

**St Mary & St Michael's Church, Egremont  
with St John's Church, Bigrigg**



**Report for the Annual Parochial Church Meeting  
4<sup>th</sup> April 2017**

## Section A

## Reference and administration details

**Charity name:** Parochial Church Council of the Ecclesiastical Parish of St Mary & St Michael's, Egremont

**Also known as:** St Mary & St Michael's, Egremont

**Registered charity number:** 1136966

**Principal address:** The Rectory, Grove Road, Egremont, Cumbria, CA22 2LU

### Names of the charity trustees who manage the charity

Trustee name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
Thomas Richard Lee	Rector & Chairman		Carlisle Diocese
Simon Cake	Team Vicar		Carlisle Diocese
Timothy Taylor	NSM Curate		Carlisle Diocese
Mr Robert Mason	Churchwarden emeritus		APCM
Mr Andrew Holland	Church warden		APCM
Mrs Carol Smith	Church warden		APCM
Mrs Gerry Christmass	Deanery Synod Rep		APCM
Mrs Jill Hale	Deanery Synod Rep		APCM
Mrs Doris Downton			APCM
Mrs Elaine Galpin			APCM
Mrs Mary Jordan			APCM
Dr Deb Lee			APCM
Mrs Sarah Stewart			APCM
Mrs Dorothy Thompson			APCM
Mr Richard Hardiman			APCM
Mr Andrew Jeapes	Treasurer		APCM
Mr Kenneth Jordan			APCM
Dr David Rudd			APCM
Mr Anthony Stewart			APCM
Mr Nigel Taylor			APCM
Mr Clark Thomson			APCM

*APCM = Annual Parochial Church Meeting*

## Section B Structure, governance and management

<b>Type of governing document:</b>	Act of Parliament Parochial Church Councils (Powers) Measure 1956 as amended and Church Representation Rules (contained in Schedule 3 to the Synodical Government Measure 1969 as amended)
<b>How the charity is constituted:</b>	Parish Church Council
<b>Trustee selection methods:</b>	Members of the PCC are either ex-officio due to an office or appointment they hold from Carlisle Diocese or are elected by the Annual Parochial Church Meeting in accordance with the Church Representation Rules.

The parish consists of two churches: St Mary & St Michael's, Egremont and St John's, Bigrigg and it has proved convenient for the PCC to devolve routine matters of administration and upkeep to two sub-committees, one for each church. The sub-committees meet either monthly or bi-monthly, alternating with the PCC. The PCC receives reports from each sub-committee and maintains and oversight on the direction and progress of their work. Any substantial matter and all legal and financial matters are required to be agreed by the PCC.

## Section C Objectives and activities

### Aims and purposes

The PCC of St Mary & St Michael's, Egremont has the responsibility of co-operating with the incumbent in promoting, in the ecclesiastical parish, the whole mission of the church, pastoral, evangelistic, social and ecumenical. It also has maintenance responsibilities for St Mary & St Michael's Church and hall at Egremont, St John's Church and St John's House at Bigrigg.

### Objectives and activities

When planning our activities for the year, the incumbent and the PCC have considered the Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. We aim to enable ordinary people to live out their faith as part of our parish community. We have adopted the overall objectives of being: **"A church for the town and a town for the church"**.

Our activities comprise 4 main areas:

- To maintain, develop and renew public acts of worship held regularly within our church buildings
- To provide pastorally-relevant religious ceremonies open to all parishioners for baptisms, weddings and funerals.
- To extend the knowledge of and education in Christian teaching to both church members and members of the parish, within our acts of worship and through specific teaching opportunities, such as, – confirmation groups and Sunday schools
- To provide pastoral care to members of the church and any parishioners in need of spiritual, social or practical support.

The PCC acts to underpin all these activities by provision of well maintained buildings.

## Section D

## Achievements and performance

A major feature of 2016 has been the rector's role as High Sheriff for Cumbria. While this has stretched the ministry team somewhat, it has also served to highlight the churches and communities in West Cumbria. Some church members provided support to him at his installation and at the Judges' Service in October. In the parish, ministry continues on a regular basis to cover 3 churches within the benefice and a mission church in a neighbouring parish. Support has also been given to other churches in the deanery, often to support them during interregnum. David Rudd completed his training and was licensed as lay reader in June. Other members of the ministry team have continued with their particular contributions to the overall work of the parish.

The parish has successfully continued to present a substantial ministry of regular public christian worship - primarily, 4 holy communions on Sundays and 2 communion services during the week. On many Sundays, certainly averaging one per fortnight, baptism services have been offered, either during the morning worship or as separate services in the afternoon. This represents a significant outreach to parishioners who often are not regular attendees at our other services. In addition a regular ministry has been offered to people unable to attend services, by means of home communions and a monthly worship service at two local care homes.

Other contacts with the wider community continue to be our heavy commitment to funerals and weddings (55 funerals and 11 weddings) and each has included a measure of pastoral contact with people who may not be regular church goers. Junior church has hosted 'Fun Church' events, which are open to the whole congregation, at regular intervals, notably on Good Friday and at New Year.

The major Christian festivals of Easter and Christmas are well supported across the community: about 606 total attenders at Christmas services and 346 at Easter services. All services, but most notably the Christingles, provided opportunities to welcome a greater number of parishioners than attend on a normal Sunday, including some who are not frequent church-attenders.

Bell-ringing has become a regular feature of our church life in the form of ringing of the bells in the tower at Egremont before the 9.30 service and performances by the hand bell-ringing group as part of a number of special events, both in the church and in the wider community.

Our churches' presence in the community has continued to be expressed through formal events: such as, remembrance services, blessing of the town crib, school harvest, carol services and regular school assemblies. In 2016, attendance at school harvest & carol services totalled 1780 adults and children. Our provision of lunches on the Saturday of Crab Fair again proved popular. Once again we were able to participate with a mulled wine stall in Egremont's open air Christmas market. We are a 'Fairtrade' church and promote the aims of Fairtrade within our church life and, at Egremont, we have a monthly stall for sale of Fairtrade goods.

For the church building at Egremont we have successfully introduced a system of moveable pews at the front and rear of the right hand side of the building. This makes the building useable for a variety of events other than the normal church services. Work is in hand to improve the lighting within the nave. The major work at St John's, Bigrigg has been the refurbishment of the bell – a challenging task due to the height and weight involved. A combination of local volunteers, diocesan expert advice and a local building contractor successfully achieved the task.

At Egremont, the church hall has continued to provide a meeting place for a wide variety of groups from the local community. The NHS respiratory care team continues to provide a clinic as part of the aim to offer care closer to the community. The hall continues to prove popular among the community for shows, competitions and exhibitions, eg. Fuchsia show, Fur & Feathers, Pigeon Club, and Cage Bird Society among others.

## Section E

## Financial review

### The trustees' policy on reserves:

The PCC has a policy of maintaining reserves in its general funds (ie. Non-designated funds) only sufficient to ensure it can maintain positive cash flows throughout the year. This policy will assist with the PCC's aim of contributing the maximum possible to the costs of full-time ministry within Carlisle Diocese.

For the Egremont Hall, the policy is to operate as a self-funding activity, so that it does not place a burden on the general funds. To this end it will accumulate reserves (annually by about 5% of its turnover) against the inevitable need to maintain and renew the building and facilities.

Designated funds have been established as means to fund the repair, maintenance and renewal of church buildings where the demands greatly exceed any provision that could be made from the general funds. These designated funds will build substantial reserves, over many years, but targetted against planned projects.

## Section F

## Other optional information



**Details of any funds materially in deficit** - No funds are in deficit

## Section G

## Declaration

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

Signed on behalf of the charity's trustees

Signature(s)		
Full name(s)	Rev Thomas Richard Lee	Andrew Philip Jeapes
Position	Chairman of PCC	Treasurer
Date	04/04/17	04/04/17

# Memorandum

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**To:** To whom it may concern  
**CC:** Egremont Parochial Church Council (PCC)  
**From:** Vikki Brett  
**Date:** 02/05/2017  
**Re:** Report of Findings of an independent audit carried out on behalf of the Egremont PCC - 2016

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This memo will outline a review which has been undertaken by an 'independent' individual, Vikki Brett, in relation to the draft accounts which have been prepared for the Egremont PCC.

As indicated above the audit has been carried out by Vikki Brett who has lived in the parish of Bigrigg for the last 17 years. Having gained a degree in Commerce is currently working as a Project Manager for a local organisation.

## **Financial Statements**

As per previous independent audit reports a 'top down' approach to the review of the financial statements was undertaken. It can be confirmed that each of the appropriate sections of the Statements reconciled with the figures outlined.

## **Accounting Records**

When undertaking the review of the above Accounting Records for guidance purposes items 5 - 7 of the Independent examination planning checklist provided, and were used as a mechanism to ensure accuracy of the records. It can be confirmed that there seemed not to be any inaccuracies with the Accounting Records.

Whilst a review of all detail provided has been undertaken, random 'spot checks' were carried out to confirm the validity of the bank statements versus the transaction records. It was found that there were no errors highlighted in this process.

A review of the workings of the depreciation of various assets was undertaken and in particular the calculations, again no inaccuracies were found.

It was acknowledged that reference was made to notes provided to the examiner highlighting various changes/items to be noted upon examination. There is no concern over the issues highlighted.

May 2, 2017

### **Review of Accounts**

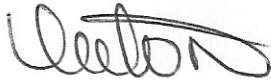
A review of the incomings, assets, and liabilities were deemed to be in accordance with an organisation of this size and nature. The manner in which the information was presented caused no confusion or concern when being examined.

### **Transaction Testing**

This was carried out at the same time as the review of the Account Review and the 'spot checks' did not highlight any errors.

Also taken into consideration were items 5 – 8 contained with the 'Notes for the Examiner' it can be confirmed that there is no concern in the manner in which these transactions have been recorded.

To conclude I would therefore confirm that as an independent auditor of the above accounts, that these records show a true and fair representation of the Egremont Parochial Church Council.



Vikki Brett, Croft End House, Woodend, Egremont, Cumbria, CA22 2TB, vbrett72@hotmail.co.uk

**CONFIDENTIAL**

**Statement of Financial Activities for the year ended December 2016**

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2016 £	Total 2015 £
<b>INCOMING RESOURCES</b>						
Incoming resources from donors	2a	49,228			49,228	55,794
Other voluntary incoming resources	2b	27,900			27,900	59,560
Income from trading & ancilliary trading	2c	21,151	3,400		24,551	24,698
Other ordinary incoming resources	2d					1,250
Income from investments	2e	1,238			1,238	1,349
<b>TOTAL INCOMING RESOURCES</b>		<b>99,517</b>	<b>3,400</b>		<b>102,917</b>	<b>142,651</b>
<b>RESOURCES USED</b>						
Grants	3a	2,298			2,298	1,395
Activities directly relating to the work of the church	3b	87,894	4,616		92,511	93,145
Fund raising and publicity	3c	539			539	645
Church management and administration	3d	3,102			3,102	2,059
<b>TOTAL RESOURCES USED</b>		<b>93,833</b>	<b>4,616</b>		<b>98,450</b>	<b>97,244</b>
<b>NET INCOMING RESOURCES BEFORE TRANSFERS</b>		<b>5,684</b>	<b>-1,216</b>		<b>4,467</b>	<b>45,407</b>
Transfers between funds						
<b>NET INCOMING RESOURCES</b>		<b>5,684</b>	<b>-1,216</b>		<b>4,467</b>	<b>45,407</b>
<b>GAINS AND LOSSES ON INVESTMENTS</b>						
Realised						
Unrealised				2,521	2,521	305
<b>NET MOVEMENT IN FUNDS</b>		<b>5,684</b>	<b>-1,216</b>	<b>2,521</b>	<b>6,988</b>	<b>45,711</b>
Balances brought forward at 1st January 2016		321,021	54,522	25,461	401,005	355,293
<b>BALANCES CARRIED FORWARD AT 31st DECEMBER 2016</b>		<b>326,705</b>	<b>53,306</b>	<b>27,982</b>	<b>407,993</b>	<b>401,005</b>



# **BALANCE SHEET AT 31st DECEMBER 2016**

	<b>Note</b>	<b>2016 £</b>	<b>2015 £</b>
<b>FIXED ASSETS</b>			
Tangible assets	5	203,949	209,762
Investment assets	5	27,982	25,461
		<u>231,931</u>	<u>235,223</u>
<b>CURRENT ASSETS</b>			
Debtors	7	1,915	1,041
Short term deposits		132,847	130,899
Cash at bank and in hand		42,849	36,804
<b>TOTAL CURRENT ASSETS</b>		<u>177,611</u>	<u>168,744</u>
<b>LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	8	-1,549	-2,963
<b>NET CURRENT ASSETS</b>		<u>176,062</u>	<u>165,782</u>
<b>NET ASSETS</b>		<u>407,993</u>	<u>401,005</u>
<b>FUNDS</b>	6		
Unrestricted	9c	326,705	321,021
Restricted	9b	53,306	54,522
Endowment	9a	27,982	25,461
<b>Total</b>		<u>407,993</u>	<u>401,005</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st December 2016

### ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the The Charities Act 2011 and the PCC (2006) revised to take account of the Charities SORP (Statement of Recommended Practices) 2005. The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at market value and the value of freehold land and buildings which are shown at estimated use value by the PCC.

### Funds

General Funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for application on the general purposes of the PCC. Funds designated for a particular purpose by the PCC are also unrestricted. After discussion with the Diocese about the terms of the trust concerning St John's House, it has been decided to account for rental income as a separate restricted fund. This enables the PCC to demonstrate that the income has been rightly used for the maintenance of St John's House itself and for the maintenance of the stipendiary ministry, required by the deed of trust.

The accounts include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body nor those that are informal gatherings of church members.

### Incoming Resources

#### *Voluntary income and capital sources*

Collections are recognised when received by or on behalf of the PCC. Planned giving receivable under covenant is recognised only when received. Income tax recoverable on covenants or gift aid donations is recognised when received. Grants and legacies to the PCC are accounted for upon receipt. Fees paid for funerals and weddings are accounted nett; this recognises that element due to the PCC and excludes that portion of the fees due to verger, organist and the Diocese. Funds raised by the sale of magazines, fetes, coffee mornings and similar events are accounted for gross.

*Other income:* Rental income from the letting of church property is recognised when the rental is received.

*Income from investments:* Dividends and interest are accounted for when receivable.

*Gains and losses on investments :* Realised gains or losses are recognised when investments are sold. Unrealised gains or losses are accounted for on revaluation of investments at 31st December

*Grants:* Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC.

### Fixed assets

#### *Freehold land and buildings*

Freehold land and buildings consist of Egremont church hall, and a house at Bigrigg. The house at Bigrigg is valued at an estimated value in use by the PCC. The Egremont church hall is valued at the cost of property improvements carried out since 2002. There has been discussion with the Diocese over the status of St John's House and it has been recognised that it is legally the property of the Diocese. However agreement has been reached for St John's Church to manage the property and to receive the income from its letting. On this basis, St John's House is accounted as a fixed asset in these accounts. Freehold land and buildings are depreciated on a straight line basis at 2% per annum.

*Investments:* Investments are valued at market value at 31st December.

*Current assets:* Amounts owing to the PCC at 31st December in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectable. Short-term deposits include cash held on deposit either with the CBF Church of England funds or at the bank.

**Notes to the Financial Statements for the year ended December 2016**

<b>2 INCOMING RESOURCES</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Endowment funds £</b>	<b>Total 2016 £</b>	<b>Total 2015 £</b>
<i>2(a) Incoming resources from donors</i>					
Planned giving:					
Envelope giving with gift aid	22,266			22,266	23,492
Income tax recoverable thro' gift aid	6,467			6,467	11,587
Envelope giving w/o gift aid	5,709			5,709	5,595
Collections (Open Plate)	14,786			14,786	15,119
<b>Total</b>	<b>49,228</b>			<b>49,228</b>	<b>55,794</b>
<i>2(b) Other voluntary incoming resources</i>					
Donations	6,925			6,925	3,736
Appeals	542			542	322
Fetes & other fund raising events	7,132			7,132	7,400
PCC fees	8,301			8,301	8,139
Legacies	5,000			5,000	39,962
<b>Total</b>	<b>27,900</b>			<b>27,900</b>	<b>59,560</b>
<i>2(c) Income from charitable &amp; ancillary trading</i>					
Orange mobile phone transmitter	7,982			7,982	7,813
Magazines	1,962			1,962	2,410
Sales (Fund Raising)	172			172	148
Church hall lettings	11,125			11,125	10,587
Rent St Johns House		3,400		3400	3,741
<b>Total</b>	<b>21,151</b>	<b>3,400</b>		<b>24,551</b>	<b>24,698</b>
<i>2(d) Other ordinary incoming resources</i>					
Grants					1,250
<b>Total</b>					<b>1,250</b>
<i>2(e) Income from investments</i>					
Dividends and interest	1,238			1,238	1,349
<b>TOTAL INCOMING RESOURCES</b>	<b>99,517</b>	<b>3,400</b>		<b>102,917</b>	<b>142,651</b>

**Notes to the Financial Statements (continued) for the year ended December 2016**

<b>3 RESOURCES USED</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Endowment funds £</b>	<b>Total 2016 £</b>	<b>Total 2015 £</b>
<i>3(a) Grants</i>					
Mission and charitable giving	2,298			2,298	1,395
<b>Total</b>	<b>2,298</b>			<b>2,298</b>	<b>1,395</b>
<i>3(b) Activities directly relating to the work of the church</i>					
Ministry: 'parish offer'	51,070	2,357		53,426	51,426
clergy expenses	2,811			2,811	2,585
Church running expenses	17,107			17,107	17,103
Church maintenance	6,064			6,064	7,933
Upkeep of services	1,894			1,894	2,473
Improvements					
Depreciation on freehold land, buildings & church equipment	4,313	1,500		5,813	5,813
Trading costs	4,636	760		5,396	5,811
<b>Total</b>	<b>87,894</b>	<b>4,616</b>		<b>92,511</b>	<b>93,145</b>
<i>3(c) Fund raising and publicity</i>	539			539	645
<b>Total</b>	<b>539</b>			<b>539</b>	<b>645</b>
<i>3(d) Church management and administration</i>					
Printing & stationery	414			414	726
Sundry expenses	44			44	124
Office expenses etc	1,690			1,690	400
Professional fees	955			955	810
Accountancy charges					
<b>Total</b>	<b>3,102</b>			<b>3,102</b>	<b>2,059</b>
<b>TOTAL RESOURCES USED</b>	<b>93,833</b>	<b>4,616</b>		<b>98,449</b>	<b>97,244</b>

**4 STAFF COSTS**

**Wages and salaries**

During the year the PCC employed vergers and cleaners/caretakers for the church hall, none of whom earned £40,000 pa. or more.

Two of the trustees earned small remunerations as a caretakers for the Egremont hall..

<b>5 FIXED ASSETS USED BY THE PCC</b>	Freehold land & buildings	Church equipment	<b>Total</b>
<i>Tangible fixed assets</i>			
<b>Actual/deemed cost</b>			
At 1st January 2016	290,660	9,376	300,036
Additions			
At 31st December 2016	290,660	9,376	300,036
<b>Depreciation</b>			
At 1st January 2016	80,898	9,376	90,274
Charge for the year	5,813		5,813
At 31st December 2016	86,711	9,376	96,087
<b>Nett book value</b>			
At 31st December 2016	203,949		203,949
At 31st December 2015	209,762		209,762

	<b>Market Value</b>	
	<b>2016</b>	<b>2015</b>
<b>Investment assets</b>		
Market value 1st Jan	25,461	25,156
Gain/loss on revaluation	2,521	305
Market value 31st Dec	27,982	25,461

Holdings at 31st Dec 2016: 1678 units held in CBF Investment Fund

## 6 ANALYSIS OF NET ASSETS BY FUND

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2015 £
Fixed assets for PCC use	151,449	52,500		203,949
Investment fixed assets			25,232	25,232
Current assets	174,814	882	2,750	178,446
Current liabilities	-1,473	-76		-1,549
<b>Total</b>	<b>324,790</b>	<b>53,306</b>	<b>27,982</b>	<b>406,079</b>

	<b>Total 2016 £</b>	<b>Total 2015 £</b>
<b>7 DEBTORS</b>		
Debtors	1,915	1,041
<b>8 LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
Creditors	1,549	2,663
Accruals		300
<b>Total</b>	<b>1,549</b>	<b>2,963</b>

9(a) ENDOWMENTS FUNDS	Balance 1st Jan 2016	Incoming Resources	Resources Expended	Transfers Investments Gains/losses	Balance 31st Dec 2016
Jubilee	25,461			2,521	27,982
<b>Total</b>	25,461			2,521	27,982

9(b) UNRESTRICTED FUNDS	Balance 1st Jan 2016	Incoming Resources	Resources Expended	Transfers Investments Gains/losses	Balance 31st Dec 2016
Egremont Church	22,141	65,153	-61,075		26,220
Egremont Hall	173,016	11,822	-14,467		170,371
St John's Church	10,110	13,142	-13,035		10,217
Magazine fund	5,102	1,964	-1,590		5,476
Team Funds	6,793	1,467	-1,687		6,573
Egremont Building Fund	95,609	5,218			100,827
St John's Building Fund	8,251	752	-1,980		7,022
<b>Total</b>	321,021	99,517	93,833		326,705

9(c) RESTRICTED FUNDS	Balance 1st Jan 2016	Incoming Resources	Resources Expended	Transfers Investments Gains/losses	Balance 31st Dec 2016
Bigrigg Ministry & Housing	54,522	3,400	-4,616		53,306
<b>Total</b>	54,522	3,400	-4,616		53,306