beneficial trustee of an endowment charity deriving from two schools of former city centre parishes known as the St Ann Ecclesiastical Charity. In that case the Diocesan Board of Finance has the role of Custodian Trustee. Further details regarding the endowment funds is given in note 9.

## Parochial Church Council of St Ann's Manchester

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st December 2020

	2020	2020	2020	2020	2019	2019	2019	2019
	Unrestricted	Restricted	Endowment	TOTAL	Unrestricted	Restricted	Endowment	TOTAL
	£	£	£	£	£	£	£	£
<b>6. CURRENT ASSETS</b>								
<b>Stocks</b>								
Gifts/Cards supplies	893	-	-	893	825	-	-	825
	<b>893</b>	-	-	<b>893</b>	<b>825</b>	-	-	<b>825</b>
<b>Debtors</b>								
Income tax recoverable	2,680	-	-	2,680	5,297	82	-	5,379
Grants receivable	-	-	-	-	-	14,735	-	14,735
Other income receivable	1,007	-	-	1,007	4,073	-	-	4,073
	<b>3,687</b>	-	-	<b>3,687</b>	<b>9,370</b>	<b>14,817</b>	-	<b>24,187</b>
<b>Bank</b>	<b>42,851</b>	<b>38,148</b>	-	<b>80,999</b>	<b>14,600</b>	<b>7,779</b>	-	<b>22,379</b>
<b>TOTAL CURRENT ASSETS</b>	<b>47,431</b>	<b>38,148</b>	-	<b>85,579</b>	<b>24,795</b>	<b>22,596</b>	-	<b>47,391</b>
<b>7. LIABILITIES - due within one year</b>								
Accruals & deferred income	4,901	213	-	5,114	4,908	2,036	-	6,944
PAYE/NI	1,284	-	-	1,284				
Pension Fund	426	-	-	426	259	184	-	443
<b>TOTAL CURRENT LIABILITIES</b>	<b>6,611</b>	<b>213</b>	-	<b>6,824</b>	<b>5,167</b>	<b>2,220</b>	-	<b>7,387</b>
<b>8. ANALYSIS OF NET ASSETS BY FUND</b>								
Fixed Assets	13,500	-	466,590	480,090	13,500	-	263,800	277,300
Current Assets	47,431	38,148	-	85,579	24,795	22,596	-	47,391
Current Liabilities	(6,611)	(213)	-	(6,824)	(5,167)	(2,220)	-	(7,387)
	<b>54,320</b>	<b>37,935</b>	<b>466,590</b>	<b>558,845</b>	<b>33,128</b>	<b>20,376</b>	<b>263,800</b>	<b>317,304</b>

**9a UNRESTRICTED FUNDS**

	<b>Festivals £</b>	<b>Flowers £</b>	<b>GENERAL £</b>	<b>Total £</b>
<b>INCOME</b>				
I Donors at Church	-	-	60,199	<b>60,199</b>
II Outside Donors	-	-	28,325	<b>28,325</b>
III Income from Fundraising activities	-	-	4,997	<b>4,997</b>
IV Income from Charitable activities	-	-	1,503	<b>1,503</b>
V Investment income	-	-	7,257	<b>7,257</b>
<b>TOTAL INCOME</b>	-	-	<b>102,281</b>	<b>102,281</b>
<b>EXPENDITURE</b>				
VI Grants & Mission giving	-	-		
VII Charitable activities	-	-	25	<b>25</b>
VIII Fundraising costs	-	-	70,943	<b>70,943</b>
IX Church administration	-	-	2,645	<b>2,645</b>
<b>TOTAL EXPENDITURE</b>	-	-	<b>7,476</b>	<b>7,476</b>
<b>NET INCOME / (EXPENDITURE)</b>	-	-	<b>81,089</b>	<b>81,089</b>
<b>TRANSFERS IN / (OUT)</b>	-	-		
<b>NET MOVEMENT IN FUNDS</b>	-	-	<b>21,192</b>	<b>21,192</b>
<b>BALANCES BROUGHT FORWARD</b>				
	3,353	361	29,414	<b>33,128</b>
<b>BALANCES CARRIED FORWARD</b>	<b>3,353</b>	<b>361</b>	<b>50,606</b>	<b>54,320</b>



# Parochial Church Council of St Ann's Manchester

# NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st December 2020

## 9b RESTRICTED FUNDS

	Organ £	Music £	Church Manager £	Homelessness £	Education & Training £	Flowers £	Heating £	Exterior Fabric	Decorating £	Total £
<b>INCOME</b>										
I Donors at Church	-	-	-	505	-	-	7,336	-	-	7,841
II Outside Donors	5,000	9,300	-	-	495	-	-	5,000	-	19,795
III Income from Fundraising activities	-	-	-	-	170	-	-	-	-	170
IV Income from Charitable activities	-	-	-	-	-	-	-	-	-	-
V Investment income	-	-	-	-	425	-	-	-	-	425
<b>TOTAL INCOME</b>	<b>5,000</b>	<b>9,300</b>	<b>-</b>	<b>505</b>	<b>1,090</b>	<b>-</b>	<b>7,336</b>	<b>5,000</b>	<b>-</b>	<b>28,231</b>
<b>EXPENDITURE</b>										
VI Grants & Mission giving	-	1,300	-	133	-	-	-	-	-	1,433
VII Charitable activities	1,064	4,341	3,333	-	302	-	-	-	-	9,040
VIII Fundraising costs	-	-	-	-	-	-	199	-	-	199
IX Church administration	-	-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURE</b>	<b>1,064</b>	<b>5,641</b>	<b>3,333</b>	<b>133</b>	<b>302</b>	<b>-</b>	<b>199</b>	<b>-</b>	<b>-</b>	<b>10,672</b>
<b>NET INCOME / (EXPENDITURE)</b>	<b>3,936</b>	<b>3,659</b>	<b>(3,333)</b>	<b>372</b>	<b>788</b>	<b>-</b>	<b>7,137</b>	<b>5,000</b>	<b>-</b>	<b>17,559</b>
<b>TRANSFERS IN / (OUT)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET MOVEMENT IN FUNDS</b>	<b>3,936</b>	<b>3,659</b>	<b>(3,333)</b>	<b>372</b>	<b>788</b>	<b>-</b>	<b>7,137</b>	<b>5,000</b>	<b>-</b>	<b>17,559</b>
<b>BALANCES BROUGHT FORWARD</b>	<b>4,875</b>	<b>5,181</b>	<b>3,333</b>	<b>1,457</b>	<b>3,283</b>	<b>64</b>	<b>852</b>	<b>-</b>	<b>1,331</b>	<b>20,376</b>
<b>BALANCES CARRIED FORWARD</b>	<b>8,811</b>	<b>8,840</b>	<b>-</b>	<b>1,829</b>	<b>4,071</b>	<b>64</b>	<b>7,989</b>	<b>5,000</b>	<b>1,331</b>	<b>37,935</b>

**9c. ENDOWMENT FUNDS**

The PCC is Beneficial Trustee of an endowment charity deriving from two former city centre parishes, St Peter's and St Matthew's, which was created by a Charity Commission Scheme in the 1990s. The objects of the fund is "furthering the religious and other charitable work in the Parish".

During 2020 the PCC became the beneficial owner of the assets and took over the charitable purposes relating to two former charities, The Manchester St Ann's Educational Foundation (also known as St John's Educational Trust) and The Charity of Eleanora Atherton. The PCC undertook to preserve the value of the charities and preserve the names within its accounts. These are endowment funds, where the capital is invested to generate income. Income from the Educational Foundation is restricted to educational purposes within the parish and income from the Eleanora Atherton Charity is available for the general purposes of the PCC, i.e. is unrestricted.

	<b>St Ann's Ecclesiastical Charity</b>	<b>St John's Educational Trust</b>	<b>Eleanora Atherton Trust</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Balance at 1 January	263,800	-	-	263,800
Donations to the PCC	-	25,118	142,128	167,246
Gains /(Losses) on investments	21,550	4,726	9,268	35,544
Balance at 31 December	<b>285,350</b>	<b>29,844</b>	<b>151,396</b>	<b>466,590</b>

**9d. SUMMARY OF RESTRICTED AND UNRESTRICTED FUNDS**

**The General Fund** represents the amount available to the PCC to meet its ongoing obligations, based on the assumption that restricted funds and designated funds are not available for general use. In accordance with recommended practice for charities the PCC aims for the General Fund to retain monies representing its financial reserve (see page 7). The PCC now assesses its reserve requirement at £96,000. At 31st December 2020 there was a General Fund balance of £50,606.

**Designated Funds**

From time to time the PCC receives donations or other income which, although unrestricted by the donor, is substantial and from such sources that the PCC consider it should be used for a specific project rather than for general running costs. Balances unspent in particular years are carried forward for future projects.

**Restricted Church Manager Fund**

Various grants were received to support the Church Manager post. These were expended on salary and on-costs. In future the costs of this post are expected to be met from general funds.

**Restricted Decorating Fund**

Donations and other income were received in prior periods relating specifically to decorating the church and maintaining furnishings. The balance of the fund at the end of the year is carried forward.

**Restricted Education & Training Fund**

Grants received in the past from the St John's Educational Trust are used to support educational projects. As outlined in note 5 (page 16) that charity has now been absorbed by the PCC.

future investment income from the related endowment will be added to this fund and used for educational projects.

**Restricted Exterior Fabric Fund**

A legacy from the late Ruth Gee established this fund 'for the maintenance and repair of the exterior fabric'. The balance of the fund at the end of the year is carried forward.

**Restricted Flowers Fund**

Donations are received specifically towards flower costs. The balance of the fund at the end of the year is carried forward.

**Restricted Heating Fund**

Donations received towards the cost of heating repairs will be carried forward until there is sufficient to pay for the project.

**Restricted Homelessness Fund**

Various grants and donations are received to support homelessness projects. The balance of the fund at the end of the year is carried forward.

**Restricted Music Fund**

Donations, grants and other income is received specifically towards running costs of the choir and music services, including grants from the John Pilling Trust to fund organ scholars and other musical activities. The balance of the fund at the end of the year is carried forward.

**Restricted Organ Fund**

Donations and other income is received relating specifically to maintenance of the organ. Funds are retained for future costs of a major cleaning project.

**10 PENSION SCHEME**

St Ann's PCC participates in the 'Pension Builder Scheme' section of the Church Workers' Pension Fund (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 employer and other participating employers. The CWPF has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

**Pension Builder Scheme**

The Pension Builder Scheme of the Church Workers Pension Fund is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes:

Pension Builder Classic provides a pension for members for payment from retirement, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Bonuses may also be declared, depending upon the investment returns and other factors. Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age. There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable (**2020: £2,677, 2019: £2,745**).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent was carried out as at 31 December 2016. A valuation as at 31 December 2019 was under way as at 31 December 2020. For the Pension Builder Classic section, the valuation revealed a deficit of £14.2m on the ongoing assumptions used. At the most recent annual review, the Board chose not to grant a discretionary bonus, which will have acted to improve the funding position. There is no requirement for deficit payments at the current time. For the Pension Builder 2014 section, the valuation revealed a surplus of £1.8m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails St Ann's PCC could become responsible for paying a share of that employer's pension liabilities.

The actuarial valuation at 31st December 2019 specifically for St Ann's PCC, indicates that the PCC may have a liability to contribute a lump sum should all employees of the PCC leave the scheme. At 31st December 2019 it is estimated that the amount due would have been £28,400 plus cessation costs - a typical level of expenses for this would be of the order of £4,000 plus VAT.