

Charity Registration No: 249927

**THE MOTHERS' UNION BLACKBURN DIOCESE
TRUSTEES' REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2019**



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 2019

Legal and administrative information

The Trustees submit their report for The Mothers' Union, Blackburn Diocese for the year ended 31 December 2019

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 2019.

	Date of appointment	Completion of office
<i>Diocesan President</i>		
Enid Nutland	01 January 2010	
<i>Deputy President-Blackburn Archdeaconry</i>		
Marjorie Holt ¹	01 January 2016	26 February 2019
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	
<i>Presiding Members</i>		
Janet Adams	01 January 2014	31 December 2019
Wendy Barber	01 January 2019	
Susan Baron	09 June 2014	31 December 2019
Susan Boulton ²	01 January 2020	
Margaret Cookson	01 January 2019	
Christine Dawson-Brown	01 January 2019	
Elaine Geldard	01 January 2016	
Susan Hogarth	01 January 2014	31 December 2019
Yvonne Howarth	01 March 2016	
Judith Kaye	01 January 2019	
Amanda Kroukamp	01 January 2015	
Kathleen Lane	01 January 2015	
Patricia Rushton	01 January 2019	
Cheryl Sandford ²	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	
Dorothy Martin	01 January 2016	

¹Passed away 26 February 2019

²Appointed after the year end

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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 2019 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)**

During 2019, 15 families (13 families in 2018) benefitted from holidays under the AFIA scheme. The holidays, for families in need of a break, are offered in the Blackburn Diocese Mothers' Union caravan on the Lancashire coast and were much appreciated by everyone concerned. (Object 5)

Plans for 2020 - to work towards the uptake of more holidays for families with preschool children.
- to research ways to offer day trips for families.

- **Royal Lancashire Show – Children's Village**

During the three days of the Royal Lancashire Show, Mothers' Union had very high visibility in the Children's Village. Within the village, a soft play area for preschool children had been organised by the Girl Guides and, Mothers' Union members had been asked to provide support. Children,

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accompanied by parents and guardians, were welcomed into the area to play, which gave an ideal opportunity for Mothers' Union to be introduced and discussed with the waiting adults.

Examples of projects which support families in the local community were displayed, e.g. shawls, blankets and baby clothes for the neonatal units, muffs for dementia patients, wrist warmers for the needy and wash bags with toiletries for local hospitals. Magazines, literature and photographs of projects were also displayed. Diocesan literature was given to parents and guardians, again providing an opportunity to talk about the work of Mothers' Union, and children received a Mothers' Union Bible Story booklet containing stickers to be inserted into the relevant stories. Despite the poor weather on the first two days visitor numbers overall were very good. Mothers' Union had a clear visible presence in the village and received good feedback. (Objects 1 – 5)

Plans for 2020 - Mothers' Union has been asked to support this area in 2020. We have asked for more involvement in the design and planning of our area to ensure families have a great experience and our 'project display' will have even more impact.

Lifestyle Marquee

2019 was the first time for several years that Mothers' Union literature and items from the MU Enterprises Catalogue have been displayed and sold at the Royal Lancashire Show. Presence in the Lifestyle Marquee provided another opportunity to promote Mothers' Union and its work. (Objects 1 – 5)

Plans for 2020 – a stand has been reserved in an improved position in the Lifestyle Marquee and, ideas from 2019 will be developed to further promote Mothers' Union work in the diocese and increase sales of literature.

- **Festival of Baptism at Blackburn Cathedral**

The one-day event was organised by the Bishops of Blackburn, Burnley and Lancaster and attracted approximately 200 attendees. Mothers' Union was invited to display and sell literature and items relevant to Baptism and Confirmation in the nave of the Cathedral. Members also assisted in the provision of refreshments. (Object 2)

- **Refugees/Asylum Seekers**

Members in one deanery, moved by the plight of refugees arriving in their area with nothing, and with little being available from community resources, continued to provide basic hygiene and cleaning products. These products are taken to the City of Sanctuary Office, which has links with the 'East meets West' organisation. The donated products are then distributed by these organisations to individuals and families. Support has also been given to a pregnant mother in the form of essential baby necessities and clothing. (Object 5)

Plans for 2020 - to continue with the project whilst there is demand and to provide support to pregnant mums as and when requested.

- **Work in Prisons**

Following a meeting with prison chaplains, the chaplain of Garth Prison requested some help from Mothers' Union. It was agreed to collect books for a Read Together scheme and, also to enlist a small group of members who would attend and help with occasional chapel services. A large number of books have been collected and there is a small team of members who have volunteered to help with services. Some members attended a service in November 2019 but the chaplain has since retired so the project is 'on hold' until the new chaplain is inducted and visits to the prison can resume.

Plans for 2020 – to resume the visits and work towards establishing the Read Together scheme. (Object 5)

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Faith and Policy

- Prayer continues to underpin all Mothers' Union work and is a vital part of all our activities. Emergency Prayer Circles are in existence in most of the deaneries. All deaneries have Indoor Members who are visited regularly and kept in touch with their branches. The deaneries also hold annual worship for their members and Tea Parties for their Indoor Members and members over 75 years of age.
- Deaneries have held Quiet Mornings or Quiet Days for their members and a successful Diocesan 'Quiet and Not so Quiet Day' was held in November 2019 to explore the theme of Advent.
- An Easter bookmark was designed and distributed to all branches for passing on to members and their church congregations.
- A Diocesan Mary Sumner Day Service was held at St Michael's Church, Kirkham where many deanery and branch projects were displayed.
- The 'Wave of Prayer' was held throughout the diocese during 19 – 21 October 2019.

Plans for 2020

- to hold a 'Pathways to Prayer' morning, which is part of Blackburn Diocese's Discipleship Programme, to help members explore different ways of praying
- to produce an all-age bookmark for Easter 2020 for members and as a means of outreach
- to develop diocesan and deanery involvement in the Mothers' Union 16 Days of Activism against Gender-based violence (Object 4)

Fundraising and Communication

During 2019 the Unit was involved in most of the above projects. (Objects 1 - 5)

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

The sales of literature were maintained at a high level resulting in a grant of £1,394 for the year, being received from MU Enterprises Ltd.

A new initiative to hold two Pop-Up Shops annually, one in each Archdeaconry, gave members the opportunity to meet for a chat, together with refreshments and, at the same time view and purchase a whole range of stock from the latest MU Enterprises Catalogue. A wide selection of items from the catalogue were on display including a 'Sale' table. Feedback was excellent.

Plans for 2020 – to continue with the initiative, the first event to take place on 14 March and the second will be held on 5 September.

- **Communication**

Information Pack - A branch information pack containing essential information for all members to ensure they are well informed about Mothers' Union was developed and distributed to the deaneries and branches. The pack contained templates for branches and deaneries to adapt to their local situations, details of events throughout the year at branch/deanery/diocesan and national level together with notes outlining the benefits of sharing information and to help stimulate interest beyond branch level. Since its introduction, branches have requested Unit Co-ordinator attendance at meetings to speak about the wider aspects of Mothers' Union.

Plans for 2020 – to update the information pack where relevant, attend five requested branch meetings and continue to devolve information.

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Website - Work has begun on updating and improving the diocesan Mothers' Union website. This is a work in progress and will continue in 2020.

Plans for 2020 – to produce a new diocesan promotional booklet with a broad appeal. 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 for the process which is being used to explore the essence of what it is to be Mothers' Union, and how we can uniquely contribute to making a real difference to people's lives.

During 2019 the MULOA process took place in five deaneries, Blackpool, Burnley, Leyland, Pendle and Poulton. The sessions were, in the main, successful in that they helped members to look at what they were currently doing and what could be done in the future within their communities hopefully bringing change to the way they work within their own church and community. It is expected that MULOA themes will continue to help branches explore new ways of helping others in their communities and beyond.

Plans for 2020 – to deliver talks to branches on the MULOA process for those who were unable to take part in 2018/19. MULOA is to be followed by a new theme, Metamorphosis. (Objects 1 - 5)

Worldwide Links

The links with the five overseas dioceses allocated to Mothers' Union in Blackburn Diocese continue to be developed and prayer at branch level is actively encouraged. Each quarterly edition of Blackburn MU News contains an article about one of the links which also helps to inform and raise awareness with the members.

Most of the information available about the link dioceses is from the internet as news from the links is rarely received. Blackburn MU News is sent to each link diocese quarterly, either electronically or by post. Presentations about the links were given to 13 Branches during 2019.

Plans for 2020 – to continue to develop the links and encourage prayer and involvement at branch level. (Object 3)

Training Programme for 2019

Parenting was planned as a focus for 2019. However, the proposed facilitator training – 'Passionate about Parenting' – had to be replaced by an evening session to familiarise members interested in this area of outreach using the material produced by Care for Families, 'Parentalk – the Primary Years'. This was well received, and members expressed an interest in offering the programme to parents and guardians in their local schools. (Objects 1 - 5)

Two afternoon training sessions for Branch Leaders, deanery and branch secretaries, treasurers and literature representatives took place in October 2019, one in each of the Archdeaconries. A total of 110 members attended. Feedback from these sessions indicated a high level of satisfaction and appreciation for the support that had been provided.

Training Programme for 2020

Diocesan Sharing Day. Building on the success of the two previous Sharing Days, a third Sharing Day has been planned for October 2020. 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 Manchester Mothers' Union. She has been asked particularly to speak about her outreach work in Manchester Diocese. Other contributors will be Marian Pope (from the central Mothers' Union) and our own members engaged in various areas of outreach. (Objects 1 - 5)

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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 & 4)

Plans for 2020 – The Impact of Covid-19

Unfortunately, plans for 2020 were put on hold. Some have been postponed until 2021 and some were cancelled including the AFIA Caravan Holidays. It has been encouraging that many members have been supporting key workers during the crisis period. E.g. making scrub bags, masks and headbands; providing 500+ emergency toiletry bags for hospitals; prayer squares and hearts for patients were knitted and members provided assistance with food banks.

The total membership in the Diocese in 2019 was 2,970 with each member paying a subscription of £19.60 out of which £14.00 was forwarded to the central office of Mothers' Union. The balance of subscriptions remaining was utilized on meeting general administrative expenses.

All of 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

2019 was a satisfactory year with a net increase in funds of £20,869 of which £10,836 was due to an increase in investment value. The Charity relies on support and contributions from its members to enable the Aim and Objects of the Charity to be met. Falling membership is a concern and new ways of educating the branches to accommodate the changes in today's lifestyles in their meetings are being 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 years. The current level of reserves allows the Trustees to contribute to emergency worldwide appeals as necessary. Unrestricted reserves at 31 December 2019 were £373,981. The Trustees have 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 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 30 September 2020 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 2019**

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 2019.

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 P H Taaffe FCA CTA DChA
BWM
Castle Chambers
43 Castle Street
Liverpool
L2 9SH

Dated: 20.10.20

The Mothers' Union Blackburn Diocese

**Statement of Financial Activities
for the Year ended 31 December 2019**

	Notes	Unrestricted 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>6,199</u>	<u>202,918</u>
Expenditure on:				
Raising funds	6	23,718	-	23,718
Charitable activities	7	163,921	5,246	169,167
Total Expenditure		<u>187,639</u>	<u>5,246</u>	<u>192,885</u>
Net gains or (losses) on investments	10	10,836	-	10,836
Net income/(expenditure)/ net movement in funds		<u>19,916</u>	<u>953</u>	<u>20,869</u>
Transfers between funds	11	-500	500	-
Reconciliation of funds:				
Total funds brought forward		354,565	44,104	398,669
Total funds carried forward		<u>373,981</u>	<u>45,557</u>	<u>419,538</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 2018**

	Notes	Unrestricted funds	Restricted and Endowment funds	2018 Total
		£	£	£
Income and endowments from:				
Donations, legacies and subscriptions	2	141,648	2,345	143,993
Other trading activities	3	58,642	-	58,642
Investments	4	2,764	207	2,971
Other Income	5	6,000	-	6,000
Total Income		<u>209,054</u>	<u>2,552</u>	<u>211,606</u>
Expenditure on:				
Raising funds	6	21,331	-	21,331
Charitable activities	7	171,265	6,161	177,426
Total Expenditure		<u>192,596</u>	<u>6,161</u>	<u>198,757</u>
Net gains or (losses) on investments	10	-862	-	-862
Net income/(expenditure)/ net movement in funds		<u>15,596</u>	<u>-3,609</u>	<u>11,987</u>
Reconciliation of funds:				
Total funds brought forward		338,969	47,713	386,682
Total funds carried forward		<u><u>354,565</u></u>	<u><u>44,104</u></u>	<u><u>398,669</u></u>

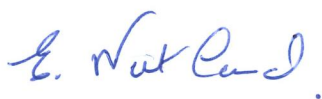
The Statement of Financial Activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The Mothers' Union Blackburn Diocese

Balance Sheet as at 31 December 2019

	Notes	2019 £	2018 £
Fixed Assets:			
Tangible Assets	9	25,419	29,655
Investments	10	249,412	235,234
<i>Total fixed assets</i>		<u>274,831</u>	<u>264,889</u>
Current Assets:			
Stocks of ties and literature		14,101	14,510
Debtors	12	845	1,359
Cash at bank and in hand		132,306	121,196
<i>Total current assets</i>		<u>147,252</u>	<u>137,065</u>
Liabilities:			
Creditors: Amounts falling due within one year.	13	2,545	3,285
<i>Net current assets</i>		<u>144,707</u>	<u>133,780</u>
Total net assets		<u><u>419,538</u></u>	<u><u>398,669</u></u>
The funds of the charity:			
Restricted income and endowment funds	14	45,557	44,104
Unrestricted funds		373,981	354,565
Total charity funds		<u><u>419,538</u></u>	<u><u>398,669</u></u>

Approved by the Board of Trustees on
30 September 2020



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 2019

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 2019 (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' report and in Note 22, 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 charities 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 2019 (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.

		Unrestricted funds	Restricted and Endowment funds	2019 Total	2018 Total
		£	£	£	£
2 Donations, legacies and subscriptions					
Subscriptions		58,212	-	58,212	60,097
Donations - General Fund		3,874	-	3,874	3,038
Donations - Caravan Fund		6,309	203	6,512	12,000
Gift Aid Income tax reclaim		5,424	-	5,424	5,761
Branch and deanery income*		41,465	5,639	47,104	41,659
*122 branch, 14 deanery and 10 deanery literature accounts.	Sub-total	115,284	5,842	121,126	122,555
Donations to the Mothers' Union worldwide					
Britain and Ireland Development Fund		1,410	-	1,410	880
Overseas Fund		12,120	-	12,120	12,109
Other central appeals		2,500	-	2,500	1,697
World Relief Fund		4,623	-	4,623	6,752
	Sub-total	20,653	-	20,653	21,438
Donations, legacies and subscriptions	2019	135,937	5,842	141,779	143,993
	2018	141,648	2,345	143,993	-
3 Other trading activities					
Branch fundraising income		37,717	-	37,717	38,673
Deanery fundraising income		1,905	-	1,905	1,986
Sale of ties		70	-	70	50
Literature sales		18,068	-	18,068	17,933
		57,760	-	57,760	58,642
	2018	58,642	-	58,642	-
4 Investments					
Bank interest		37	-	37	133
Investment interest		983	357	1,340	886
Dividends		2,002	-	2,002	1,952
		3,022	357	3,379	2,971
	2018	2,764	207	2,971	-

Notes to the Financial Statements for the year ended 31 December 2019 (continued)

	Unrestricted funds	Restricted and Endowment funds	2019 Total	2018 Total
	£	£	£	£
5 Raising funds				
Branch fundraising costs	4,048	-	4,048	3,305
Deanery fundraising costs	357	-	357	297
Literature Section	19,313	-	19,313	17,729
	<u>23,718</u>	<u>-</u>	<u>23,718</u>	<u>21,331</u>
2018	<u>21,331</u>	<u>-</u>	<u>21,331</u>	<u>-</u>
6 Other Income				
Profit on disposal of caravan	-	-	-	6,000
2018	<u>6,000</u>	<u>-</u>	<u>6,000</u>	<u>-</u>
7 Charitable activities				
Subscriptions	41,580	-	41,580	42,701
Action and Outreach Unit	896	-	896	546
Caravan and AFIA holidays	5,135	4,950	10,085	-2,445
Faith and Policy Unit	995	-	995	1,610
Finance and Central Unit	17,193	-	17,193	25,248
Fundraising and Communication	724	-	724	281
Branch and deanery expenditure*	72,559	296	72,855	77,497
*122 branch, 14 deanery and 10 deanery literature accounts.	Sub-total	139,082	5,246	144,328
Governance costs	2,954	-	2,954	2,549
Donations to the Mothers' Union worldwide	21,885	-	21,885	29,439
Charitable activities	<u>163,921</u>	<u>5,246</u>	<u>169,167</u>	<u>177,426</u>
2018	<u>171,265</u>	<u>6,161</u>	<u>177,426</u>	<u>-</u>
8 Governance costs				
	Unrestricted funds	Restricted and Endowment funds	2019 Total	2018 Total
	£	£	£	£
Independent examination	1,188	-	1,188	1,152
Annual Accounts - printing costs	345	-	345	291
Trustee meeting costs:				
Printing, stationery and postage	351	-	351	201
Rent	160	-	160	169
Trustee travel	910	-	910	736
	<u>2,954</u>	<u>-</u>	<u>2,954</u>	<u>2,549</u>
2018	<u>2,549</u>	<u>-</u>	<u>2,549</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 2019 (continued)

9 Tangible Fixed Assets

	Caravan £	Total £
Cost		
as at 1 January 2019	33,891	33,891
Disposals during the year	-	-
Additions during the year	-	-
as at 31 December 2019	<u>33,891</u>	<u>33,891</u>
Depreciation		
as at 1 January 2019	4,236	4,236
Eliminated on disposal	-	-
Charge for the year	4,236	4,236
as at 31 December 2019	<u>8,472</u>	<u>8,472</u>
Net Book Value:		
as at 31 December 2019	<u>25,419</u>	<u>25,419</u>
as at 31 December 2018	<u>29,655</u>	<u>29,655</u>

10 Investments

	2019 £	2018 £
Church Investment Fund - 3,593 Shares		
Market value 1 January 2019	57,883	58,745
Unrealised (Loss)/Gain	10,836	-862
Market Value 31 December 2019	<u>68,719</u>	<u>57,883</u>
Deposit with Church Deposit Fund	180,693	177,351
Total UK Investments	<u><u>249,412</u></u>	<u><u>235,234</u></u>

11 Transfers between funds

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

12 Debtors

	2019 £	2018 £
Literature	120	315
HMRC - Gift Aid	-	729
Insurance prepayment	<u>725</u>	<u>315</u>
	<u>845</u>	<u>1,359</u>

13 Creditors: Amounts falling due within one year

	2019 £	2018 £
Mothers' Union world wide funds	993	1,725
HMRC - PAYE	364	357
Independent Examination fee - accrual	1,188	1,152
Insurance - accrual	-	51
	<u>2,545</u>	<u>3,285</u>

Notes to the Financial Statements for the year ended 31 December 2019 (continued)

14 Accumulated Funds

Total funds are unrestricted apart from £45,557 made up as follows:

	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

	Balance at 1 January 2018 £	Incoming Resources £	Resources Expended £	Transfers between funds £	Balance at 31 December 2018 £
Restricted funds					
AFIA legacy (Away From It All holidays)	500	-	125	-	375
Branch and deanery banner funds	376	1,723	1,723	-	376
Branch legacies - donation and interest utilised	1,983	-	-	-	1,983
Branch overseas fund	23	112	77	-	58
Caravan replacement	38,745	207	4,236	-	34,716
Caravan holidays	-	510	-	-	510
Diocesan banner fund	458	-	-	-	458
Endowment funds					
Branches - permanent endowment funds	5,628	-	-	-	5,628
Total	47,713	2,552	6,161	-	44,104

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.

15 Transactions with Trustees

The trustees have not been remunerated during the year.

Expenses were reimbursed to 18 trustees amounting to £4,288; comprising travel £3,556, printing, stationery and postage £505, resources £133, conferences £70 and gifts £24.
(2018: 21 trustees, amounting to £3,568)

16 Trustee Indemnity Insurance

£327.88 was paid for Trustee Indemnity Insurance. (2018: £343.22)

17 Staff costs and emoluments

Total staff costs for 2 employees were £7,280. (2018: £7,140)

No National Insurance or pension contributions were payable.

There were no employees with emoluments above £60,000. (2018: nil)

There were two part-time staff employed, with a full-time equivalent of less than 0.5 (2018: < 0.5)

Key management staff costs were:

	2019 £	2018 £
Diocesan Secretary	3,640	3,570
Diocesan Treasurer	3,640	3,570
	<u>7,280</u>	<u>7,140</u>

18 Independent Examination

	2019 £	2018 £
Fee	<u>1,188</u>	<u>1,152</u>

Notes to the Financial Statements for the year ended 31 December 2019 (continued)

19 Analysis of net assets between funds

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

	Tangible fixed assets	Investments	Other net assets	Total 31-Dec 2018
	£	£	£	£
Restricted income and endowment funds	29,655	5,567	8,882	44,104
Unrestricted funds	-	229,667	124,898	354,565
	<u>29,655</u>	<u>235,234</u>	<u>133,780</u>	<u>398,669</u>

20 Related party transactions

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

21 Financial instruments

	2019 £	2018 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	132,426	122,241
Equity instruments measured at fair value	<u>249,412</u>	<u>235,234</u>
	<u>381,838</u>	<u>357,475</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>2,181</u>	<u>2,928</u>

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

Financial liabilities measured at amortised cost comprise creditors and accruals.

22 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 due to the Government's social distancing and lockdown measures. However, the Trustees continued to meet remotely during the period of lockdown, and members supported key workers in a variety of ways.

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 2020 due to Covid-19 but has sufficient reserves to cover this.