

ST LEONARD'S CHURCH, MIDDLETON

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

**WRIGLEY PARTINGTON
Chartered Accountants
Sterling House
501 Middleton Road
Chadderton
Oldham
OL9 9LY**

ST LEONARD'S CHURCH, MIDDLETON

REPORT OF THE PAROCHIAL CHURCH COUNCIL : YEAR ENDED 31 DECEMBER 2020

Administrative Information

St Leonard's Church is situated in Middleton. It is part of the Diocese of Manchester within the Church of England and is within the Deanery of Heywood and Middleton. The Parochial Church Council is a charity registered with the Charity Commission under reference 1147214.

PCC members who have served during the year are:

Incumbent: The Reverend A M Bailie (ex officio)

Curate: The Reverend F Jackson (ex officio)
The Reverend D E Brooks (ex officio)
The Reverend H A Bridle (ex officio) (from 23 September 2020)
The Reverend J C Powell (ex officio) (until 15 March 2020)

Churchwardens: Mr D Brennan Miss C J Swailes

Elective Members:

Mrs H Bakht (from 27 October 2020)	Mrs S Jennings (from 27 October 2020)
Mrs F Caine (until 27 October 2020)	Mrs V Phillipson (Secretary)
Mr P Caine (until 27 October 2020)	Mr A Slim (Treasurer)
Mrs C Callan	Mrs M Slim (Deanery Synod)
Mr P Carr	Mrs D Taylor
Mrs K Hamnett	Mr R Taylor
Mr P Hamnett	Mr J Wilson (until 8 April 2020)

Structure, governance, management, objectivities and activities

The PCC's duties and obligations are set out in the Parochial Church Councils (Powers) Measure 1956 (as amended). The method of appointment of PCC members is set out in the Church Representation Rules. All church attendees are encouraged to register on the Electoral Roll and stand for election to the PCC.

St Leonard's PCC has the responsibility of co-operating with the Rector and Assistant Clergy in promoting in the parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical.

In the opinion of the trustees the objects of promoting justice, equality, peace and understanding in the local community and more widely in society is wholly consistent with the Charity Commission definition of "public benefit".

Achievements and performance

The Covid19 pandemic had a major impact during the year, with lockdowns preventing acts of worship being held for several months, and social distancing guidelines limiting attendance when worship was possible. Licence income from the Old Grammar School ceased, and most PCC meetings had to be held 'virtually' using Zoom technology.

Electoral roll and church attendance

The Electoral Roll reported to the APCM in October 2020 (April 2019) was 85 (83) of whom 33 (33) lived in the Parish and 52 (50) outside. The total attendance counted in October 2020 (2019) in accordance with Church of England Diocesan requirements at all services (including Harvest Festival, School Service and Baptisms) was 124 (828) adults and 7 (561) children under 16. The average weekly Sunday attendance (excluding baptisms and school harvest) was not calculated (2019: 124 adults and 30 children under 16). The total number of 'attenders' was not recorded (2019: 89 adults and 23 children aged under 16 registered for the groups in the Contact Service).

REPORT OF THE PAROCHIAL CHURCH COUNCIL : YEAR ENDED 31 DECEMBER 2020 continued

Review of the year

The full PCC had 17 (18) members in 2020 (2019) and met 5 (6) times during the year with an average level of attendance of 10 (13). Committees met between meetings and reports of these meetings were received by the full PCC. Reports of the mission, ministry and activities of the church and a report from the Rector are given in a separate report at the APCM and are circulated to all members on the Electoral Roll and other church attenders.

Financial review

The total receipts on ordinary unrestricted funds were £79,480 (2019 : £95,479) whilst receipts on restricted and endowment funds were £9,725 (2019 : £231,769).

£91,810 (2019 : £107,070) was spent to provide the Christian Ministry from St Leonard's Church including the contribution to the diocesan parish share of £36,500 (2019 : £50,000) out of £36,500 (£50,000) requested, representing 100% (100%) of the total. The Parish Share is a voluntary contribution and not a legal debt, and largely provides for clergy stipends, housing and pensions, as well as Diocesan and national Church of England expenses. Under a new Diocesan scheme, the Parish Share requested for the next year has been agreed as £38,000.

The net result for the year was an excess of ordinary unrestricted expenditure over income of £12,330 (2019 : deficit of £11,591). The scheme of repairs commenced in 2018 was completed during the year with payment of the final 'retention' invoice, and around £13,000 of restricted funds was used to meet the year's expenditure. The overall result for the year was therefore an excess of expenditure over income of £31,089 (2019: deficit £142,851) whilst there was an unrealised gain on investment assets of £9,909 (2019 : gain of £22,630).

The balances carried forward at 31 December 2020 were £18,926 on unrestricted funds, £137,641 on restricted funds and £192,455 on endowment funds.

Reserves policy

It is PCC policy to endeavour to maintain a balance on unrestricted funds equating to approximately six months payments to cover situations which may arise from time to time. In addition it is felt appropriate to build up a further sum to cover property repairs, maintenance and security. The carried forward balance of unrestricted funds equates to approximately two and a half months of the year's unrestricted expenditure.

Approved by the PCC and signed on their behalf by



Rev Alison M Bailie (Chairman)

Chairman of the Parochial Church Council
Middleton Parish Church
St Leonard's Square
Middleton
Manchester

PAROCHIAL CHURCH COUNCIL OF ST LEONARD'S, MIDDLETON

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

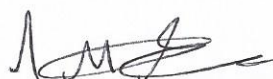
	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £	2019 £
INCOMING RESOURCES						
Voluntary income	2a	68,304	4,618	-	72,922	290,653
Activities for generating funds	2b	-	-	-	-	2,752
Income from investments	2c	220	1,211	3,896	5,327	5,901
Income from church activities	2d	5,594	-	-	5,594	17,383
Other incoming resources	2e	5,362	-	-	5,362	10,559
TOTAL INCOMING RESOURCES		79,480	5,829	3,896	89,205	327,248
RESOURCES USED						
Fundraising costs	3a	-	-	-	-	374
Grants	3b	1,405	4,780	-	6,185	2,340
Activities directly relating to the work of the Church	3c	71,921	23,674	-	95,595	452,916
Church Management and administration	3d	18,514	-	-	18,514	14,469
Transfers between funds		(30)	30	-	-	-
		91,810	28,484	-	120,294	470,099
NET (OUTGOING) INCOMING RESOURCES		(12,330)	(22,655)	3,896	(31,089)	(142,851)
GAINS/ (LOSSES) ON INVESTMENTS:	5b	-	1,526	8,383	9,909	22,630
NET MOVEMENT IN FUNDS		(12,330)	(21,129)	12,279	(21,180)	(120,221)
BALANCES BROUGHT FORWARD		31,256	158,770	180,176	370,202	490,423
BALANCES CARRIED FORWARD	£	18,926	137,641	192,455	349,022	370,202

PAROCHIAL CHURCH COUNCIL OF ST LEONARD'S, MIDDLETON

BALANCE SHEET AT 31 DECEMBER 2020


	Note	2020 £	2019 £
FIXED ASSETS			
Tangible Fixed Assets	5a	3,201	3,263
Investment Assets	5b	<u>153,398</u> <u>156,599</u>	<u>143,489</u> <u>146,752</u>
CURRENT ASSETS			
Sundry Debtors	6	6,897	5,174
Short Term Deposits		139,428	135,419
Cash at Bank and in Hand		<u>50,593</u> <u>196,918</u>	<u>87,135</u> <u>227,728</u>
LIABILITIES			
Creditors falling due within one year	7	(4,495)	(4,278)
NET CURRENT ASSETS		<u>192,423</u>	<u>223,450</u>
NET ASSETS	8	£ <u>349,022</u>	£ <u>370,202</u>
FUNDS			
Unrestricted		18,926	31,256
Restricted	9	137,641	158,770
Endowment	9	<u>192,455</u> £ <u>349,022</u>	<u>180,176</u> £ <u>370,202</u>

Signed on behalf of the Parochial Church
Council on 18 May 2021



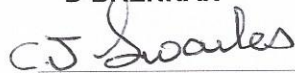
Rev A M BAILIE

Chairman



D BRENNAN

Churchwarden



C SWAILES

Churchwarden

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and with the Charities Act, except that no depreciation is provided on buildings (note 1). The financial statements have been prepared under the historical cost convention except for the valuation of buildings and investment assets, which are shown at market value. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of other church groups that owe their main affiliation to another body, nor those that are informal gatherings of church members.

Going concern

The accounts have been prepared on the going concern basis.

Funds

Endowment funds are funds, the capital of which must be maintained, only income arising from investments of the endowment may be used as unrestricted income.

Restricted funds are funds which may only be expended on the specific object for which they were given.

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

Incoming Resources

Voluntary income

Collections are recognised when received by or on behalf of the PCC.

Planned giving receivable under covenant is recognised only when received.

Income tax recoverable on covenants or gift aid donations is recognised in the period in which the donations giving rise to the claim are received.

Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement and the amount due.

Other ordinary income

Rental income from the letting of church premises is recognised when received.

Income from investments

Dividends and interest are accounted for when receivable.

1. **ACCOUNTING POLICIES (cont'd)**

Incoming Resources (cont'd)

Gains and losses on investments

Realised gains or losses are recognised when investments are sold.

Unrealised gains or losses are accounted for on revaluation of investments at 31 December.

Resources used

Donations

Donations are accounted for when paid over.

Activities directly relating to the work of the Church

The diocesan parish share is accounted for when payable. Any parish share unpaid at 31 December is provided for in these accounts as an operational (though not a legal) liability and is shown as a creditor in the balance sheet.

Fixed assets

Consecrated land and buildings and movable church furnishings

Consecrated and benefice property is excluded from the accounts in accordance with s.96(2)(a) of the Charities Act 1993.

No value is placed on movable church furnishings held by the churchwardens on special trust for the PCC which require a faculty for disposal since the PCC considers this to be inalienable property. All expenditure incurred during the year on consecrated or benefice buildings and movable church furnishings, whether maintenance or improvement, is written off as expenditure in the SOFA and separately disclosed.

Other fixtures, fittings and office equipment

Equipment used within the church premises is depreciated on a straight line basis over 5 years.

Investments

Investments are valued at market value at 31 December.

PAROCHIAL CHURCH COUNCIL OF ST LEONARD'S, MIDDLETON

NOTES TO THE FINANCIAL STATEMENTS TO 31 DECEMBER 2020 continued ..

2. INCOMING RESOURCES

	Unrestricted Funds £	Restricted Funds £	Total Funds	
			2020 £	2019 £
a) <u>Voluntary Income</u>				
Planned giving :				
Gift Aid donations (incl Gift Day)	26,998	504	27,502	32,487
Tax recoverable	7,499	250	7,749	11,175
Other	7,655	-	7,655	8,441
Collections	2,004	-	2,004	5,761
Donations	8,346	3,864	12,210	12,537
Grants	13,000	-	13,000	208,842
Legacies	-	-	-	9,100
Subscriptions	-	-	-	-
Miscellaneous	2,802	-	2,802	2,310
	<u>68,304</u>	<u>4,618</u>	<u>72,922</u>	<u>290,653</u>
b) <u>Activities for generating funds</u>				
Fund raising	-	-	-	2,752
Churchyard stones	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,752</u>
c) <u>Income from Investments</u>				
Dividends and interest	220	5,107	5,327	5,901
d) <u>Income from church activities</u>				
Hall Lettings	-	-	-	-
Fees	5,314	-	5,314	16,560
Organ and bell charges	-	-	-	50
Bookstall	-	-	-	100
Magazine	280	-	280	673
	<u>5,594</u>	<u>-</u>	<u>5,594</u>	<u>17,383</u>
e) <u>Other incoming resources</u>				
Churchyard fees	5,362	-	5,362	8,347
Miscellaneous income	-	-	-	239
Insurance claims	-	-	-	1,973
	<u>5,362</u>	<u>-</u>	<u>5,362</u>	<u>10,559</u>
<u>TOTAL INCOMING RESOURCES</u>	<u>79,480</u>	<u>9,725</u>	<u>89,205</u>	<u>327,248</u>

PAROCHIAL CHURCH COUNCIL OF ST LEONARD'S ,MIDDLETON

NOTES TO THE FINANCIAL STATEMENTS TO 31 DECEMBER 2020 continued ...

3. <u>RESOURCES USED</u>	Unrestricted Funds £	Restricted Funds £	Total Funds	
			2020 £	2019 £
a) <u>Fundraising costs</u>				
Fundraising	-	-	-	374
b) <u>Grants</u>				
Charitable giving	1,405	4,780	6,185	2,340
c) <u>Activities directly relating to the work of the Church</u>				
Ministry - Parish share	36,500	-	36,500	50,000
Clergy expenses	11	-	11	557
Rectory	1,591	-	1,591	58
Church running costs	31,544	10,418	41,962	388,789
Education and Evangelism	-	-	-	656
Churchyard	2,012	12	2,024	10,871
Miscellaneous	263	13,244	13,507	1,985
	<u>71,921</u>	<u>23,674</u>	<u>95,595</u>	<u>452,916</u>
d) <u>Administration</u>				
Administration	12,533	-	12,533	11,956
Old Grammar School costs	4,594	-	4,594	938
Legal and professional	564	-	564	1,258
Depreciation	823	-	823	317
	<u>18,514</u>	<u>-</u>	<u>18,514</u>	<u>14,469</u>
Total Resources Used	£ 91,840	28,454	120,294	470,099

4. **STAFF COSTS**

Wages and salaries	£ 12,735	£ 11,307
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5. a) **Tangible Fixed Assets**

	Freehold Land & Buildings	Equipment	Total
Cost/Valuation			
At 1 January 2020	1	13,650	13,651
Addition at Cost	-	761	761
Revaluation	-	-	-
Disposal	-	(4,040)	(4,040)
At 31 December 2020	<u>1</u>	<u>10,371</u>	<u>10,372</u>
Depreciation			
At 1 January 2020	-	10,388	10,388
On disposals	-	(4,040)	(4,040)
Charge for the year	-	823	823
At 31 December 2020	<u>-</u>	<u>7,171</u>	<u>7,171</u>
Net Book Value 31 December 2020	£ 1	3,200	3,201
31 December 2019	£ 1	3,262	3,263

PAROCHIAL CHURCH COUNCIL OF ST LEONARD'S, MIDDLETON

NOTES TO THE FINANCIAL STATEMENTS TO 31 DECEMBER 2020 continued ..

5. a) **Tangible Fixed Assets (cont'd)**

	2020	2019
	£	£
The land and buildings comprises :		
Old Grammar School	<u>1</u>	<u>1</u>

(i) The Old Grammar School was let to the Trustees of the Old Grammar School Trust for a period of 25 years from 9 December 1997 at an annual rent of one peppercorn and was therefore included in the accounts at £1 value until its reversion to the Church. Although the lease has now been surrendered, it is felt that the restrictions placed upon the building by its listing limit its market value and so the nominal valuation is retained for the time being.

(ii) The equipment was valued by the officers of the PCC as at 1 January 1997 and depreciation has been provided at 20% per annum on this valuation and subsequent additions.

5. b) **Investments**

7,502 (2019 : 7,502) shares in CBF Investment Fund:	£
Market value 1 January 2020	143,489
Unrealised gain/(loss) on revaluation	9,909
Market value 31 December 2020	£ <u>153,398</u>

6. **SUNDRY DEBTORS**

	2020	2019
	£	£
Amounts due within one year	<u>6,897</u>	<u>5,174</u>

7. **CREDITORS : AMOUNTS DUE WITHIN ONE YEAR**

	2020	2019
	£	£
Accruals and Deferred Income	4,495	4,278
Creditors for Goods and Levies	-	-
	<u>£ 4,495</u>	<u>4,278</u>

8. **ANALYSIS OF NET ASSETS BY FUND**

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total
	£	£	£	£
Fixed Assets	3,201	23,615	129,783	156,599
Net Current Assets	15,725	114,026	62,672	192,423
	<u>£ 18,926</u>	<u>137,641</u>	<u>192,455</u>	<u>349,022</u>

PAROCHIAL CHURCH COUNCIL OF ST LEONARD'S, MIDDLETON

NOTES TO THE FINANCIAL STATEMENTS TO 31 DECEMBER 2020 continued ..

9. FUND DETAILS

- (a) The Restricted Funds comprise the Friends of Middleton Parish Church Society, the Friends' Restoration Fund, the Flower Fund, the Charity Fund, the Muhindo Fund, the CUCMUK Fund, and the Organ Fund.

At 31 December 2020 the balances on the Restricted Funds were, as follows:

	£
Friends Society	124,576
Flower Fund	8,425
Charity Fund	878
Muhindo Fund	25
CUCMUK Fund	548
Organ Fund	3,188
2018 Scheme Fund	-
	£ <u>137,641</u>

- (b) The Endowment Funds consist of certain investments held under five separate trust funds administered by the Diocesan Board of Finance on behalf of the PCC. At 31 December 2020 the balances on these funds consisted of:

	£
6,347 shares in the CBF Investment Fund	129,783
Deposit accounts	62,672
	£ <u>192,455</u>

10. RELATED PARTY TRANSACTION

The Parish Administrator, Mrs M Brennan, is the wife of Churchwarden, D Brennan. Mr Brennan had taken no part in the decision to appoint his wife to this position, for which her remuneration in the year amounted to £9,800 (2019: £8,621).

PAROCHIAL CHURCH COUNCIL OF ST LEONARD'S, MIDDLETON

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF THE PCC

I hereby report on the financial statements of the Parochial Church Council of St Leonard, Middleton for the year ended 31 December 2020 which comprise the statement of financial activities, balance sheet and related notes, which are set out on pages 3 to 10. This report is in respect of an examination carried out in accordance with the Church Accounting Regulations 2016 (the Regulations) and section 145 of the Charities Act 2011 (the 2011 Act).

Respective responsibilities of the PCC and Examiner

As the members of the PCC and as trustees you are responsible for the preparation of the financial statements; you consider that an audit is not required for this year under s.144 of the 2011 Act and that an independent examination is needed. It is my responsibility to examine the accounts under section 145 of the 2011 Act, to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b)) of the 2011 Act and to state whether particular matters have come to my attention.

Basis of independent examiner's report

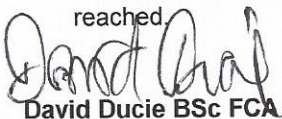
My examination was carried out in accordance with the General Directions given by the Charity Commission and to be found in Church Guidance 2016 edition. This examination includes a review of the accounting records kept by the PCC and a comparison of the accounts with those records. It also includes consideration of any unusual items or disclosures in the financial statements and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a true and fair view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

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

- the accounting records were not kept in accordance with section 130 of the 2011 Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a "true and fair" view which is not a matter considered as part of an independent examination.

I have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



David Ducie BSc FCA
Wrigley Partington
Chartered Accountants
Sterling House
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OL9 9LY

28 May 2021