

Charity Registration No: 249927

**THE MOTHERS' UNION BLACKBURN DIOCESE
TRUSTEES' REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020**



THE MOTHERS' UNION BLACKBURN DIOCESE

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The Mothers' Union, Blackburn Diocese, Annual Report of the Trustees
For the year ended 31 December 2020

Legal and administrative information

The Trustees submit their report for The Mothers' Union, Blackburn Diocese for the year ended 31 December 2020.

Constitutional Arrangements

The Mothers' Union, Blackburn Diocese adheres to the Constitution of the Mothers' Union and works according to the Diocesan Regulations agreed 14 March 2002.

Trustees

The following persons have served as Trustees during the year 2020.

	Date of appointment	Completion of office
<i>Diocesan President</i>		
Enid Nutland	01 January 2010	
<i>Deputy President-Blackburn Archdeaconry</i>		
Jennifer Towers	01 September 2019	
<i>Deputy President-Lancaster Archdeaconry</i>		
Jane Brown	01 January 2016	
<i>Unit Co-ordinators</i>		
Gillian Ireland	01 January 2018	
Kath Bill	01 April 2019	
Maureen Rooney	01 January 2016	31 December 2020
<i>Presiding Members</i>		
Wendy Barber	01 January 2019	
Susan Boulton	01 January 2020	
Margaret Elizabeth Cookson	01 January 2019	
Christine Dawson-Brown ¹	01 January 2019	06 February 2021
Elaine Geldard	01 January 2016	
Yvonne Howarth	01 March 2016	
Elizabeth Johnston ²	01 January 2021	
Judith Kaye	01 January 2019	
Amanda Kroukamp	01 January 2015	31 December 2020
Patricia Rushton	01 January 2019	
Cheryl Sandford	01 January 2020	
Margaret Sims	01 April 2016	
Brenda Squires	01 January 2019	
<i>Diocesan Trustees</i>		
Sharon Bates	01 January 2016	
Ann Edwards	01 January 2016	
Kathleen Lane ³	01 January 2015	
Dorothy Martin	01 January 2016	

¹Resigned after the year end.

²Appointed after the year end.

³Appointed Diocesan Trustee 1 January 2021 following 6 years as Presiding Member Trustee.

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Legal and Administrative information continued

Bankers	Lloyds Bank plc Fishergate Preston Lancashire PR1 2JB
Independent Examiner	Mr P H Taaffe FCA CTA DChA BWM Castle Chambers 43 Castle Street Liverpool L2 9SH
Diocesan Secretary	Susan Willoughby The Beeches Bilsborrow Lane Bilsborrow Lancashire PR3 0RN
Diocesan Treasurer	Marion Barlow 27 Glenmore Clayton-le-Woods Lancashire PR6 7TA

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Structure, Governance and Management.

The Mothers' Union, Blackburn Diocese is an unincorporated charity registered under Royal Charter and whose work consists of following the Aim and Objects of the Mothers' Union by the advancement of the Christian Religion and by offering practical support for families throughout the Anglican Communion.

In this Diocese the President, Deputy Presidents, Presiding Members and Unit Co-ordinators are appointed to the Trustee Board. The President and Deputy Presidents are appointed by the Bishop of Blackburn in consultation with the trustees. The Presiding Members and Unit Co-ordinators are appointed by the Diocesan President in consultation with the relevant Area Dean and Unit Committees. The four Diocesan Trustees are elected by members of the Diocesan Council.

The Trustee Board meets four times a year to agree the broad strategy and areas of activity for the charity.

All trustees are expected to attend a training course which covers their roles and responsibilities during their term of office. They are also given copies of the Central and Diocesan Constitutions and a copy of the Charity Commission Booklet CC3 'The Essential Trustee: what you need to know' together with relevant diocesan information including a copy of the accounts.

The day-to-day work of the charity is delegated to the Diocesan Secretary and Treasurer. During 2020 the charity employed two members of staff.

Aim

The advancement of the Christian Religion in the sphere of marriage and family life.

Objects, Performance and Future Plans

1. To uphold Christ's teaching on the nature of marriage and to promote its wider understanding.
2. To encourage parents to bring up their children in the faith and life of the Church.
3. To maintain a worldwide fellowship of Christians united in prayer, worship and service.
4. To promote conditions in society favourable to stable family life and the protection of children.
5. To help those whose life has met with adversity.

In this Diocese there are three Units, which further the work of the Aim and Objects. They are Action and Outreach, Faith and Policy and, Fundraising and Communication. These Units are responsible for several sections to which various projects are allocated. E.g. Social Policy Issues, Worldwide Issues, Indoor Members Prayer Circle and Away From It All holidays. In practise the Units work together to address the Objects.

Work which was undertaken to fulfill these Objects included:

Action and Outreach

- **Away From It All Holiday Scheme (AFIA)**

Unfortunately, all holidays had to be cancelled in 2020 which was very disappointing for the families concerned. The holidays, for families in need of a break, are offered in the Blackburn Diocese Mothers' Union caravan on the Lancashire coast. (Object 5)

Plans for 2021 – to re-offer holidays in the caravan to the families whose holidays had been cancelled. To ensure Covid-19 safety the holidays would be offered on a week on, week off basis.

- to work towards the uptake of more holidays for families with preschool children.

- to research ways to offer day trips for families.

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- **Royal Lancashire Show**

The Royal Lancashire Show was cancelled in 2020.

Plans for 2021 – to take part in the Show, restrictions permitting. Mother's Union will have a presence in the Lifestyle Marquee and will display and sell Mothers' Union literature and items from the MU Enterprises Catalogue. This will provide an opportunity to promote Mothers' Union and its work. (Objects 1 – 5)

- **Refugees/Asylum Seekers**

Members of Lancaster and Morecambe Deanery continued to support the City of Sanctuary in Lancaster and were joined by members from the Garstang deanery. A large selection of hygiene and cleaning products, collected before March 2020, was delivered, before the first lockdown, to the City of Sanctuary for distribution to refugee families. Baby clothing has also been supplied to new mothers who, literally, have nothing. (Object 5)

Plans for 2021 - to continue the project in Lancaster and Morecambe Deanery and to extend the project, or something similar, to the Blackburn with Darwen and Accrington deaneries. We will explore opportunities to work with other organisations supporting refugees and asylum seekers.

- **Work in Prisons**

Due to the government lockdown restrictions no visits to prisons took place in 2020. A new chaplain was appointed to Garth Prison during 2020 but the restrictions prevented the advancement of the Read Together Scheme. Following contact with the chaplain at Wymott Prison, many members provided handmade Christmas decorations for prisoners to send to their families to help them to maintain contact during the lockdown. Blackburn Diocesan Mothers' Union is now part of the national Mothers' Union Prisons' Group which enables contact and the sharing of ideas with others involved in prison work. (Object 5)

Plans for 2021 - to advance the Read Together Scheme and to arrange chapel visits if restrictions allow, and, to continue to provide handmade Christmas decorations if the need continues.

- **Knitting projects**

Many of our members have enjoyed knitting during the lockdown. As well as continuing to knit for a premature baby unit, a large number of hearts for hospital chaplains, Christmas angels for nursing home residents and prayer squares for church members who were unable to attend services were knitted and distributed. All were very much appreciated by the recipients. (Object 5)

Plans for 2021 - to continue these projects and extend the provision of baby blankets to another maternity unit.

- **Worldwide Links**

Links with the five dioceses allocated to Mothers' Union in Blackburn Diocese have been difficult during the lockdown but prayer is encouraged at branch level for these dioceses.

Plans for 2021 - a new Worldwide Links Section Leader has been appointed who will try to re-establish and develop the links, pass on information to the branches and continue to encourage prayer at branch level. (Object 3)

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Faith and Policy

- As always, prayer continues to underpin all Mothers' Union work and is a vital part of all our activities. Even more so has prayer been essential during this year of Covid, of lockdown and curtailment of most of our face-to-face activities.
- Emergency Prayer Circles are in existence in most of our deaneries and, sadly, have been well used this year. All deaneries have Indoor Members and, although Tea Parties and Church Services have been impossible, members have been kept in touch by their branches and through the Diocesan distribution of Easter and Christmas cards.
- As it was impossible to hold a Diocesan Mary Sumner Day Service, a virtual Mary Sumner Day Service was arranged and transmitted on YouTube, with over seven hundred people viewing.
- Our allocated period for the Mothers' Union Wave of Prayer on 19th – 21st October was planned for group or individual participation, including using video meetings online facilities.
- Faith & Policy items have been included in each issue of the MU Diocesan News.
- The Diocesan Pathway to Prayer, scheduled for March 2020, unfortunately had to be postponed.

Plans for 2021 - a virtual Epiphany Day Service through YouTube was broadcast on 6th January 2021. All other events, including Deanery Festivals, are on hold until the Covid-19 restrictions are eased. A Diocesan Service of Thanksgiving is planned for October 2021 and will be held in Blackburn Cathedral. Other plans for 2021 are,

- to arrange another date for a Diocesan Pathway to Prayer.
- to develop diocesan and deanery involvement in the Mothers' Union 16 Days of Activism against Gender-based Violence.
- to produce an All-age Christmas Prayer Card/Bookmark. (Objects 3 and 4)

Fundraising and Communication

• **Mothers' Union Enterprises (Literature)**

The sale of literature was maintained at a higher level than expected due to many members sending cards and gifts in lieu of meeting family and friends. A profit related grant of £1,826, based on 2019 sales, was received in 2020 from MU Enterprises.

Two Pop-Up Shops had been planned for the year but only one had taken place before the first lockdown. This was held in Blackburn Cathedral where a wide selection of items from the catalogue were on display including a 'Sale' table. Feedback was excellent, although because of the pending pandemic it was not as well attended as the previous year.

There are no plans at present to hold Pop Up Shops in 2021, but if restrictions allow and members regain confidence in going out, one may be held later in the year.

• **Communication**

Information Pack

Plans for 2021 – to update the branch information pack where relevant, and, if asked, visit branch meetings with further information.

Website

The website has been updated and improved during 2020.

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Plans for 2021– The planned diocesan promotional booklet for 2020 was put on hold due to the inability to hold planning meetings. Planning and production of the booklet will resume as soon as face to face meetings are possible. The current leaflet is out of date, visually dated and with limited information on activities and projects now taking place. The focus will be 'How we make a difference'. The aim is to promote all major aspects of the charity and increase Mothers' Union visibility within the diocese with the objective of increasing membership by attracting new members and retaining existing ones.

MULOA – Mothers' Union Listening, Observing, Acting

MULOA is the name of the process which has been used to explore the essence of what it is to be Mothers' Union, and how we can uniquely contribute to making a real difference in people's lives.

During 2020 it had been planned to visit Mothers' Union branches to talk about the MULOA process with those who were unable to take part in the sessions in 2019. All sessions were cancelled.

Plans for 2021 – The process will be reviewed in the light of the newer 'Metamorphosis' theme – an approach to enabling and supporting meaningful relationships with God through interaction with the wider community. Interested branches may receive visits to learn about MULOA and/or Metamorphosis, subject to government guidelines. (Objects 1 - 5)

Training Programme for 2020

The dissemination and implementation of the parenting course initiated in 2019 had to be abandoned due to the Covid-19 pandemic. Covid-19 also impacted on the planned Sharing Day for 2020 which had to be cancelled.

Training Programme for 2021

It is hoped that when restrictions are lifted, the planned programme for 2020 may be re-visited. This may include,

Diocesan Sharing Day. The focus will be Community Action and Outreach. The guest speaker will be Canon Catherine Hilton, Zonal Trustee for York Province, and former Diocesan President of the Manchester Mothers' Union. She will be asked particularly to speak about her outreach work in the Manchester Diocese. Also, Amy Bishop from the Clewer Initiative has been invited to speak on the subject of Modern-Day Slavery. (Objects 1-5)

'Parentalk' Support Group. It is planned to set up a support network for members who have embarked on the 'Parentalk – the Primary Years' course with parents/guardians from their local schools. (Objects 2 and 4)

It appears possible, however, that the uncertainty surrounding the timing of any return to normality will mean that these plans will need to be held over until 2022.

Plans for 2021 – The Impact of Covid-19

Unfortunately, plans for 2020 were put on hold and will continue to be on hold for the foreseeable future. This does look brighter, with the vaccination process and the relaxation of restrictions under way. AFIA Caravan Holidays are now being offered, during the school summer holidays, to those whose holidays were cancelled in 2020. It has been encouraging that many members continued to support key workers during the crisis period e.g., making scrub bags, masks, and headbands; providing emergency toiletry bags for hospitals; prayer squares and hearts for patients were knitted and more recently hats and scarves for the homeless. Members also assisted with food banks.

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The total membership in the Diocese in 2020 was 2,811 with each member paying a subscription of £20.10 out of which £14.50 was forwarded to the central office of Mothers' Union. The balance of subscriptions remaining was utilized on meeting general administrative expenses.

All the Unit activities are supported by diocesan funds and in general, the assets of the charity are held to secure the medium-term future.

Public Benefit

The trustees, in accordance with Section 17(5) of the 2011 Charities Act, have taken due regard of the public benefits and acted accordingly.

Risk Statement

During the year, the trustees have identified and reviewed the risks the charity faces and are confident that all major risks have been assessed and addressed.

Financial Review

The Covid-19 pandemic, with its associated lockdowns and restrictions, meant that the branches were not able to meet and engage in their usual activities, some of which would have been fundraising. Whilst this has brought about a reduction in expenditure, the loss of income has been greater. This has resulted in 2020 closing with a reduction in funds. The net decrease in funds was £20,075; the impact of this was lessened by the increase of £4,745 in investment value. The charity has sufficient reserves to withstand the deficit. The charity relies on support and contributions from its members to enable the Aim and Objects of the charity to be met. Falling membership remains a concern and new ways of educating the branches to accommodate the changes in today's lifestyles in their meetings continue to be considered.

Reserves Policy

The trustees have reviewed the reserves of the charity. This review considered the various income and expenditure streams and the need to match income with commitments. The review concluded that to allow the charity to be managed efficiently and effectively, the unrestricted reserves should be maintained at a minimum level equivalent to approximately twelve months of charitable expenditure with a further 25% for any special diocesan projects. The trustees are reviewing the reserves policy with a view to identifying and supporting new projects and initiatives across the diocese over the next two to three years. The current level of reserves allows the trustees to contribute to emergency worldwide appeals, as necessary. Unrestricted reserves as at 31 December 2020 were £306,587; Designated funds at 31 December 2020 were £53,687. The trustees agreed to continue to designate the funds relating to the provision of Away From It All (AFIA) holidays and breaks for families in need, and for the future replacement of the caravan. The trustees also agreed to exclude the designated fund from the calculation of the charity reserves.

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Trustees Responsibilities in Relation to the Financial Statements

The trustees are responsible for preparing the Trustees' Report and the accounts 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 accounts 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 year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements 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 accounts, and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention of fraud and other irregularities.

Approved by the Board of Trustees on 23 September 2021 and signed on its behalf by Enid Nutland.

.....  Trustee and Diocesan President

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE MOTHERS' UNION BLACKBURN DIOCESE YEAR ENDED 31 DECEMBER 2020

I report to the Trustee on my examination of the financial statements of The Mothers' Union Blackburn Diocese (the charity) for the year ended 31 December 2020.

This report is made solely to the charity's trustee, as a body, in accordance with Section 145 of the Charities Act 2011. My examination has been undertaken so that I might state to the charity's trustee those matters I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my examination, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the Trustee of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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



Mr Peter Taaffe FCA CTA DChA

BWM
Chartered Accountants
Castle Chambers
43 Castle Street
Liverpool
L2 9SH

Dated: 13.10.2021

The Mothers' Union Blackburn Diocese

**Statement of Financial Activities
for the Year ended 31 December 2020**

	Notes	Unrestricted funds	Designated funds	Restricted and Endowment funds	2020 Total
		£	£	£	£
Income and endowments from:					
Donations, legacies and subscriptions	2	86,112	3,206	249	89,567
Other trading activities	3	21,119	-	-	21,119
Investments	4	2,654	180	23	2,857
Total Income		<u>109,885</u>	<u>3,386</u>	<u>272</u>	<u>113,543</u>
Expenditure on:					
Raising funds	5	16,328	-	-	16,328
Charitable activities	6	111,941	3,454	6,640	122,035
Total Expenditure		<u>128,269</u>	<u>3,454</u>	<u>6,640</u>	<u>138,363</u>
Net gains or (losses) on investments	9	4,745	-	-	4,745
Net income/(expenditure)/ net movement in funds		<u>-13,639</u>	<u>-68</u>	<u>-6,368</u>	<u>-20,075</u>
Transfers between funds	10	-53,755	53,755	-	-
Reconciliation of funds:					
Total funds brought forward		373,981	-	45,557	419,538
Total funds carried forward		<u><u>306,587</u></u>	<u><u>53,687</u></u>	<u><u>39,189</u></u>	<u><u>399,463</u></u>

The Statement of Financial Activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 13 to 19 form part of these accounts

The Mothers' Union Blackburn Diocese

**Statement of Financial Activities
for the Year ended 31 December 2020**

	Notes	Unrestricted funds	Designated funds	Restricted and Endowment funds	2019 Total
		£	£	£	£
Income and endowments from:					
Donations, legacies and subscriptions	2	135,937	-	5,842	141,779
Other trading activities	3	57,760	-	-	57,760
Investments	4	3,022	-	357	3,379
Total Income		<u>196,719</u>	<u>-</u>	<u>6,199</u>	<u>202,918</u>
Expenditure on:					
Raising funds	5	23,718	-	-	23,718
Charitable activities	6	163,921	-	5,246	169,167
Total Expenditure		<u>187,639</u>	<u>-</u>	<u>5,246</u>	<u>192,885</u>
Net gains or (losses) on investments	9	10,836	-	-	10,836
Net income/(expenditure)/ net movement in funds		<u>19,916</u>	<u>-</u>	<u>953</u>	<u>20,869</u>
Transfers between funds	10	-500	-	500	-
Reconciliation of funds:					
Total funds brought forward		354,565	-	44,104	398,669
Total funds carried forward		<u><u>373,981</u></u>	<u><u>-</u></u>	<u><u>45,557</u></u>	<u><u>419,538</u></u>

The Statement of Financial Activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The Mothers' Union Blackburn Diocese

Balance Sheet as at 31 December 2020

	Notes	2020 £	2019 £
Fixed Assets:			
Tangible Assets	8	21,182	25,419
Investments	9	256,990	249,412
<i>Total fixed assets</i>		<u>278,172</u>	<u>274,831</u>
Current Assets:			
Stocks of ties and literature		13,856	14,101
Debtors	11	898	845
Cash at bank and in hand		108,422	132,306
<i>Total current assets</i>		<u>123,176</u>	<u>147,252</u>
Liabilities:			
Creditors: Amounts falling due within one year.	12	1,885	2,545
<i>Net current assets</i>		<u>121,291</u>	<u>144,707</u>
Total net assets		<u><u>399,463</u></u>	<u><u>419,538</u></u>
The funds of the charity:			
Restricted income and endowment funds	13	39,189	45,557
Designated funds	13	53,687	-
Unrestricted funds		306,587	373,981
Total charity funds		<u><u>399,463</u></u>	<u><u>419,538</u></u>

Approved by the Board of Trustees on
23 September 2021

Enid Nutland
Diocesan President



The notes on pages 13 to 19 form part of these accounts

Notes to the Financial Statements for the year ended 31 December 2020

1 Accounting Policies:

Basis of accounting

The financial statements are prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements are prepared in accordance with the Charities Act 2011, Accounting and Reporting by Charities: Statement of Recommended Practice for charities applying the Financial Reporting Standard 102 (January 2016) and applicable accounting standards.

The charity is a Public Benefit Entity as defined by FRS 102.

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The charity has taken advantage of the provisions in the SORP for Charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

Donations, legacies and subscriptions

Donations are accounted for in full in the accounts in the year in which they are received. Income from legacies is accounted for when received in view of the uncertainty up to the point the amounts are received. Subscriptions are accounted for in full in the accounts in the year in which they are received.

Income from other trading activities

Income from other trading activities includes fundraising income and sales income from the Literature Section (MU Enterprises). The income is recognised once the charity has entitlement to it and the charity is certain that the income will be received and its monetary value can be measured with sufficient accuracy.

Income from investments

Income from investments, including interest received, is included when receivable.

Expenditure

Expenditure is included in the statement of financial activities on an accruals basis, inclusive of any VAT which cannot be recovered. Expenditure, where directly attributable, is allocated to raising funds, charitable activities and governance costs. Charitable expenditure includes all expenditure incurred in the provision of charitable services, together with support costs, in pursuance of the charity's objectives.

Pensions

The charity does not have a pension scheme as there are no eligible employees.

Investments

Investments are stated in the balance sheet at their market value. All movements in value are shown in the statement of financial activities.

Gains or losses on investments

All gains and losses are taken to the statement of financial activities as they arise. Gains and losses are calculated as the difference between the market value at the year end and opening market value.

Tangible fixed assets

All assets costing more than £2,000 are capitalised at cost.

Depreciation of Fixed Assets

Provision for depreciation of fixed assets held for use by the charity is made at annual rates calculated to spread the cost of each asset evenly over its expected useful life. The depreciation rate currently in use for the caravan is 12.5% of cost.

Stock

Stock is valued at the lower of cost or net realisable value.

Notes to the Financial Statements for the year ended 31 December 2020 (continued)

1 Accounting Policies (continued)

Debtors

Debtors are calculated at their full recoverable value.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

Creditors

Creditors are shown at the amounts due at the Balance Sheet date for services received.

Going concern

At the time of approving the accounts and as detailed in the Trustees' Annual Report and in Note 21, the trustees have considered the impact of Covid-19 on the charity and the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the 'going concern' basis of accounting in preparing the accounts.

Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Taxation

The charity benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions.
The charity is not able to recover Value Added Tax. Expenditure is recorded in the accounts inclusive of VAT.

Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Notes to the Financial Statements for the year ended 31 December 2020 (continued)

1 Accounting Policies (continued)

Fund Accounting

The Mothers' Union Blackburn Diocese has various types of funds for which it is responsible and which require separate disclosure as follows:

Restricted and endowment funds:

Donations or legacies received which are earmarked by the donor for specific purposes within the overall aims of the organisation. These funds may be endowment income only (where the capital must be retained) or income and capital (where the donation and income deriving therefrom may be utilised).

Unrestricted funds:

Funds which may be spent at the discretion of the trustees in furtherance of the objects of the charity.

Designated funds:

Part of the unrestricted funds which the trustees have earmarked for a specific purpose.

	Unrestricted funds	Designated funds	Restricted and Endowment funds	2020 Total	2019 Total
	£	£	£	£	£
2 Donations, legacies and subscriptions					
Subscriptions	56,501	-	-	56,501	58,212
Donations - General Fund	2,719	-	-	2,719	3,874
Donations - Caravan Fund	-	3,206	183	3,389	6,512
Gift Aid Income tax reclaim	4,828	-	-	4,828	5,424
Branch and deanery income*	12,576	-	66	12,642	47,104
*116 branch & 14 deanery accounts					
Sub-total	76,624	3,206	249	80,079	121,126

Donations to the Mothers' Union worldwide

Britain and Ireland Development Fund	600	-	-	600	1,410
Overseas Fund	5,745	-	-	5,745	12,120
Other central appeals	663	-	-	663	2,500
World Relief Fund	2,480	-	-	2,480	4,623
Sub-total	9,488	-	-	9,488	20,653

Donations, legacies and subscriptions	2020	86,112	3,206	249	89,567	141,779
	2019	135,937	-	5,842	141,779	-

	Unrestricted funds	Designated funds	Restricted and Endowment funds	2020 Total	2019 Total
	£	£	£	£	£
3 Other trading activities					
Branch fundraising income	6,240	-	-	6,240	37,717
Deanery fundraising income	-	-	-	-	1,905
Sale of ties	20	-	-	20	70
Literature sales	14,859	-	-	14,859	18,068
	21,119	-	-	21,119	57,760
2019	57,760	-	-	57,760	-
4 Investments					
Bank interest	25	-	-	25	37
Investment interest	567	180	23	770	1,340
Dividends	2,062	-	-	2,062	2,002
	2,654	180	23	2,857	3,379
2019	3,022	-	357	3,379	-

Notes to the Financial Statements for the year ended 31 December 2020 (continued)

	Unrestricted funds	Designated funds	Restricted and Endowment funds	2020 Total	2019 Total
	£	£	£	£	£
5 Raising funds					
Branch fundraising costs	1,162	-	-	1,162	4,048
Deanery fundraising costs	-	-	-	-	357
Literature Section	15,166	-	-	15,166	19,313
	<u>16,328</u>	<u>-</u>	<u>-</u>	<u>16,328</u>	<u>23,718</u>
2019	<u>23,718</u>	<u>-</u>	<u>-</u>	<u>23,718</u>	<u>-</u>
6 Charitable activities					
Subscriptions	40,760	-	-	40,760	41,580
Action and Outreach Unit	1,318	-	-	1,318	896
Caravan and AFIA holidays	-	3,454	4,419	7,873	10,085
Faith and Policy Unit	708	-	-	708	995
Finance and Central Unit	17,578	-	-	17,578	17,193
Fundraising and Communication	181	-	-	181	724
Branch and deanery expenditure*	24,447	-	2,221	26,668	72,855
*116 branch & 14 deanery accounts					
Sub-total	<u>84,992</u>	<u>3,454</u>	<u>6,640</u>	<u>95,086</u>	<u>144,328</u>
Governance costs	1,759	-	-	1,759	2,954
Donation to Mothers' Union Appeal	15,000	-	-	15,000	-
Donations to the Mothers' Union worldwide	10,190	-	-	10,190	21,885
Charitable activities	<u>111,941</u>	<u>3,454</u>	<u>6,640</u>	<u>122,035</u>	<u>169,167</u>
2019	<u>163,921</u>	<u>-</u>	<u>5,246</u>	<u>169,167</u>	<u>-</u>
7 Governance costs					
	Unrestricted funds	Designated funds	Restricted and Endowment funds	2020 Total	2019 Total
	£	£	£	£	£
Independent examination	1,224	-	-	1,224	1,188
Annual Accounts - printing costs	380	-	-	380	345
Trustee meeting costs:					
Printing, stationery and postage	-	-	-	-	351
Video meetings subscription	43	-	-	43	160
Trustee travel	112	-	-	112	910
	<u>1,759</u>	<u>-</u>	<u>-</u>	<u>1,759</u>	<u>2,954</u>
2019	<u>2,954</u>	<u>-</u>	<u>-</u>	<u>2,954</u>	<u>-</u>

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

Notes to the Financial Statements for the year ended 31 December 2020 (continued)

8 Tangible Fixed Assets

	Caravan £	Total £
Cost		
as at 1 January 2020	33,891	33,891
Disposals during the year	-	-
Additions during the year	-	-
as at 31 December 2020	<u>33,891</u>	<u>33,891</u>
Depreciation		
as at 1 January 2020	8,472	8,472
Eliminated on disposal	-	-
Charge for the year	4,237	4,237
as at 31 December 2020	<u>12,709</u>	<u>12,709</u>
Net Book Value:		
as at 31 December 2020	<u>21,182</u>	<u>21,182</u>
as at 31 December 2019	<u>25,419</u>	<u>25,419</u>

9 Investments

	2020 £	2019 £
Church Investment Fund - 3,593 Shares		
Market value 1 January 2020	68,719	57,883
Unrealised (Loss)/Gain	4,745	10,836
Market Value 31 December 2020	<u>73,464</u>	<u>68,719</u>
Deposit with Church Deposit Fund	183,526	180,693
Total UK Investments	<u>256,990</u>	<u>249,412</u>

10 Transfers between funds

2020

On 30 September 2020 the Trustees agreed to designate £53,755 to provide Away From It All (AFIA) holidays and breaks for families in need, and for the future replacement of the caravan.

2019

The transfer of £500 was to account for part of a branch permanent endowment which had been recorded as unrestricted in an earlier year.

11 Debtors

	2020 £	2019 £
Literature	240	120
Insurance prepayment	<u>658</u>	<u>725</u>
	<u>898</u>	<u>845</u>

12 Creditors: Amounts falling due within one year

	2020 £	2019 £
Mothers' Union world wide funds	290	993
HMRC - PAYE	371	364
Independent Examination fee - accrual	<u>1,224</u>	<u>1,188</u>
	<u>1,885</u>	<u>2,545</u>

Notes to the Financial Statements for the year ended 31 December 2020 (continued)

13 Accumulated Funds

Total funds are unrestricted apart from £39,189 made up as follows:

	Balance at 1 January 2020 £	Incoming Resources £	Resources Expended £	Transfers between funds £	Balance at 31 December 2020 £
Restricted funds					
AFIA legacy (Away From It All holidays)	375	-	-	-	375
Branch and deanery banner funds	736	25	-	-	761
Branch donation*	2,000	-	2,000	-	-
Branch legacies - donation and interest utilised	4,983	-	139	-	4,844
Branch overseas fund	41	41	82	-	-
Caravan replacement	30,836	23	4,236	-	26,623
Caravan holidays	-	183	183	-	-
Diocesan banner fund	458	-	-	-	458
Endowment funds					
Branches - permanent endowment funds	6,128	-	-	-	6,128
Total	45,557	272	6,640	-	39,189

	Balance at 1 January 2019 £	Incoming Resources £	Resources Expended £	Transfers between funds £	Balance at 31 December 2019 £
Restricted funds					
AFIA legacy (Away From It All holidays)	375	-	-	-	375
Branch and deanery banner funds	376	360	-	-	736
Branch donation	-	2,000	-	-	2,000
Branch legacies - donation and interest utilised	1,983	3,050	50	-	4,983
Branch overseas fund	59	229	247	-	41
Caravan replacement	34,715	357	4,236	-	30,836
Caravan holidays	510	203	713	-	-
Diocesan banner fund	458	-	-	-	458
Endowment funds					
Branches - permanent endowment funds	5,628	-	-	500	6,128
Total	44,104	6,199	5,246	500	45,557

*The £2000 branch donation is held in NS&I Premium Bonds in the donor's name, at the donor's request, and is not included in the charity assets.

Restricted funds can be only used for particular purposes within the objects of the charity.

Restrictions arise when specified by the donor.

The purposes of the restricted funds are:

AFIA legacy - for any holidays which cannot be accommodated in the caravan and for the general purposes of the Away From It All holiday scheme.

Caravan replacement - funds raised in 2017 to replace the caravan which was purchased in 2018.

Banner funds - purchase and maintenance of banners.

Legacies - income deriving from, or capital and income, to be used for charitable activities.

Overseas funds - donations given for charitable work of the Mothers' Union worldwide.

Branch permanent endowment funds are for the benefit of the individual branch which holds the fund.

Designated funds

On 30 September 2020 the Trustees agreed to designate £53,755 to provide Away From It All (AFIA) holidays and breaks for families in need, and for the future replacement of the caravan.

The fund balance at 31 December 2020 was £53,687.

	Balance at 1 January 2020 £	Incoming Resources £	Resources Expended £	Transfers between funds £	Balance at 31 December 2020 £
Away From It All Holidays and Caravan replacement	-	3,386	3,454	53,755	53,687

14 Transactions with Trustees

The trustees have not been remunerated during the year.

Expenses were reimbursed to 18 trustees amounting to £729.61; comprising travel £388.65, printing, stationery and postage £254.62 and video meetings subscription £86.34.

(2019: 18 trustees, amounting to £4,288)

Notes to the Financial Statements for the year ended 31 December 2020 (continued)

15 Trustee Indemnity Insurance

£159.76 was paid for Trustee Indemnity Insurance. (2019: £327.88)

16 Staff costs and emoluments

Total staff costs for 2 employees were £7,420. (2019: £7,280)

No National Insurance or pension contributions were payable.

There were no employees with emoluments above £60,000. (2019: nil)

There were two part-time staff employed, with a full-time equivalent of less than 0.5 (2019: < 0.5)

Key management staff costs were:

	2020	2019
	£	£
Diocesan Secretary	3,710	3,640
Diocesan Treasurer	3,710	3,640
	<u>7,420</u>	<u>7,280</u>

17 Independent Examination

	2020	2019
	£	£
Fee	<u>1,224</u>	<u>1,188</u>

18 Analysis of net assets between funds

	Tangible fixed assets	Investments	Other net assets	Total 31-Dec 2020
	£	£	£	£
Restricted income and endowment funds	21,182	5,440	12,567	39,189
Designated funds	-	42,577	11,110	53,687
Unrestricted funds	-	208,973	97,614	306,587
	<u>21,182</u>	<u>256,990</u>	<u>121,291</u>	<u>399,463</u>

	Tangible fixed assets	Investments	Other net assets	Total 31-Dec 2019
	£	£	£	£
Restricted income and endowment funds	25,419	5,417	14,721	45,557
Designated funds	-	-	-	-
Unrestricted funds	-	243,995	129,986	373,981
	<u>25,419</u>	<u>249,412</u>	<u>144,707</u>	<u>419,538</u>

19 Related party transactions

There were no transactions with related parties during the year other than those disclosed in Note 14.

20 Financial instruments

	2020	2019
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	108,662	132,426
Equity instruments measured at fair value	<u>256,990</u>	<u>249,412</u>
	<u>365,652</u>	<u>381,838</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>1,514</u>	<u>2,181</u>

Financial assets measured at amortised cost comprise debtors, cash and cash equivalents.

Financial liabilities measured at amortised cost comprise creditors and accruals.

21 Post Balance Sheet Events

The Impact of Covid-19

At the time of approving this report, the Charity continues to run at a reduced level, as it did during the lockdown months of March to June 2020, November 2020 and January to July 2021 due to the Government's social distancing and lockdown measures. However, the trustees continued to meet remotely during the periods of lockdown and members supported key workers in a variety of ways.

Following the unlocking in July 2021 branches are gradually starting to meet physically and are beginning to engage in their charitable activities. Trustees were able to meet physically on 23 September 2021, albeit with social distancing and the use of face coverings.

In July 2020 the Charity contributed £15,000 to the central Mothers' Union's Urgent Appeal to help mitigate the impact of their loss of revenue due to Covid-19.

The Charity was not eligible to receive any grants under the Government's Covid-19 support schemes and it was not necessary to furlough any staff.

The Charity is expecting to make a loss in 2021 due to Covid-19 but has sufficient reserves to cover this.

Document Activity Report

Document Sent

Fri, 15 Oct 2021 14:04:14 GMT

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Date	Activity
Sun, 17 Oct 2021 12:37:10 GMT	M Barlow viewed the document
Sun, 17 Oct 2021 12:37:09 GMT	M Barlow viewed the document
Fri, 15 Oct 2021 14:06:48 GMT	Document Sent