



St John the Baptist  
Burscough

**ANNUAL REPORT  
OF THE PAROCHIAL CHURCH COUNCIL  
for the year ended 31 December 2019**



# **NARRATIVE REPORT FOR 2019**

## **Background**

Under the terms of the Synodical Government Measure 1969, it is the duty of the Incumbent and the Parochial Church Council ("The PCC" or "St John's") to consult together on matters of general concern and importance in the parish.

The main function of The PCC is to co-operate with the Vicar in promoting the whole mission of the Church, pastoral, evangelistic, social and ecumenical. In addition to the Parish Church, there is a mission Church, St. Andrews, Crabtree within the parish.

## **Aims and purposes**

The general functions of The PCC are stated within section 2 of the Parochial Church Councils (Powers) Measure 1956. Burscough PCC is a Registered Charity, its registered number is 1128273.

The PCC gave consideration to the Charity Commission's guidance on public benefit and, in particular, the specific guidance concerned with the advancement of religion.

At St. John's we have a vision statement:

***Knowing, growing in and sharing Jesus' love in Burscough and beyond.***

This confirms our mission to proclaim the Gospel of our Lord Jesus Christ according to the doctrines and practices of the Church of England.

## **Objectives, activities and plans for the future**

Our objectives for 2019 were to work towards the fulfilling of the Parish Vision Statement:

***Knowing, growing in and sharing Jesus' love in Burscough and beyond.***

We sought to fulfil this vision by provide the following public benefits:

### **Knowing Jesus' Love**

- Regular public worship open to all;
- The provision of sacred space for personal prayer and contemplation and helping people who have asked for assistance with prayer; and
- To review our services in order to enhance the beauty of our worship and make our occasional offices accessible to those with no experience of church.

### **Growing in Jesus' love**

- Teaching of Christianity through sermons, courses and small groups;
- Taking of religious assemblies in schools; and
- Provision of youth clubs with a Christian ethos.

### **Sharing Jesus love**

- Pastoral work including visiting the sick, bereaved, housebound, those in residential care homes and those in need;
- Promoting the whole mission of the Church through provision of activities for all ages and for those with particular needs;
- Supporting other charities in the UK and overseas by our mission giving;
- A programme of socials and events to extend and deepen community; and
- Meeting with our ecumenical partners in the village.

## **Achievements and performance**

The church functions because it puts Jesus at the centre of all our activities and relies on the staff team and a multitude of volunteers to carry out the mission of the church. We would like to thank all the staff and volunteers who work so hard to make our church the lively and vibrant community it is.

### **Staff Team:**

Administrator	Melanie Critchley
Operations Manager	Jennie Short
Children's Worker	Christine Mansfield (until August 2019)
Youth Worker	Joanna Marshall
Pastoral Coordinator	Jeannie Holman
Reader	Christine Donnelly
Vicar	David Banbury
Curate	Elliott Ireton

The church also employs two cleaners.

Through 2019 we have:

- Offered a broad range of worship experiences;
- Provided a wide range of activities, events and groups for children and young people;
- Actively engaged in supporting local schools including our two Church of England Primary Schools;
- Run a wide-ranging programme for youth and young adults;
- Developed and enhanced our discipleship programme;
- Run a wide-ranging programme for house groups;
- Become more familiar with our 'Church Vision Statement';
- Launched a five year plan
  - Become a resourcing church
  - Growing in spiritual depth
  - Growing in service to the community
  - Growing in number
  - Planting churches
  - With Jesus at the centre
- Run enquirers' courses to assist people in their faith journey;
- Run a variety of groups for women, men and focussed around specific issues and interests;
- Hosted and organised a number of outreach events;
- Supported a range of mission agencies and mission projects;
- Been actively involved in organising and staffing mission trips to Uganda and Belarus;
- Provided pastoral care and support in a wide range of contexts; and
- Conducted occasional offices.

During 2020 we plan to:

- Offer a broad range of worship experiences;
- Provide a wide range of activities, events and groups for children and young people;
- Actively engage in supporting local schools including our two Church of England Primary Schools;
- Run a wide-ranging programme for youth and young adults;
- Develop and enhance our discipleship programme; including relaunching refreshed housegroups
- Continue to communicate and embed our 'Church Vision Statement';
- Implement the next stage of our five-year plan
  - Becoming a resourcing Church
  - Growing in Spiritual depth
  - Growing in service to the community
  - Growing in number
  - Planting churches
  - With Jesus at the centre
- Run enquirers' courses to assist people in their faith journey;
- Run a variety of groups for women, men and focussed around specific issues and interests;
- Host and organise a number of outreach events;
- Support a range of mission agencies and mission projects;
- Be actively involved in organising and staffing mission trips to Uganda and Belarus;
- Provide pastoral care and support in a wide range of contexts;
- Conduct occasional offices
- Partner with churches in Ormskirk Deanery and Liverpool Diocese to support our aspiration of becoming a resourcing church
- Strengthen and invest in the Staff Team
- Overhaul the IT provision within Church; and
- Take the next steps in incorporating the Church Suite software into Church life

In March 2020 the Charity took steps (in line with government advice) to help contain the outbreak of COVID-19. This included the temporary suspension of all physical gatherings and the Charity has had to curtail, or change how it operates; the Charity has been able to continue some of its activities using online media. The trustees are monitoring income and expenditure and, if it becomes necessary, will take measures to mitigate the impact of COVID-19 on the Charity's free reserves.

## Financial review

Following the pledge Sundays in July, there was a marked increase in the direct giving received from our church members. This was a welcome and gratefully received boost to our finances, as we seek to balance the costs of our growing mission and community activities against our available income.

As a worshipping body it is important that all our members are annually encouraged to review their giving in the light of God's generosity to us and take note not only of the impact of inflation on our ability to fund community activities, but consider the lives we are able to change and improve through these people coming to know Jesus.

An annual budget is prepared to plan our finances and enable them to be monitored. Actual results compared with budget are monitored by the Hon. Treasurer, Incumbent, and Church Wardens. The Hon. Treasurer formally reports on all financial matters to PCC members at each PCC meeting for their review and discussion. PCC investments are held in low risk funds approved for charity use. All assets are insured, and insurance levels are reviewed and approved annually.

### Results for the year

The PCC reported a net surplus of £4,008 on restricted and unrestricted funds in 2019 (2018: £47,707).

Income derived from voluntary donations increased by 24.3% to £254,457 in 2019 compared to £204,694 in 2018. However, income from other sources decreased by £3,970 to £38,008, as a result of a reduction in total amount of fees earned through the provision of weddings and funerals.

Expenditure increased by 12.5% totalling £288,457 in 2019 compared to £256,445 in 2018. The increase was primarily due to the refurbishment works in both the church hall and Crabtree mission, the completion of the prayer room in the church vestry, additional church tithing following increased income in the year, and a 4.3% increase in parish share. This has been partially offset by a 16.7% reduction in wages and salaries as a result of our 'Children and Families Coordinator' post being vacant since the summer.

In the prior year, we realised gains of £57,480 following the sale of property. This contributed greatly to the net surplus for 2018, and is not recurring in 2019.

### Restricted funds

Restricted funds comprise donations given for a particular ministry purpose. At 31 December 2019 the unspent portion of these funds amounted to £251,731 (2018: £247,731).

### Grant making policy

St. John's made grants to SAMS Ireland, The Burscough Outreach Trust in support of the Belarus mission team, Mission Aviation Fellowship, and Oaks in 2019, which are an integral part of the overall vision of the church as set out above. Additional smaller grants are awarded to organisations and church members working in mission. Special appeals at services and events have raised money for various specific charities. In particular, £42,204 was raised at our harvest appeal in support of the WASH project run by International Needs, and £1,490 for the Childrens Society at our Christingle services.

Grants are awarded to organisations and church members working in mission after an evaluation of each case. All giving follows The PCC's mission policy for the promotion of the Christian gospel in proclamation and social action throughout the world.

### Reserves policy

The trustees believe that St. John's relies on God's provision for the financial resources needed to fund its work. Consequently, the policy of The PCC is not to build up reserves beyond the operating needs of the charity, and, wherever possible, to expend income received during the course of each financial year on its purposes. However, in order to ensure that the church has sufficient working capital to meet its obligations to its employees and creditors, the Trustees aim to hold sufficient "free" reserves (calculated as unrestricted funds less long term assets expected to be settled over a number of years) to cover six months' expenditure. Free reserves at 31 December 2019 stand at £79,396 (2018: £79,388) against a target based on budgeted costs for 2020 of £120,285. The Trustees will continue to be mindful of this target in making financial decisions and allocating resources during the current year.

### Legacy policy

The PCC welcomes all gifts in Wills, however large or small. It is our policy to use legacy gifts to help fund development projects that will benefit the parish, and to support outreach to our local community.

Over the years needs change and therefore everyone is encouraged to leave a gift in their Will for the general purposes of the parish, rather than for specific restricted purposes. Where indicated, the PCC promise to discuss the possible uses of a legacy gift with the executors and to bear in mind the known areas of interest held by the person leaving that gift.

## Risk management

The PCC has conducted a review of the major risks to which the charity is exposed. A risk register has been established and is updated annually. Where appropriate, systems and procedures have been established to mitigate the risks that the church faces. Procedures are in place to ensure compliance with health and safety of staff, volunteers and visitors. The schedule of major risks and uncertainties identified is set out on page 7.

## Related parties

Details of related parties are given in note 16 of the financial statements.

## Funds held as custodian trustees on behalf of others

The Parochial Church Council for St John the Baptist, Burscough, holds funds as custodian trustees on behalf of the Burscough Outreach Trust. It is segregated within our CCLA Deposit Fund with a separate Deposit Account Number. The association with the Burscough Outreach Trust is defined below under 'Structure, management and governance'. The balance held as at 31 December 2019 is £42,000 (2018: £22,000).

### *Agency transactions*

The PCC acted as a financial agent for the following people/organisations in the year:

- Liverpool Diocesan Board of Finance ("LDBF") - £4,796 was received as fees owing to LDBF from Funeral Directors and private individuals, in regard to funerals, burials and weddings. Of which, £1,167 was owing at year end. This money was distributed to LDBF in accordance with current diocesan guidance.
- Organists, Vergers and Grave Diggers - £1,003 was received from wedding couples and Funeral Directors, in regard to weddings, funerals and burials respectively. This money was passed on to the relevant individuals. Where appropriate, a proportion of this money was separated and sent directly to HMRC in relation to income tax payments.
- Royal British Legion - £249 was donated by church attendees on Remembrance Day, and forwarded on to the Royal British Legion.
- The Childrens Society - £1,490 was donated by church attendees at our Christingle services, and forwarded to the Childrens Society.
- Belarus 2019 - £3,116 was donated through the St Johns Just Giving page in respect of the Belarus 2019 mission. This money was passed on to the mission team.
- International Needs UK - Our harvest appeal in support of the Ugandan WASH project operated by International Needs raised £42,204, which has been forwarded to International Needs UK.
- Uganda 2020 mission – St Johns acts as an agent for the Uganda 2020 team by holding monies paid in and settling expenses for flights and accommodation as well as for supplies and materials to be used as part of the mission. During the year, amounts received total £26,998, amounts paid out total £22,619, and the closing balance at year end is £7,494.

## Structure, management and governance

The PCC is a corporate body established by the Church of England. The PCC operates under the Parochial Church Councils (Powers) Measure 1956 (as amended) and the church Representation Rules. The PCC is also a registered charity operating under the requirements of the Charities Act 2011.

The Burscough Outreach Trust is a charity which shares common trustees with The PCC. There are no physical assets or employees in this trust. The trust is responsible for restricted funds for children and youth work, pastoral care and charitable giving.

The appointment of PCC members is governed by and set out in the Church Representation Rules. The PCC comprises all the clergy, the two churchwardens (elected annually at the parish meeting immediately preceding the APCM), lay members elected annually at the APCM, and lay members elected every three years as St. John's representatives on the Ormskirk Deanery Synod. Additionally, the PCC has the right to co-opt members. All church members are encouraged to register on the Electoral Roll and stand for election to The PCC.

The PCC has revisited the aims and goals of the charity. The PCC have reviewed and approved health and safety policy, risk assessment and management and child protection procedures and has reviewed and acted on the Disability Audit.

Health and Safety requirements are reviewed regularly by knowledgeable persons under the instruction of The PCC, to enable The PCC to appraise risks and implement necessary compliance requirements. Procedures for recording accidents are in place.

## Administrative information

### PCC membership

	Name	Start Date	End Date
<b>Ex-Officio Members:</b>			
Priest in Charge:	Rev. Canon David Banbury		
Curate:	Rev. Elliott Ireton	2017	2020
Church Wardens:	Caroline McCaul	2017	2020
	Robert Williams	2019	2022
Deanery Synod:	Mark Aspinall	2017	2020
	Christine Donnelly	2017	2020
	Mark Taylor	2017	2020
	Frank Egerton	2018	2021
<b>Co-opted Members:</b>			
Estates Manager	David Orritt	2004	2020
Crabtree Representative:	Brian Disley	2014	2020
<b>Elected Members:</b>			
Hon. Treasurer	Peter Short**	2019	2022
Hon. Secretary	Stuart Ashcroft	2018	2021
	Amelia Blundell	2018	2021
	Peter Dorling	2018	2021
	Ruth Baller-Wilson	2018	2021
	Joanne Dempsey	2017	2020
	Richard Whitehead	2017	2020
	Mike Downey*	2016	2019
	Peter Dawson*	2016	2019
	Ros Haines*	2016	2019
	Dianne Edwards**	2019	2022
	Daniel Abraham**	2019	2022

\* until 9 April 2019

\*\* since 9 April 2019

It is considered that all P.C.C. members and any others who could be understood as 'managers' in the affairs and activities of St. John the Baptist Church, Burscough are deemed to be 'fit and proper' persons under the terms of the Finance Act 2010.

All P.C.C. members elected for the first time and any others who have been re-elected to the P.C.C. after an absence of sometime are supplied with the copies of the minutes of P.C.C. meetings for the last year, are giving a copy of the last Annual Report and Accounts, and invited to meet with the P.C.C. Treasurer, the Church Wardens and the Incumbent in order that they may be thoroughly briefed on the financial situation of the Parish.

The Vicar, two Church Wardens, Treasurer and Estates Manager comprise the Standing Committee. The Standing Committee is empowered by The PCC to make decisions between PCC meetings. The minutes of the Standing Committee meetings are circulated to all PCC members.

#### Church Address

St John the Baptist  
School Lane  
Burscough  
L40 4AE

#### Vicar

Rev Canon David Banbury

#### Bankers – village branch closed 19<sup>th</sup> January 2019

Royal Bank of Scotland  
Drummond House (GI) Branch  
1 Redheughs Avenue  
Edinburgh  
EH12 9JN

#### Independent Examiner

Rev. A A Clements  
15 Carleton Road  
Great Knowsley  
Chorley  
PR6 8TQ

#### Charity Name

The Parochial Church Council of the Ecclesiastical  
Parish of St John the Baptist Burscough Bridge

**MAJOR RISKS AND UNCERTAINTIES**


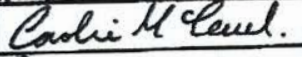
<b>No.</b>	<b>Potential Risk</b>	<b>Mitigation</b>
1.	Loss of confidence by stakeholders due to the behaviour of senior leadership or staff members	<ul style="list-style-type: none"> <li>• Organisational values are clearly defined and regularly communicated.</li> <li>• Prayer and worship are central to life at St. John's.</li> <li>• Oversight structures are in place for senior leaders and staff.</li> </ul>
2.	Harm comes to those in our care due to lack of appropriate and compliant child and vulnerable adult safeguarding procedures	<ul style="list-style-type: none"> <li>• Safeguarding at St. John's is overseen by a Safeguarding Officer.</li> <li>• St. John's is working closely with the Diocese of Liverpool to ensure that it models best practice in the area of safeguarding.</li> </ul>
3.	Harm comes to visitors or staff due to lack of appropriate and compliant Health & Safety procedures	<ul style="list-style-type: none"> <li>• Regular H&amp;S reporting takes place at PCC [and Standing Committee] meetings.</li> <li>• [Internal and external H&amp;S Advisors monitor and report on risk areas identified.]</li> </ul>
4.	Poor decision-making and breach of regulatory requirements due to weak or non-compliant governance structures.	<ul style="list-style-type: none"> <li>• PCC meetings and structures are compliant with Charity Commission and church law requirements.</li> <li>• Conflicts of interest are managed appropriately at PCC level.</li> </ul>
5.	Inability to operate in the event of a disaster due to lack of adequate business continuity planning. Business continuity compromised or critical data lost through cyber-attack.	<ul style="list-style-type: none"> <li>• IT systems are backed up remotely and can be accessed remotely.</li> </ul>
6.	<p>A shortfall on income and/or inadequate cashflow results in an inability to meet salary and creditor payments.</p> <p>Specific financial risks are:</p> <ul style="list-style-type: none"> <li>• Major repairs to church buildings</li> <li>• Parish Share – where we have little or no control over the amounts we are called upon to pay each year</li> </ul>	<ul style="list-style-type: none"> <li>• St. John's relies on God's provision and the generosity of the congregation to meet its financial needs, core members of the congregation can be approached to underwrite in the event of a shortfall.</li> <li>• Aim to hold three months' working capital.</li> <li>• Strong budgetary and financial controls are in place.</li> </ul>
7.	Legal and financial risks arising from maintenance of two church buildings, and the church hall.	<ul style="list-style-type: none"> <li>• There is a continuous program of ongoing maintenance and investment in our buildings.</li> </ul>

**Declaration**

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees (PCC) by clergy and laity (laity optional)

Signature(s)

	
DAVID PAUL BANBURY	CAROLINE MCCAUL
Incumbent / Chair	Church Warden
29 April 2020	29-04-20

Full name(s)

Position (eg Secretary, Chair, etc)

Date



# PAROCHIAL CHURCH COUNCIL OF ST. JOHN THE BAPTIST, BURSCOUGH

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2019

	<i>RESTATED</i>		<i>RESTATED</i>			
<i>Note</i>	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2019 £	TOTAL FUNDS 2018 £	
<b>INCOMING RESOURCES</b>						
<i>Voluntary income</i>	3(a)	250,457	4,000	-	254,457	204,694
<i>Activities for generating funds</i>	3(b)	13,785	-	-	13,785	13,425
<i>Income from investments</i>	3(c)	981	3,000	-	3,981	379
<i>Income from church activities</i>	3(d)	13,888	-	-	13,888	21,570
<i>Other incoming resources</i>	3(e)	6,354	-	-	6,354	6,604
<b>TOTAL INCOMING RESOURCES</b>		<b>285,465</b>	<b>7,000</b>	<b>-</b>	<b>292,465</b>	<b>246,672</b>
<b>RESOURCES EXPENDED</b>						
<i>Church activities</i>	4(a)	(285,257)	(3,000)	-	(288,257)	(256,245)
<i>Costs of generating voluntary income</i>	4(b)	-	-	-	-	-
<i>Fund raising trading costs</i>	4(c)	-	-	-	-	-
<i>Governance costs</i>	4(d)	(200)	-	-	(200)	(200)
<b>TOTAL RESOURCES EXPENDED</b>		<b>(285,457)</b>	<b>(3,000)</b>	<b>-</b>	<b>(288,457)</b>	<b>(256,445)</b>
<b>NET INCOME/(EXPENDITURE) BEFORE INVESTMENT GAINS/(LOSSES)</b>		<b>8</b>	<b>4,000</b>	<b>-</b>	<b>4,008</b>	<b>(9,773)</b>
<b>GAINS/(LOSSES) ON INVESTMENTS</b>						
<i>- Realised</i>		-	-	-	-	57,480
<i>- Unrealised</i>		-	-	-	-	-
<b>NET INCOME/(EXPENDITURE)</b>		<b>8</b>	<b>4,000</b>	<b>-</b>	<b>4,008</b>	<b>47,707</b>
<b>TRANSFER BETWEEN FUNDS</b>	15	-	-	-	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>8</b>	<b>4,000</b>	<b>-</b>	<b>4,008</b>	<b>47,707</b>
BALANCES B/fwd at 1st JANUARY 2019		166,752	247,731	44,653	459,136	411,429
<b>BALANCES C/fwd at 31st DECEMBER 2019</b>		<b>166,760</b>	<b>251,731</b>	<b>44,653</b>	<b>463,144</b>	<b>459,136</b>

# PAROCHIAL CHURCH COUNCIL OF ST. JOHN THE BAPTIST, BURSCOUGH

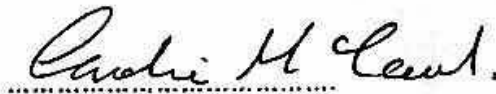
## BALANCE SHEET AS AT 31 DECEMBER 2019

	<i>Note</i>	2019 £	£	<i>RESTATED</i> 2018 £	£
<b>FIXED ASSETS</b>					
Tangible fixed assets	6		314,000		314,000
<b>CURRENT ASSETS</b>					
Debtors	8	4,800		3,859	
Short term deposits	9	105,577		105,266	
Cash at bank and in hand	9	137,995		127,325	
			<hr/>	<hr/>	
			248,372	236,450	
<b>LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	10	(39,601)		(28,314)	
			<hr/>	<hr/>	
<b>NET CURRENT ASSETS</b>			208,771		208,136
<b>LIABILITIES: AMOUNTS FALLING DUE AFTER ONE YEAR</b>	11		(59,627)		(63,000)
			<hr/>	<hr/>	
<b>NET ASSETS</b>			463,144		459,136
			<hr/> <hr/>	<hr/> <hr/>	
<b>PARISH FUNDS</b>					
Unrestricted	12		166,760		166,752
Restricted	13		251,731		247,731
Endowment	14		44,653		44,653
			<hr/>	<hr/>	
			463,144		459,136
			<hr/> <hr/>	<hr/> <hr/>	

Approved by the Parochial Church Council on 6 April 2020 and signed on its behalf by:



P. Short  
Hon. Treasurer



C. McCaul  
Church Warden

*The notes on pages 11 to 19 form part of these accounts*

# PAROCHIAL CHURCH COUNCIL OF ST. JOHN THE BAPTIST, BURSCOUGH

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 1. ACCOUNTING POLICIES

#### ***Accounting convention***

These financial statements are prepared on a going concern basis, under historical cost convention, as modified by the revaluation of investments being measured at fair value through income and expenditure within the Statement of Financial Activities.

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The charity is a public benefit entity for the purposes of FRS 102 and therefore the charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (The FRS 102 Charities SORP) and the Charities Act.

#### ***Funds***

Endowment funds are funds, the capital of which must be maintained; only income arising from investment of the endowment 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 objects provided in the terms of the trust or bequest, and (b) donations or grants received for a specific object or invited by PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forwards as a balance on that fund. The PCC does not usually invest separately for each fund. Where there is no separate investment, interest is apportioned to individual funds on an average value basis.

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

#### ***Incoming resources***

Planned giving, collections, donations, grants and legacies are recognised when the PCC is notified of its legal entitlement, the amount due is quantifiable, and its ultimate receipt by the PCC is probable. Income tax recoverable on Gift Aid donations is recognised when the income is recognised. Interest on bank accounts is accounted for as it accrues. All other income is recognised when it is receivable. All incoming resources are accounted for gross.

#### ***Resources expended***

Grants and donations are accounted for when payable, or when awarded, if that award creates a binding or constructive obligation on the PCC. The diocesan parish share is accounted for when payable. All other expenditure is recognised when it is incurred and is accounted for gross.

#### ***Fixed assets***

Consecrated and benefice property is not included in the accounts in accordance with s.10(2) of the Charities Act 2011.

Movable church furnishings held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the church's inventory, which can be inspected (at any reasonable time). For anything acquired prior to 2000 there is insufficient cost information available and therefore such assets are not valued in the financial statements. Individual items with a purchase price of £1,000 or less are expensed when the asset is acquired.

#### ***Investments***

Investments are initially valued at their cost and subsequently measured at their fair value at each reporting date.

Changes in fair value and gains and losses arising upon the disposal of investments are credited or charged to the income or expenditure section of the Statement of Financial Activities as 'gains or losses on investments' and are allocated to the appropriate fund holding or disposing of the relevant investment.

# PAROCHIAL CHURCH COUNCIL OF ST. JOHN THE BAPTIST, BURSCOUGH

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 1. ACCOUNTING POLICIES (Continued)

#### ***Financial instruments***

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' 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.

With the exceptions of prepayments all other debtor and creditor balances are considered to be basic financial instruments under FRS 102.

#### ***Debtors***

Amounts owing at 31 December in respect of fees, rents and other income are shown as debtors less any provisions for amounts that may prove uncollectable.

#### ***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.

#### ***Creditors***

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

#### ***Going concern***

The PCC has assessed whether the use of the going concern basis is appropriate and have considered possible events of conditions which might cast significant doubt on the ability of the charity to continue as a going concern. The PCC has made this assessment for a period of at least one year from the date of the approval of the financial statements. In particular the PCC has considered the charity's forecasts and projections and have taken account of pressures on donations and other income. After making enquiries, the PCC has concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and therefore continues to adopt the going concern basis in preparing its financial statements.

# PAROCHIAL CHURCH COUNCIL OF ST. JOHN THE BAPTIST, BURSCOUGH

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2019

### 2. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

The following table analyses 2018's income and expenditure between unrestricted, restricted and endowment funds.

	RESTATED Unrestricted Funds £	Restricted Funds £	RESTATED Endowment Funds £	TOTAL FUNDS 2018 £
<b>INCOMING RESOURCES</b>				
<i>Voluntary income</i>	204,694	-	-	204,694
<i>Activities for generating funds</i>	13,425	-	-	13,425
<i>Income from investments</i>	379	-	-	379
<i>Income from church activities</i>	21,570	-	-	21,570
<i>Other incoming resources</i>	5,958	646	-	6,604
<b>TOTAL INCOMING RESOURCES</b>	<b>246,026</b>	<b>646</b>	<b>-</b>	<b>246,672</b>
<b>RESOURCES EXPENDED</b>				
<i>Church activities</i>	(256,245)	-	-	(256,245)
<i>Costs of generating voluntary income</i>	-	-	-	-
<i>Fund raising trading costs</i>	-	-	-	-
<i>Governance costs</i>	(200)	-	-	(200)
<b>TOTAL RESOURCES EXPENDED</b>	<b>(256,445)</b>	<b>-</b>	<b>-</b>	<b>(256,445)</b>
<b>NET INCOME/(EXPENDITURE) BEFORE INVESTMENT GAINS/(LOSSES)</b>	<b>(10,419)</b>	<b>646</b>	<b>-</b>	<b>(9,773)</b>
<b>GAINS/(LOSSES) ON INVESTMENTS</b>				
<i>- Realised</i>	-	12,827	44,653	57,480
<i>- Unrealised</i>	-	-	-	-
<b>NET INCOME/(EXPENDITURE)</b>	<b>(10,419)</b>	<b>13,473</b>	<b>44,653</b>	<b>47,707</b>
<b>TRANSFER BETWEEN FUNDS</b>				
<b>NET MOVEMENT IN FUNDS</b>	<b>(10,419)</b>	<b>13,473</b>	<b>44,653</b>	<b>47,707</b>
BALANCES B/fwd at 1st JANUARY 2018	177,171	234,258	-	411,429
<b>BALANCES C/fwd at 31st DECEMBER 2018</b>	<b>166,752</b>	<b>247,731</b>	<b>44,653</b>	<b>459,136</b>

# PAROCHIAL CHURCH COUNCIL OF ST. JOHN THE BAPTIST, BURSCOUGH

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2019

### 3. INCOMING RESOURCES

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2019 £	TOTAL FUNDS 2018 £
<b>3(a) Voluntary Income</b>					
Planned giving:					
Regular planned giving	163,797	-	-	163,797	157,932
Tax recoverable	39,000	-	-	39,000	30,182
Collections (open plate)	14,202	-	-	14,202	11,891
Gift days	-	-	-	-	-
Donations	27,458	4,000	-	31,458	4,689
Special appeals	-	-	-	-	-
Legacies	6,000	-	-	6,000	-
	<u>250,457</u>	<u>4,000</u>	<u>-</u>	<u>254,457</u>	<u>204,694</u>
<b>3(b) Activities for generating funds</b>					
Bookstall for fundraising	912	-	-	912	882
Hall Letting for non-church purposes	12,873	-	-	12,873	12,543
Rummage sales, fetes etc	-	-	-	-	-
Non-charitable trading	-	-	-	-	-
	<u>13,785</u>	<u>-</u>	<u>-</u>	<u>13,785</u>	<u>13,425</u>
<b>3(c) Income from investments</b>					
Dividends and Interest including tax recoverable	981	-	-	981	379
Rent from land or buildings held as an investment	-	3,000	-	3,000	-
	<u>981</u>	<u>3,000</u>	<u>-</u>	<u>3,981</u>	<u>379</u>
<b>3(d) Income from church activities</b>					
Magazine income from sales	1,961	-	-	1,961	1,788
PCC fees	11,927	-	-	11,927	19,782
	<u>13,888</u>	<u>-</u>	<u>-</u>	<u>13,888</u>	<u>21,570</u>
<b>3(e) Other incoming resources</b>					
Other	6,354	-	-	6,354	6,604
	<u>6,354</u>	<u>-</u>	<u>-</u>	<u>6,354</u>	<u>6,604</u>
<b>TOTAL INCOMING RESOURCES</b>	<u>285,465</u>	<u>7,000</u>	<u>-</u>	<u>292,465</u>	<u>246,672</u>

# PAROCHIAL CHURCH COUNCIL OF ST. JOHN THE BAPTIST, BURSCOUGH

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2019

### 4. RESOURCES EXPENDED

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2019 £	TOTAL FUNDS 2018 £
4(a) <b>Church activities</b>					
<b>Missionary and charitable giving</b>					
Overseas missionary societies	20,759	-	-	20,759	16,500
Home missions and other church organisations	4,759	-	-	4,759	101
<b>Ministry</b>					
Parish share	124,942	-	-	124,942	119,795
Working expenses of clergy	2,480	-	-	2,480	2,047
Parsonage house	2,873	-	-	2,873	3,055
Assistant staff costs	46,237	-	-	46,237	55,483
<b>Church running expenses</b>					
Heating and lighting	5,784	-	-	5,784	5,796
Insurance	4,271	-	-	4,271	4,187
Other costs	10,766	-	-	10,766	11,633
Church maintenance	11,022	-	-	11,022	9,134
Upkeep of churchyard	4,500	-	-	4,500	3,594
Printing and other costs of magazine	2,176	-	-	2,176	2,172
Bookstall costs	696	-	-	696	817
Parish training and missions	22,890	-	-	22,890	10,489
Youth & children's work	1,827	3,000	-	4,827	4,642
Hall running costs	3,781	-	-	3,781	3,345
Hall repairs and maintenance	15,494	-	-	15,494	3,455
	<u>285,257</u>	<u>3,000</u>	<u>-</u>	<u>288,257</u>	<u>256,245</u>
4(b) <b>Costs of generating voluntary income</b>	-	-	-	-	-
4(c) <b>Fund raising trading costs</b>	-	-	-	-	-
4(d) <b>Governance costs (Independent examiner fee)</b>	200	-	-	200	200
<b>TOTAL RESOURCES EXPENDED</b>	<u>285,457</u>	<u>3,000</u>	<u>-</u>	<u>288,457</u>	<u>256,445</u>

### 5 STAFF COSTS

	2019 £	2018 £
Wages and salaries	57,205	57,727
Social security	18	-
Defined contribution pension cost	430	366
	<u>57,653</u>	<u>58,093</u>

During the year, the PCC employed a parish administrator, an operations manager, a church cleaner and a church hall cleaner, all on a part-time basis. The headcount on a full-time equivalent basis is 1.4 (2018: 1.1).

In addition, the PCC also contributes towards the wages and salaries of staff employed by the Burscough Outreach Trust, these staff are included in the this staff costs note as their work is directly in connection with St John's Burscough. Their headcount on a full-time equivalent basis is 1.9 (2018: 2.3).

No employees receive employee benefits of more than £60,000 (2018: none).

Clergy members are employed by the Diocese of Liverpool and not by St John's so their costs have not been included in the salary figures shown above.

No members of the PCC received any remuneration or expenses in their capacity as charity trustees

# PAROCHIAL CHURCH COUNCIL OF ST. JOHN THE BAPTIST, BURSCOUGH

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2019

6 FIXED ASSETS	Freehold Land & Buildings £	Fixtures & Fittings £	Total £
<i>Tangible fixed assets</i>			
<b>GROSS BOOK VALUE</b>			
At 1st January 2019	314,000	-	314,000
Additions	-	-	-
Disposals	-	-	-
At 31st December 2019	<u>314,000</u>	<u>-</u>	<u>314,000</u>
<b>DEPRECIATION</b>			
At 1st January 2019	-	-	-
Charge for the year	-	-	-
Depreciation eliminated on disposals	-	-	-
At 31st December 2019	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET BOOK VALUE</b>			
At 31st December 2019	<u>314,000</u>	<u>-</u>	<u>314,000</u>
At 31st December 2018	<u>314,000</u>	<u>-</u>	<u>314,000</u>

7. ANALYSIS OF NET ASSETS BY FUND	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2019 £
Fixed assets	87,364	226,636	-	314,000
Current assets	178,624	25,095	44,653	248,372
Current liabilities	(39,601)	-	-	(39,601)
Non-current liabilities	(59,627)	-	-	(59,627)
Fund balance	<u>166,760</u>	<u>251,731</u>	<u>44,653</u>	<u>463,144</u>

8. DEBTORS & PREPAYMENTS	2019 £	2018 £
Income tax recoverable	3,177	2,275
Prepayments and accrued interest	1,623	1,584
	<u>4,800</u>	<u>3,859</u>

9. FINANCIAL INSTRUMENTS	2019 £	2018 £
Short term deposits (CCLA)	105,577	105,266
Cash at bank and in hand	137,995	127,325
	<u>243,572</u>	<u>232,591</u>



# PAROCHIAL CHURCH COUNCIL OF ST. JOHN THE BAPTIST, BURSCOUGH

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2019

10. LIABILITIES:	2019	2018
AMOUNTS FALLING DUE WITHIN ONE YEAR	£	£
Accruals and deferred Income	20,133	18,397
Other creditors	18,269	9,917
Mortgage	1,199	-
	<u>39,601</u>	<u>28,314</u>

11. LIABILITIES:	2019	2018
AMOUNTS FALLING DUE AFTER ONE YEAR	£	£
Mortgage	59,627	63,000
	<u>59,627</u>	<u>63,000</u>

The mortgage is secured against the market value of the property to which it relates. The carrying value of this property is £280,000 (2018: £280,000).

12. UNRESTRICTED FUNDS	<i>RESTATED</i>	
<i>The closing balance of unrestricted funds comprised the following:</i>	2019	2018
	£	£
General	94,722	133,568
Missions	22,038	33,184
Designated - Church refurbishment	50,000	-
	<u>166,760</u>	<u>166,752</u>

13. RESTRICTED FUNDS	2019	2018
<i>The closing balance of restricted funds comprised the following:</i>	£	£
Curates' property	45,236	45,236
Church refurbishment	9,360	9,360
Church hall	34,000	34,000
Youth & children	151,046	151,046
Lordsgate school	8,089	8,089
Churchyard maintenance	4,000	-
	<u>251,731</u>	<u>247,731</u>

14. ENDOWMENT FUNDS	<i>RESTATED</i>	
<i>The closing balance of unrestricted funds comprised the following:</i>	2019	2018
	£	£
Hoscar	44,653	44,653
	<u>44,653</u>	<u>44,653</u>

# PAROCHIAL CHURCH COUNCIL OF ST. JOHN THE BAPTIST, BURSCOUGH

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2019

### 15. ANALYSIS OF TRANSFER BETWEEN FUNDS

	Unrestricted £	Designated £	Total £
Church refurbishment	(50,000)	50,000	-
	<u>(50,000)</u>	<u>50,000</u>	<u>-</u>

The St John's heating system is in need of replacement and this work is expected to commence during 2020. The PCC has initially designated £50,000 of general funds to contribute towards the cost of this work.

### 16. RELATED PARTIES

The related parties of St John's PCC consist of the trustees of the charity, their close family members, and the Burscough Outreach Trust by nature of its shared trustees with St John's PCC.

The following trustees were connected to people or organisations in receipt of payments from St John's

Trustee	Related Trusteeships	Related Party Transactions
David Banbury	The Burscough Outreach Trust	See below
Mark Aspinall	The Burscough Outreach Trust	See below
Ian Hawksby ( <i>until 9 April 2019</i> )	The Burscough Outreach Trust	See below
Caroline McCaul	The Burscough Outreach Trust	See below
Robert Williams ( <i>since 9 April 2019</i> )	The Burscough Outreach Trust	See below
Stuart Ashcroft	None	Works part-time as church hall cleaner
Peter Short	None	Jennie Short (wife) works part time as operations manager

The table below shows payments made to The Burscough Outreach Trust and amounts owing to or by them. None of St John's income derives from these entities.

	St John's Payments		Amounts due to/(from) St John's	
	2019	2018	2019	2018
Burscough Outreach Trust ("BOT")	21,869	32,744	-	-

#### **Connected persons**

During 2019 two (*2018: one*), trustees or close family members of trustees, were employed by St John's PCC. Total emoluments to these related parties for 2019 total £7,655 (*2018: £2,417*).

#### **Trustee donations**

St John's regularly receives donations from PCC members. The donors did not attach any conditions to their gifts which would require the charity to significantly alter the nature of its existing activities.

# PAROCHIAL CHURCH COUNCIL OF ST. JOHN THE BAPTIST, BURSCOUGH

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2019

### 17. PRIOR YEAR RESTATEMENT

During 2018, income of £44,653, relating to the sale of property at Hoscar Mission, were incorrectly classified as general unrestricted funds. The income should be classified as an endowment fund, and has therefore been corrected in the prior year comparatives.

An explanation of how the restatement has affected the Charity's financial position and financial performance is set out in the following table.

	<b>2018</b>			
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Endowment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>STATEMENT OF FINANCIAL ACTIVITIES</b>				
<b>Realised gains and losses on investments</b>				
- As reported	44,653	12,827	-	57,480
- Adjustment	(44,653)	-	44,653	-
- Restated position	<u>-</u>	<u>12,827</u>	<u>44,653</u>	<u>57,480</u>
<b>BALANCE SHEET</b>				
<b>Parish Funds</b>				
- As reported	211,405	247,731	-	459,136
- Adjustment	(44,653)	-	44,653	-
- Restated position	<u>166,752</u>	<u>247,731</u>	<u>44,653</u>	<u>459,136</u>

### 17. POST BALANCE SHEET EVENTS

The outbreak of COVID-19 in the first quarter of 2020 will have a significant impact upon the Charity during 2020 and beyond. COVID-19 has been treated as a non-adjusting post balance sheet event for the purposes of these financial statements. Whilst do not anticipate the valuation of any of our assets or liabilities to become materially changed, our income will be considerably reduced for the duration which our church building and church hall are out of use. Although highly uncertain, we forecast that our loss of income is in the region of £8,000 per month and will continue for an indeterminate period.

**Independent Examiner's unqualified report to the members of the P.C.C. of St. John the Baptist Burscough.**

**Accounts for the year ended 31<sup>st</sup>. December 2019.**

**Charity no 1128273.**

**Set out on pages nine to nineteen.**

**Respective responsibilities of the P.C.C. and the examiner.**

The P.C.C. members acting as the charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for the year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed. It is my responsibility to:

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

**Basis of the Independent Examiner's statement.**

My examination was carried out in accordance with the general Directions given by the Charity Commission and the guidance published in PCC Accountability (The Charities Act 2011 and the P.C.C.), 5<sup>th</sup> edition). An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with these records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required for an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

**Independent examiner's statement.**

In connection with my examination, no material matter has come to my attention which gives me cause to believe that in, any material respect:

accounting records were not kept in accordance with section 130 of the Charities Act, or the accounts do not accord to the accounting records.

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

Signed. *Alan A Clements.*

Date. 15<sup>th</sup>. May 2020.

Name Rev'd. A. A. Clements.

Relevant professional qualification Fellow Association of Charity Independent Examiners.

Address 15 Carleton Road, Great Knowley, Chorley PR6 8TQ

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