

# Annual Report and Accounts 2021





# Annual Report and Accounts of the Parochial Church Council 2021



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*Front cover: The image by Craig Barker was used for the PCC's Covid Recovery fundraising. Details from [www.craigbarker.uk](http://www.craigbarker.uk).*



## Foreword

Canon Nigel Ashworth, Rector



In the three-hundred year and more history of St Ann's Church the years of the coronavirus epidemic have been unprecedented.

Churches across the country actually closed down early in 2020. Throughout that first year we weathered various permutations of lockdown and a range of restrictions on our personal lives. The ubiquitous face-coverings and what quickly came to be called 'social distancing' marked our interactions with people outside the home.

The collapse in economic life was mirrored by the deterioration so many experienced in their mental health. This is shadowing many lives even now, over two years since the outbreak.

Despite all this the church was able to continue its life of worship and witness, partly through holding worship online using Zoom. As soon as we were allowed St Ann's opened its doors again to the public – and resumed 'in-person' worship. Restrictions on singing and having to sit apart from one another were inhibitors, as was the suspension of the common cup in Holy Communion. It felt to the church community to be extremely vital to maintain our existence as a worshipping community.

Throughout 2021, the year reported on in this Annual Report, St Ann's has struggled to re-establish its life as a church. Our congregational strength has not yet fully returned. Our ability to hold events, important for fundraising and outreach, has been hard to build up. We are not yet seeing weddings in the numbers we used to. Far fewer people are around in the city centre and so our visitor numbers are down considerably. All of this means that our

income is reduced as well. Consequently, the PCC has not been able to pay its full contribution to the financial capacity of the diocese. Unfortunately, many of our sister parishes are in similar circumstances.

This Report presents the figures in the shape of our Accounts. We also highlight the way in which the PCC is tackling a legal problem which we believe we have to address. There is some analysis of the numbers who attend Sunday services over the past ten years.

I close by paying tribute to the way in which the PCC has charted its course through extremely challenging times with much good humour, faithfulness and determination. Along with all the staff, musicians, worshippers and volunteers who make up the St Ann's family, there is much indeed to be thankful for.



### New Year Honour

On September 12th a special event gave us all a lot of pleasure when HM Lord Lieutenant for Greater Manchester, Sir Warren Smith, came to the church to present our Verger Paul Campion with his British Empire Medal.

Paul had been named for the award in the Queen's New Year Honours list at the start of the year.

*Photography: Nigel Ashworth by Dani Cole / The Mill. Paul Campion by Ottmar Morett.*

## 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 *Rector*

The Revd Sydwell Isaac *Curate*

The Revd Pete Horlock *Business Community Missioner (until October)*

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

Jennifer Frew

Alan Green *from APCM 2021*

Michael Johnson *from APCM 2021*

Andrew Kyle

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

Jennifer Frew *re-elected APCM 2020*

Stacy Fox-Manning *from APCM 2021*

Andrew Kyle *from APCM 2021*

David Robinson *until APCM 2021*

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

Alan Green

Michael Johnson

Susan Soanes

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

Stacy Fox-Manning *elected APCM 2019* Ken Halliwell *re-elected APCM 2019*

Martin Gregson *elected APCM 2020*

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

Alan Davies *until APCM 2021*

Linda Norris *re-elected APCM 2020*

Dr James Hume *elected APCM 2020*

Sue Watson *co-opted June 2021*

**Elected Members serving until the APCM of 2024** *Term of office 2021 – 2024.*

Sarah Johnston *elected APCM 2021*

Susan Soanes *re-elected APCM 2021*

David Robinson *re-elected APCM 2021*

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 Fletcher *until July*

### PCC Secretary

Stacy Fox-Manning

### Electoral Roll Officer

Michael Johnson

### Safeguarding Co-ordinator

Andrew Kyle

### Bookkeeper

Alison Steadman

### Assistant Director of Music

Dr James Hume

### Associate Organ Scholar

Stephen Aldridge *from November*

St Ann's is not only an important building, but it is a worshipping community of Christians.

We are grateful to be able to gather together again.

We look forward to the full recovery of the city centre and to playing our part in its life.

Thank you to everyone who has continued to give their financial support during this period of recovery.

## St Andrew's Churchyard, Ancoats



Today's Parish of St Ann takes in the territory of a number of former parishes. One of these is the Parish of St Andrew's, Ancoats. The church used to stand on Travis Street just to the north-east of Piccadilly Station. The area was heavily bombed during the war and afterwards the parish never recovered its population. The church was closed and pulled down in 1959 and the site of the former church was sold in the mid-1960s. The churchyard, entirely surrounding the former church site, was retained as consecrated land by its first successor parish. Around 1,100 bodies are interred there.

The area around Piccadilly became part of our parish in 1993 when a re-organisation of boundaries took place. This brought the ownership of the churchyard land into St Ann's. Unfortunately, the incumbent and PCC were not made aware of this until late 2018. By then, the land was being used for unauthorized purposes.

The PCC is now engaged on a legal process to regain possession and obtain costs in respect of damages.



In order to support the costs of legal action, the PCC took the step of seeking the agreement of the Charity Commission to utilize funds from the St Ann's Ecclesiastical Charity under the provisions of Section 282 of the Charities Act 2011. The fund is an historic endowment which has provided income to support the work of St Ann's.

The Commission concurred with the PCC's decision. Accordingly, this is reflected in the Annual Accounts on pages 20 - 22 which shows a part of an endowment fund has been realized to support the PCC's action.



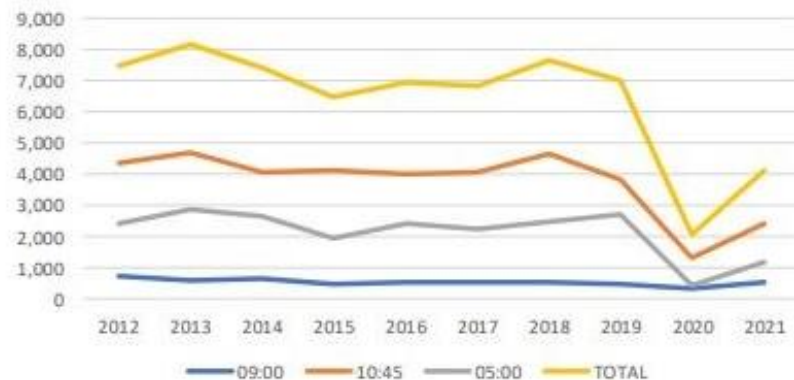
## Sunday Attendance

The church keeps a record of attendances at services. These graphs present total Sunday attendances over a ten-year period and then an average annual attendance for the three different Sunday services.

### Total Annual Sunday Attendance

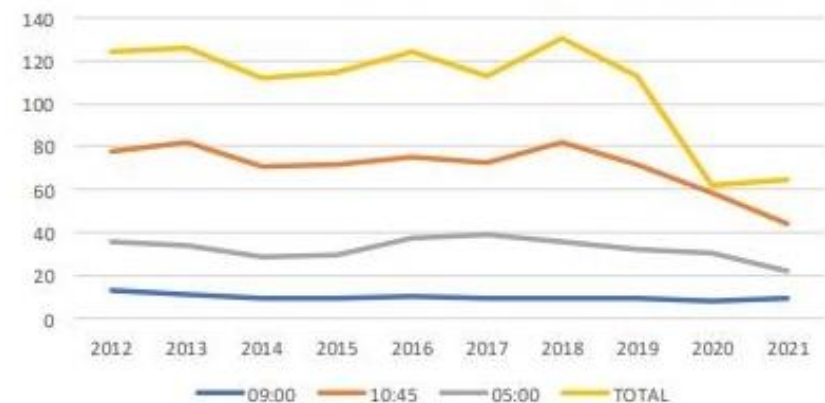
Over the last ten years there have been around 7,000 – 8,000 annual attendances at the usual Sunday services in St Ann's. The majority of these are for the 10.45 am service whilst the evening service and the 9.00 am service are less well attended in that order.

The total aggregated service attendance dropped massively in 2020 due to five months of not being able to hold services in the church.



### Median Annual Sunday Attendance

The median attendance values on Sundays for each of the last ten years show a downward trend over the last three years. The median average value was chosen to not distort the figures with occasional very well attended services like those running up to Christmas. The median value represents the middle value if the congregation count for every service that went ahead was ranked in order of size.



### Conclusions

Median annual congregation numbers at the 10:45 am Sunday service have been falling slowly over the last three years. This has been made more pronounced by the pandemic. However, looking at the numbers at a monthly level, it is clear that over the course of 2021 figures have made some improvement.

## Financial review

The PCC is responsible for overseeing the finances of the church and 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 – signs of recovery in a challenging year

Income 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 £113,966 (2020: £102,281). By contrast the PCC's unrestricted income in the year before the pandemic was £141,189.

An appeal was made for a Covid Recovery Fund. This is ongoing – but by the end of 2021 the fund stood at £10,981. During 2022 the Fund will be applied into the PCC's General Fund. A welcome gift to support the work of the choir, intended for the purchase of equipment, was made during the year.

### 2021 Pressure on the General Fund

The year 2020 saw a collapse of income of around £60,000 on the previous year. As a result, total expenditure from the General Fund had to be severely curtailed by 47%, down from £156,317 in 2019 to £81,809 in 2020. During 2021 a measure of recovery allowed General Fund expenditure of £110,544. However, this is still 29% below the 2019 level. Against a background of rising costs this is a challenging scenario.

Because of the reduced income and the need to protect the capacity of the General Fund to continue basic operations, the decision was again made to not pay our Parish Share in full.

### 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. This assessment uses a formula which includes regular attendance and an assessment of the ability of the 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 2021 St Ann's Parish Share assessment was £65,250 and the PCC paid £32,625 (50%). In 2020 the assessment had been £62,154 and the PCC paid £15,600 (27.5%). In 2019, the last year before the pandemic, Parish Share of £73,600 was paid in full. The time of the pandemic is the only recent period when the PCC has been unable to make its full contribution towards diocesan finances.

### 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 net cost of staffing the church in 2021 was £35,741. In the previous year it had been £34,878. In 2019, the last year before the pandemic, staffing costs had stood at £36,045.

During some of 2021 the church Verger was 'on furlough' and so his employment was supported by the Coronavirus Job Retention Scheme to the amount of £4,624.

## Risk review and reserves policy

The PCC has 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 coronavirus pandemic. It was then 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 23).

### 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 in a 'normal' year, 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 £45,500.

Therefore, the PCC now assesses its reserve requirement at £97,500. At 31st December 2021 there was a General Fund balance of £57,742. This sum includes the result of the Covid Recovery Fund appeal.

## 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 April 24th 2022 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 10 to 23, 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: *April 24th 2022*

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 2021

		2021 Unrestricted	2021 Restricted	2021 Endowment	2021 TOTAL	2020 Unrestricted	2020 Restricted	2020 Endowment	2020 TOTAL
	Note	£	£	£	£	£	£	£	£
INCOME FROM	2								
I Donors at Church		87,932	13,595	-	101,527	60,199	7,841	-	68,040
II Outside Donors		5,699	9,300	-	14,999	28,325	19,795	167,246	215,366
III Fundraising activities		8,289	-	-	8,289	4,997	170	-	5,167
IV Charitable activities		3,683	-	-	3,683	1,503	-	-	1,503
V Investment income		8,363	867	-	9,230	7,257	425	-	7,682
<b>TOTAL INCOME</b>		<b>113,966</b>	<b>23,762</b>	<b>-</b>	<b>137,728</b>	<b>102,281</b>	<b>28,231</b>	<b>167,246</b>	<b>297,758</b>
EXPENDITURE ON	3								
VI Grants & Mission giving		25	3,400	-	3,425	25	1,433	-	1,458
VII Charitable activities		96,750	31,590	-	128,340	70,943	9,040	-	79,983
VIII Fundraising costs		4,965	807	-	5,772	2,645	199	-	2,844
IX Church administration		8,804	-	-	8,804	7,476	-	-	7,476
<b>TOTAL EXPENDITURE</b>		<b>110,544</b>	<b>35,797</b>	<b>-</b>	<b>146,341</b>	<b>81,089</b>	<b>10,672</b>	<b>-</b>	<b>91,761</b>
NET INCOME / (EXPENDITURE) BEFORE INVESTMENT GAINS / (LOSSES)		3,422	(12,035)	-	(8,613)	21,192	17,559	167,246	205,997
GAINS / (LOSSES) ON INVESTMENTS	5	-	-	66,025	66,025	-	-	35,544	35,544
<b>NET INCOME / (EXPENDITURE)</b>		<b>3,422</b>	<b>(12,035)</b>	<b>66,025</b>	<b>57,412</b>	<b>21,192</b>	<b>17,559</b>	<b>202,790</b>	<b>241,541</b>
TRANSFERS BETWEEN FUNDS		-	158,586	(158,586)	-	-	-	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>3,422</b>	<b>146,551</b>	<b>(92,561)</b>	<b>57,412</b>	<b>21,192</b>	<b>17,559</b>	<b>202,790</b>	<b>241,541</b>
BALANCES BROUGHT FORWARD	9	54,320	37,935	466,590	558,845	33,128	20,376	263,800	317,304
<b>BALANCES CARRIED FORWARD</b>		<b>57,742</b>	<b>184,486</b>	<b>374,029</b>	<b>616,257</b>	<b>54,320</b>	<b>37,935</b>	<b>466,590</b>	<b>558,845</b>

The Notes on pages 12 to 23 form part of these accounts.

# Parochial Church Council of St Ann's Manchester

## BALANCE SHEET as at 31st December 2021

	Note	2021 Unrestricted £	2021 Restricted £	2021 Endowment £	2021 TOTAL £	2020 Unrestricted £	2020 Restricted £	2020 Endowment £	2020 TOTAL £
<b>FIXED ASSETS</b>	<b>5</b>								
Investments		13,500	-	374,029	<b>387,529</b>	<i>13,500</i>	-	<i>466,590</i>	<i>480,090</i>
		<b>13,500</b>	-	<b>374,029</b>	<b>387,529</b>	<b>13,500</b>	-	<b>466,590</b>	<b>480,090</b>
<b>CURRENT ASSETS</b>	<b>6</b>								
Stock		361	-	-	<b>361</b>	<i>893</i>	-	-	<i>893</i>
Debtors		7,961	-	-	<b>7,961</b>	<i>3,687</i>	-	-	<i>3,687</i>
Cash at Bank		39,527	195,513	-	<b>235,040</b>	<i>42,851</i>	<i>38,148</i>	-	<i>80,999</i>
		<b>47,849</b>	<b>195,513</b>	-	<b>243,362</b>	<b>47,431</b>	<b>38,148</b>	-	<b>85,579</b>
<b>CREDITORS - Due Within One Year</b>	<b>7</b>								
Accruals & other creditors		3,607	11,027	-	<b>14,634</b>	<i>6,611</i>	<i>213</i>	-	<i>6,824</i>
		<b>3,607</b>	<b>11,027</b>	-	<b>14,634</b>	<b>6,611</b>	<b>213</b>	-	<b>6,824</b>
<b>NET CURRENT ASSETS</b>		<b>44,242</b>	<b>184,486</b>	-	<b>228,728</b>	<b>40,820</b>	<b>37,935</b>	-	<b>78,755</b>
<b>NET ASSETS</b>		<b>57,742</b>	<b>184,486</b>	<b>374,029</b>	<b>616,257</b>	<b>54,320</b>	<b>37,935</b>	<b>466,590</b>	<b>558,845</b>
<b>FUNDS</b>									
Unrestricted	<b>9a</b>	57,742	-	-	<b>57,742</b>	<i>54,320</i>	-	-	<i>54,320</i>
Restricted	<b>9b</b>	-	184,486	-	<b>184,486</b>	-	<i>37,935</i>	-	<i>37,935</i>
Endowment	<b>9c</b>	-	-	374,029	<b>374,029</b>	-	-	<i>466,590</i>	<i>466,590</i>
	<b>8</b>	<b>57,742</b>	<b>184,486</b>	<b>374,029</b>	<b>616,257</b>	<b>54,320</b>	<b>37,935</b>	<b>466,590</b>	<b>558,845</b>

Approved by the Parochial Church Council  
on April 24th 2022.

*Jennifer J. Frew*

Jennifer Frew – Vice Chairman

The Notes on pages 12 to 23 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 2021

	2021	2021	2021	2021	2020	2020	2020	2020
2. INCOME	Unrestricted	Restricted	Endowment	TOTAL	Unrestricted	Restricted	Endowment	TOTAL
	£	£	£	£	£	£	£	£
<b>I Donors at Church</b>								
Planned giving - Gift Aided	40,404	-	-	<b>40,404</b>	32,448	-	-	<b>32,448</b>
Planned giving - non-Gift Aided	480	-	-	<b>480</b>	480	-	-	<b>480</b>
Other giving - Gift Aided	6,267	2,500	-	<b>8,767</b>	5,804	180	-	<b>5,984</b>
Other giving	8,245	-	-	<b>8,245</b>	5,197	1,000	-	<b>6,197</b>
Tax recoverable	13,475	625	-	<b>14,100</b>	9,508	-	-	<b>9,508</b>
Collections at services	13,022	10,470	-	<b>23,492</b>	4,062	6,661	-	<b>10,723</b>
Church Boxes & Candle stands	6,039	-	-	<b>6,039</b>	2,700	-	-	<b>2,700</b>
	<b>87,932</b>	<b>13,595</b>	-	<b>101,527</b>	<b>60,199</b>	<b>7,841</b>	-	<b>68,040</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	-	<b>9,300</b>
Eleanor Atherton Trust	-	-	-	-	6,437	-	142,128	<b>148,565</b>
St John's Educational Trust	-	-	-	-	-	495	25,118	<b>25,613</b>
HMRC Job retention Scheme	4,624	-	-	<b>4,624</b>	8,119	-	-	<b>8,119</b>
St Andrews's Churchyard fees	-	-	-	-	1,300	-	-	<b>1,300</b>
LPW VAT Scheme	1,075	-	-	<b>1,075</b>	1,469	-	-	<b>1,469</b>
Legacies	-	-	-	-	1,000	10,000	-	<b>11,000</b>
	<b>5,699</b>	<b>9,300</b>	-	<b>14,999</b>	<b>28,325</b>	<b>19,795</b>	<b>167,246</b>	<b>215,366</b>



## Parochial Church Council of St Ann's Manchester

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st December 2021

	2021	2021	2021	2021	2020	2020	2020	2020
2. INCOME (cont)	Unrestricted	Restricted	Endowment	TOTAL	Unrestricted	Restricted	Endowment	TOTAL
	£	£	£	£	£	£	£	£
<b>III Income from Fundraising Activities</b>								
Recitals & events	4,895	-	-	<b>4,895</b>	<i>1,685</i>	-	-	<b><i>1,685</i></b>
Café, refreshments, retail	2,817	-	-	<b>2,817</b>	<i>3,312</i>	<i>170</i>	-	<b><i>3,482</i></b>
Church Fairs	577	-	-	<b>577</b>		-	-	<b>-</b>
	<b>8,289</b>	-	-	<b>8,289</b>	<b><i>4,997</i></b>	<b><i>170</i></b>	-	<b><i>5,167</i></b>
<b>IV Income from Charitable Activities</b>								
Facilities Fees	1,649	-	-	<b>1,649</b>	<i>810</i>	-	-	<b><i>810</i></b>
Statutory Fees - weddings & funerals	2,034	-	-	<b>2,034</b>	<i>693</i>	-	-	<b><i>693</i></b>
	<b>3,683</b>	-	-	<b>3,683</b>	<b><i>1,503</i></b>	-	-	<b><i>1,503</i></b>
<b>V Investment Income</b>								
Dividends - Ecclesiastical investments	8,362	867	-	<b>9,229</b>	<i>7,106</i>	<i>425</i>	-	<b><i>7,531</i></b>
Interest - other investments	1	-	-	<b>1</b>	<i>151</i>	-	-	<b><i>151</i></b>
	<b>8,363</b>	<b>867</b>	-	<b>9,230</b>	<b><i>7,257</i></b>	<b><i>425</i></b>	-	<b><i>7,682</i></b>
<b>TOTAL INCOME</b>	<b>113,966</b>	<b>23,762</b>	-	<b>137,728</b>	<b><i>102,281</i></b>	<b><i>28,231</i></b>	<b><i>167,246</i></b>	<b><i>297,758</i></b>

## Parochial Church Council of St Ann's Manchester

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st December 2021

3. EXPENDITURE	2021 Unrestricted	2021 Restricted	2021 Endowment	2021 TOTAL	2020 Unrestricted	2020 Restricted	2020 Endowment	2020 TOTAL
	£	£	£	£	£	£	£	£
<b>VI Grants &amp; Mission giving</b>								
Pilling Scholars / music grants	-	2,400	-	2,400	-	1,300	-	1,300
Church organisations & charities	25	1,000	-	1,025	25	133	-	158
	<b>25</b>	<b>3,400</b>	-	<b>3,425</b>	<b>25</b>	<b>1,433</b>	-	<b>1,458</b>
<b>VII Charitable Activities</b>								
Ministry - Parish Share	32,625	-	-	32,625	15,600	-	-	15,600
Clergy expenses	490	-	-	490	1,113	-	-	1,113
Rectory council tax & expenses	2,243	-	-	2,243	2,055	-	-	2,055
Church electricity/gas/water	4,668	-	-	4,668	2,317	-	-	2,317
- Cleaning / hygiene	555	-	-	555	584	-	-	584
- Minor repairs/ servicing	2,124	1,176	-	3,300	3,011	-	-	3,011
- Organ maintenance	-	2,199	-	2,199	-	1,064	-	1,064
- Choir / Music	-	735	-	735	-	614	-	614
- Parish training & mission	57	-	-	57	45	302	-	347
- insurance	8,670	-	-	8,670	8,791	-	-	8,791
- security	720	-	-	720	1,019	-	-	1,019
Church services	1,423	80	-	1,503	677	-	-	677
Legal fees	-	25,000	-	25,000	-	-	-	-
Employment - Verger & Church Manager	35,741	-	-	35,741	31,545	3,333	-	34,878
Honoraria - Director of Music & assistant	7,434	2,400	-	9,834	4,186	3,727	-	7,913
	<b>96,750</b>	<b>31,590</b>	-	<b>128,340</b>	<b>70,943</b>	<b>9,040</b>	-	<b>79,983</b>

## Parochial Church Council of St Ann's Manchester

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st December 2021

3. EXPENDITURE (cont)	2021 Unrestricted £	2021 Restricted £	2021 Endowment £	2021 TOTAL £	2020 Unrestricted £	2020 Restricted £	2020 Endowment £	2020 TOTAL £
<b>VIII Fundraising costs</b>								
Café, refreshments & retail	1,150	-	-	1,150	617	-	-	617
Flower Stall	3,488	-	-	3,488	1,134	-	-	1,134
Contactless giving / envelope scheme	303	-	-	303	264	199	-	463
Cost of events (Incl Performing rights)	24	807	-	831	630	-	-	630
	<b>4,965</b>	<b>807</b>	-	<b>5,772</b>	<b>2,645</b>	<b>199</b>	-	<b>2,844</b>
<b>IX Church administration</b>								
Printing, Stationery, postage, telephone	2,954	-	-	2,954	2,038	-	-	2,038
Computer software licenses	301	-	-	301	507	-	-	507
Sundries	170	-	-	170	-	-	-	-
Bank Charges	5,379	-	-	5,379	68	-	-	68
Accountancy / Independent Examination	8,804	-	-	8,804	4,863	-	-	4,863
					<b>7,476</b>	-	-	<b>7,476</b>
<b>TOTAL EXPENDITURE</b>	<b>110,544</b>	<b>35,797</b>	-	<b>146,341</b>	<b>81,089</b>	<b>10,672</b>	-	<b>91,761</b>
<b>4. STAFF COSTS</b>				<b>2021 £</b>				<b>2020 £</b>
Wages and Salaries				33,008				32,201
Pension				2,733				2,677
National Insurance				-				-
Director of Music & Assistants fees				9,834				7,913
				<b>45,575</b>				<b>42,791</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 2021

<b>5. FIXED ASSET INVESTMENTS</b>	<b>2021</b>	<b>2021</b>	<b>2021</b>	<b>2020</b>	<b>2020</b>	<b>2020</b>
	Unrestricted	Endowment	TOTAL	Unrestricted	Endowment	TOTAL
	£	£	£	£	£	£
Market Value 1 January	13,500	466,590	<b>480,090</b>	13,500	263,800	<b>277,300</b>
Acquisitions	-	(158,586)	<b>(158,586)</b>	-	167,246	<b>167,246</b>
Net gains / (losses) on revaluation	-	66,025	<b>66,025</b>	-	35,544	<b>35,544</b>
Market Value 31 December	<b>13,500</b>	<b>374,029</b>	<b>387,529</b>	<b>13,500</b>	<b>466,590</b>	<b>480,090</b>

### Investments are held as follows

	No. of units held	Value per unit	2021	2021	2021	2020	2020	2020
	at year end		Unrestricted	Endowment	TOTAL	Unrestricted	Endowment	TOTAL
			£	£	£	£	£	£
National Savings Income Bonds	13,500	£1.0000	13,500	-	<b>13,500</b>	13,500	-	<b>13,500</b>
CCLA Church of England Funds:								
CBF Investment Fund Income shares	7,970.00	£23.3867	-	186,392	<b>186,392</b>	-	162,960	<b>162,960</b>
COIF Investment Fund Income shares	8,425.58	£20.5368	-	173,034	<b>173,034</b>	-	151,396	<b>151,396</b>
Investment Fund Accumulation shares	-	£58.3233	-	-	-	-	115,817	<b>115,817</b>
Property Fund shares	-	£1.4559	-	-	-	-	24,166	<b>24,166</b>
Income fund Accumulation shares	2,623.78	£5.5657	-	14,603	<b>14,603</b>	-	12,251	<b>12,251</b>
			<b>13,500</b>	<b>374,029</b>	<b>387,529</b>	<b>13,500</b>	<b>466,590</b>	<b>480,090</b>

The PCC has charitable endowments derived from two closed registered charities, The Manchester St Ann's Educational Foundation (also known as St John's Educational Trust) and The Charity of Eleanor Atherton. Income from the investments related to the Educational Foundation former charity are used for educational purposes within the parish and income from the investments related to the Atherton Charity are available for the general purposes of the PCC.

The PCC is also the beneficial trustee of an endowment charity deriving from two schools of former city centre parishes. This is the St Ann Ecclesiastical Charity. The Diocesan Board of Finance has the role of Custodian Trustee.

Further details regarding the endowment funds are given in note 9c on page 21.



# Parochial Church Council of St Ann's Manchester

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st December 2021

	2021	2021	2021	2021	2020	2020	2020	2020
	Unrestricted	Restricted	Endowment	TOTAL	Unrestricted	Restricted	Endowment	TOTAL
	£	£	£	£	£	£	£	£
<b>6. CURRENT ASSETS</b>								
<b>Stocks</b>								
Gifts/Cards supplies	361	-	-	361	893	-	-	893
	<b>361</b>	-	-	<b>361</b>	<b>893</b>	-	-	<b>893</b>
<b>Debtors</b>								
Income tax recoverable	1,803	-	-	1,803	2,680	-	-	2,680
Other income receivable	6,158	-	-	6,158	1,007	-	-	1,007
	<b>7,961</b>	-	-	<b>7,961</b>	<b>3,687</b>	-	-	<b>3,687</b>
<b>Bank</b>	<b>39,527</b>	<b>195,513</b>	-	<b>235,040</b>	<b>42,851</b>	<b>38,148</b>	-	<b>80,999</b>
<b>TOTAL CURRENT ASSETS</b>	<b>47,849</b>	<b>195,513</b>	-	<b>243,362</b>	<b>47,431</b>	<b>38,148</b>	-	<b>85,579</b>
<b>7. LIABILITIES - due within one year</b>								
Accruals & deferred income	3,134	11,027	-	14,161	4,901	213	-	5,114
PAYE/NI	-	-	-	-	1,284	-	-	1,284
Pension Fund	473	-	-	473	426	-	-	426
<b>TOTAL CURRENT LIABILITIES</b>	<b>3,607</b>	<b>11,027</b>	-	<b>14,634</b>	<b>6,611</b>	<b>213</b>	-	<b>6,824</b>
<b>8. ANALYSIS OF NET ASSETS BY FUND</b>								
Fixed Assets	13,500	-	374,029	387,529	13,500	-	466,590	480,090
Current Assets	47,849	195,513	-	243,362	47,431	38,148	-	85,579
Current Liabilities	(3,607)	(11,027)	-	(14,634)	(6,611)	(213)	-	(6,824)
	<b>57,742</b>	<b>184,486</b>	<b>374,029</b>	<b>616,257</b>	<b>54,320</b>	<b>37,935</b>	<b>466,590</b>	<b>558,845</b>

**9a UNRESTRICTED FUNDS**

	<b>Festivals £</b>	<b>Flowers £</b>	<b>Covid Recovery £</b>	<b>GENERAL £</b>	<b>Total £</b>
<b>INCOME</b>					
I Donors at Church	-	-	9,930	78,002	<b>87,932</b>
II Outside Donors	-	-	-	5,699	<b>5,699</b>
III Income from Fundraising activities	-	-	1,061	7,228	<b>8,289</b>
IV Income from Charitable activities	-	-	-	3,683	<b>3,683</b>
V Investment income	-	-	-	8,363	<b>8,363</b>
<b>TOTAL INCOME</b>	-	-	<b>10,991</b>	<b>102,975</b>	<b>113,966</b>
<b>EXPENDITURE</b>					
VI Grants & Mission giving	-	-	-	25	<b>25</b>
VII Charitable activities	-	-	-	96,750	<b>96,750</b>
VIII Fundraising costs	-	-	10	4,955	<b>4,965</b>
IX Church administration	-	-	-	8,804	<b>8,804</b>
<b>TOTAL EXPENDITURE</b>	-	-	-	<b>8,804</b>	<b>8,804</b>
<b>NET INCOME / (EXPENDITURE)</b>	-	-	<b>10</b>	<b>110,534</b>	<b>110,544</b>
<b>TRANSFERS IN / (OUT)</b>	(3,353)	(361)	-	3,714	-
<b>NET MOVEMENT IN FUNDS</b>	<b>(3,353)</b>	<b>(361)</b>	<b>10,981</b>	<b>(3,845)</b>	<b>3,422</b>
<b>BALANCES BROUGHT FORWARD</b>	3,353	361	-	50,606	<b>54,320</b>
<b>BALANCES CARRIED FORWARD</b>	-	-	<b>10,981</b>	<b>46,761</b>	<b>57,742</b>

# Parochial Church Council of St Ann's Manchester

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st December 2021

### 9b RESTRICTED FUNDS

	Organ £	Music £	Choir Support £	Homelessness £	Education & Training £	Flowers £	Heating £	Land & Property	Exterior Fabric	Decorating £	Total £
<b>INCOME</b>											
I Donors at Church	20	-	10,000	400	-	50	3,125	-	-	-	13,595
II Outside Donors	-	9,300	-	-	-	-	-	-	-	-	9,300
III Income from Fundraising activities	-	-	-	-	-	-	-	-	-	-	-
IV Income from Charitable activities	-	-	-	-	-	-	-	-	-	-	-
V Investment income	-	-	-	-	867	-	-	-	-	-	867
<b>TOTAL INCOME</b>	<b>20</b>	<b>9,300</b>	<b>10,000</b>	<b>400</b>	<b>867</b>	<b>50</b>	<b>3,125</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,762</b>
<b>EXPENDITURE</b>											
VI Grants & Mission giving	-	2,400	-	1,000	-	-	-	-	-	-	3,400
VII Charitable activities	2,199	3,215	-	-	-	-	-	25,000	1,176	-	31,590
VIII Fundraising costs	-	807	-	-	-	-	-	-	-	-	807
IX Church administration	-	-	-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURE</b>	<b>2,199</b>	<b>6,422</b>	<b>-</b>	<b>1,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,000</b>	<b>1,176</b>	<b>-</b>	<b>35,797</b>
<b>NET INCOME / (EXPENDITURE)</b>	<b>(2,179)</b>	<b>2,878</b>	<b>10,000</b>	<b>(600)</b>	<b>867</b>	<b>50</b>	<b>3,125</b>	<b>(25,000)</b>	<b>(1,176)</b>	<b>-</b>	<b>(12,035)</b>
<b>TRANSFERS IN / (OUT)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>158,586</b>	<b>-</b>	<b>-</b>	<b>158,586</b>
<b>NET MOVEMENT IN FUNDS</b>	<b>(2,179)</b>	<b>2,878</b>	<b>10,000</b>	<b>(600)</b>	<b>867</b>	<b>50</b>	<b>3,125</b>	<b>133,586</b>	<b>(1,176)</b>	<b>-</b>	<b>146,551</b>
<b>BALANCES BROUGHT FORWARD</b>	<b>8,812</b>	<b>8,840</b>	<b>-</b>	<b>1,828</b>	<b>4,071</b>	<b>64</b>	<b>7,989</b>	<b>-</b>	<b>5,000</b>	<b>1,331</b>	<b>37,935</b>
<b>BALANCES CARRIED FORWARD</b>	<b>6,633</b>	<b>11,718</b>	<b>10,000</b>	<b>1,228</b>	<b>4,938</b>	<b>114</b>	<b>11,114</b>	<b>133,586</b>	<b>3,824</b>	<b>1,331</b>	<b>184,486</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 1990's. The objects of the fund is "furthering the religious and other charitable work in the Parish". During 2021, the Charity Commission gave its permission for a portion of this endowment to be released to be used by the PCC for restricted purposes in relation to land and property.

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 1st January	285,350	29,844	151,396	466,590
Transfer to restricted funds	(158,586)	-	-	(158,586)
Gains /(Losses) on investments	40,095	4,291	21,639	66,025
Balance at 31st December	<b>166,859</b>	<b>34,135</b>	<b>173,035</b>	<b>374,029</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 8). The PCC now assesses its reserve requirement at £97,500. At 31st December 2021 there was a General Fund balance of £46,761.

**Designated Funds**

From time to time the PCC receives income which is not restricted to prescribed uses but which it considers should be used for a specific project. Year-end balances are carried forward for future projects.

**Restricted Choir Support Fund**

A donation to support the ministry of the choir, intended for the provision of equipment, was received during the year.

**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**

Investment income from the St John's Education Trust is available to support educational projects. 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. Any balance of the fund at the end of the year is carried forward.

**Restricted Land and Property Fund**

During 2021, with the approval of the Charity Commission, the PCC released funds from the Ecclesiastical Endowments to support expenditure related to land and property.

**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. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers. The Fund has two sections: (1) the Defined Benefits Scheme, and (2) the Pension Builder Scheme, which has two subsections:

- a) a deferred annuity section known as Pension Builder Classic, and,
- b) a cash balance section known as Pension Builder 2014.

### Pension Builder Scheme

Both sections of the Pension Builder Scheme are classed as defined benefit schemes: **Pension Builder Classic** provides a pension, 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. Discretionary increases may also be added, depending on investment returns and other factors. **Pension Builder 2014** is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age sixty five. 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 on page 16 are the contributions payable (2021: £2,733, 2020: £2,677).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31st December 2019. The next valuation is due at 31st December 2022. For the Pension Builder Classic section, the valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review, the Board chose to grant a discretionary bonus of 3% following improvements in the funding position over 2021. There is no requirement for deficit payments at the current time. For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used.

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

The actuarial valuation at 31st December 2019 specifically for St Ann's PCC, indicated that the PCC may have a liability to contribute a lump sum should all employees of the PCC leave the scheme. On that date it was 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.