

ST LEONARD'S CHURCH, MIDDLETON

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

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

REPORT OF THE PAROCHIAL CHURCH COUNCIL : YEAR ENDED 31 DECEMBER 2021

ST LEONARD'S CHURCH, MIDDLETON

REPORT OF THE PAROCHIAL CHURCH COUNCIL : YEAR ENDED 31 DECEMBER 2021 continued

Review of the year

The full PCC had 18 (17) members in 2021 (2020) and met 10 (5) times during the year with an average level of attendance of 13 (10). 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 of the Electoral Roll and other church attenders.

Financial review

The total receipts on ordinary unrestricted funds were £65,691 (2020: £79,480) whilst receipts on restricted and endowment funds were £7,190 (2020: £9,725).

£58,104 (2020: £91,810) was spent to provide the Christian Ministry from St Leonard's Church including the contribution to the diocesan parish share of £9,500 (2020: £36,500) out of £39,000 (£36,500) requested, representing 25% (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 £39,500.

The net result for the year was an excess of ordinary unrestricted expenditure over income of £7,587 (2020: excess £12,330). The overall result for the year was an excess of income over expenditure of £13,150 (2020: deficit £31,089) whilst there was an unrealised gain on investment assets of £22,293 (2020: gain of £9,909).

The balances carried forward at 31 December 2021 were £26,513 on unrestricted funds, £142,829 on restricted funds and £215,123 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 three and a half months of anticipated 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 2021

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £	2020 £
INCOMING RESOURCES						
Voluntary income	2a	52,103	2,297	-	54,400	72,922
Activities for generating funds	2b	-	-	-	-	-
Income from investments	2c	45	1,086	3,807	4,938	5,327
Income from church activities	2d	9,744	-	-	9,744	5,594
Other incoming resources	2e	3,799	-	-	3,799	5,362
TOTAL INCOMING RESOURCES		65,691	3,383	3,807	72,881	89,205
RESOURCES USED						
Fundraising costs	3a	-	-	-	-	-
Grants	3b	1,405	550	-	1,955	6,185
Activities directly relating to the work of the Church	3c	40,545	1,077	-	41,622	95,595
Church Management and administration	3d	16,154	-	-	16,154	18,514
Transfers between funds		-	-	-	-	-
		58,104	1,627	-	59,731	120,294
NET (OUTGOING) INCOMING RESOURCES		7,587	1,756	3,807	13,150	(31,089)
GAINS/ (LOSSES) ON INVESTMENTS:	5b	-	3,432	18,861	22,293	9,909
NET MOVEMENT IN FUNDS		7,587	5,188	22,668	35,443	(21,180)
BALANCES BROUGHT FORWARD		18,926	137,641	192,455	349,022	370,202
BALANCES CARRIED FORWARD	£	26,513	142,829	215,123	384,465	349,022

PAROCHIAL CHURCH COUNCIL OF ST LEONARD'S, MIDDLETON

BALANCE SHEET AT 31 DECEMBER 2021


	Note	2021 £	2020 £
FIXED ASSETS			
Tangible Fixed Assets	5a	2,295	3,201
Investment Assets	5b	<u>175,690</u> <u>177,985</u>	<u>153,398</u> <u>156,599</u>
CURRENT ASSETS			
Sundry Debtors	6	2,943	6,897
Short Term Deposits		143,250	139,428
Cash at Bank and in Hand		<u>63,582</u> <u>209,775</u>	<u>50,593</u> <u>196,918</u>
LIABILITIES			
Creditors falling due within one year	7	(3,295)	(4,495)
NET CURRENT ASSETS		<u>206,480</u>	<u>192,423</u>
NET ASSETS	8	£ <u>384,465</u>	£ <u>349,022</u>
FUNDS			
Unrestricted		26,513	18,926
Restricted	9	142,829	137,641
Endowment	9	<u>215,123</u> £ <u>384,465</u>	<u>192,455</u> £ <u>349,022</u>

Signed on behalf of the Parochial Church
Council on 22 May 2022



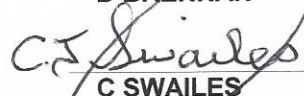
Chairman

Rev A M BAILIE



Churchwarden

D BRENNAN



Churchwarden

C SWAILES

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 when 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 2021 continued ...

2. <u>INCOMING RESOURCES</u>	Unrestricted Funds £	Restricted Funds £	Total Funds	
			2021 £	2020 £
a) <u>Voluntary Income</u>				
Planned giving :				
Gift Aid donations (incl Gift Day)	26,815	504	27,319	27,502
Tax recoverable	6,983	126	7,109	7,749
Other	7,898	-	7,898	7,655
Collections	1,632	-	1,632	2,004
Donations	6,285	1,667	7,952	12,210
Grants	-	-	-	13,000
Legacies	-	-	-	-
Subscriptions	-	-	-	-
Miscellaneous	2,490	-	2,490	2,802
	<u>52,103</u>	<u>2,297</u>	<u>54,400</u>	<u>72,922</u>
b) <u>Activities for generating funds</u>				
Fund raising	-	-	-	-
Churchyard stones	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
c) <u>Income from Investments</u>				
Dividends and interest	45	4,893	4,938	5,327
d) <u>Income from church activities</u>				
Hall Lettings	-	-	-	-
Fees	9,400	-	9,400	5,314
Organ and bell charges	300	-	300	-
Bookstall	36	-	36	-
Magazine	8	-	8	280
	<u>9,744</u>	<u>-</u>	<u>9,744</u>	<u>5,594</u>
e) <u>Other incoming resources</u>				
Churchyard fees	3,736	-	3,736	5,362
Miscellaneous income	63	-	63	-
Insurance claims	-	-	-	-
	<u>3,799</u>	<u>-</u>	<u>3,799</u>	<u>5,362</u>
<u>TOTAL INCOMING RESOURCES</u>	<u>65,691</u>	<u>7,190</u>	<u>72,881</u>	<u>89,205</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	
	£	£	2021	2019
			£	£
a) <u>Fundraising costs</u>				
Fundraising	-	-	-	-
b) <u>Grants</u>				
Charitable giving	1,405	550	1,955	6,185
c) <u>Activities directly relating to the work of the Church</u>				
Ministry - Parish share	9,500	-	9,500	36,500
Clergy expenses	-	-	-	11
Rectory	2,204	-	2,204	1,591
Church running costs	26,214	516	26,730	41,962
Education and Evangelism	111	-	111	-
Churchyard	2,516	20	2,536	2,024
Miscellaneous	-	541	541	13,507
	40,545	1,077	41,622	95,595
d) <u>Administration</u>				
Administration	11,770	-	11,770	12,533
Old Grammar School costs	2,322	-	2,322	4,594
Legal and professional	1,156	-	1,156	564
Depreciation	906	-	906	823
	16,154	-	16,154	18,514
Total Resources Used	£ 58,104	1,627	59,731	120,294
4. <u>STAFF COSTS</u>				
Wages and salaries			£ 13,258	£ 12,735
5. a) <u>Tangible Fixed Assets</u>				
		Freehold Land & Buildings	Equipment	Total
Cost/Valuation				
At 1 January 2021		1	10,371	10,372
Addition at Cost		-	-	-
Revaluation		-	-	-
Disposal		-	-	-
At 31 December 2021		1	10,371	10,372
Depreciation				
At 1 January 2021		-	7,171	7,171
On disposals		-	-	-
Charge for the year		-	906	906
At 31 December 2021		-	8,077	8,077
Net Book Value 31 December 2021	£	1	2,294	2,295
31 December 2020	£	1	3,200	3,201

PAROCHIAL CHURCH COUNCIL OF ST LEONARD'S, MIDDLETON

NOTES TO THE FINANCIAL STATEMENTS TO 31 DECEMBER 2021 continued ...

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

	2021	2020
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**

7,502.33 (2020 : 7,502.33) shares in CBF Investment Fund:	£
Market value 1 January 2021	153,398
Unrealised gain/(loss) on revaluation	22,292
Market value 31 December 2021	£ <u>175,690</u>

6. **SUNDRY DEBTORS**

	2021	2020
	£	£
Amounts due within one year	<u>2,943</u>	<u>6,897</u>

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

	2021	2020
	£	£
Accruals and Deferred Income	3,295	4,495
Creditors for Goods and Levies	-	-
	<u>£ 3,295</u>	<u>4,495</u>

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

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total
	£	£	£	£
Fixed Assets	2,295	27,047	148,643	177,985
Net Current Assets	24,218	115,782	66,480	206,480
	<u>£ 26,513</u>	<u>142,829</u>	<u>215,123</u>	<u>384,465</u>

PAROCHIAL CHURCH COUNCIL OF ST LEONARD'S, MIDDLETON

NOTES TO THE FINANCIAL STATEMENTS TO 31 DECEMBER 2021 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 2021 the balances on the Restricted Funds were, as follows:

	£
Friends Society	129,594
Flower Fund	8,314
Charity Fund	878
Muhindo Fund	25
CUCMUK Fund	698
Organ Fund	3,320
	<u>£ 142,829</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 2021 the balances on these funds consisted of:

	£
6,347.39 shares in the CBF Investment Fund	148,644
Deposit accounts	66,479
	<u>£ 215,123</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 (2020: £9,800).

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 2021 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.



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 June 2022