

PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL

PARISH OF ST THOMAS, ST ANNES ON THE SEA

MEMBERS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2018

PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF ST THOMAS, ST ANNES ON THE SEA

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PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL

PARISH OF ST THOMAS, ST ANNES ON THE SEA

MEMBERS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2018

LEGAL AND ADMINISTRATIVE INFORMATION

FULL NAME: Parochial Church Council of the Ecclesiastical Parish of St Thomas, St Annes on the Sea

ADDRESS: Parish Church of St Thomas, St Thomas's Road, St Annes on the Sea, Lancashire FY8 1JL

The Charity was registered with the Charity Commissioners for England and Wales on 1st December 2009 under the number 1133037. The members who have served during the year and since the year end are listed below:

MEMBERS:

Rev Chris Scargill	Vicar	Ruth Beaumont to April 2018
Kath Asquith	Warden	Janet Boyce
Michael Notman		John Davies
Joy Swarbrick	Warden	Debbie Meadows
Sarah Sumner	Treasurer	Sylvia Nicholas to April 2018
Peter Watson	Reader (ex officio) to April 2018	Mark Rutherford - Secretary
Elizabeth O'Connor	Reader (ex officio)	Christine Unsworth
Maurice Unsworth		Debbie Wood
David Bennett	Deanery Synod	Helen Hornby - Co-opted
Eleanor Pascoe	from April 2018	Sue Smith – Co-opted from July 2018
Amanda Palmer		

Independent Examiner:

Fraser Norris ATT CTA
Fylde Office Service Bureau Ltd
28 Orchard Road
Lytham St Annes
Lancashire FY8 1PF

Bankers:

Barclays Bank plc
56 St Annes Road West
Lytham St Annes
Lancashire FY8 2NE

PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL

PARISH OF ST THOMAS, ST ANNES ON THE SEA

REPORT OF THE MEMBERS FOR THE YEAR ENDED 31ST DECEMBER 2018

Accounting and Reporting Responsibilities

Charity law requires the members to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and its financial position at the end of that year. In preparing those financial statements, members are required to:

- Select suitable accounting policies and apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in existence.

The members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors and Independent Examiner

Advantage has been taken of the provisions in the Charities Act, not to appoint an auditor. Fraser Norris ATT CTA has been appointed to examine the accounts in accordance with the relevant legislation and related regulations.

Approved by the Members in April 2019 and signed on their behalf by:



Rev. Christopher M. Scargill

28-4-19

PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL

PARISH OF ST THOMAS, ST ANNES ON THE SEA

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF PAROCHIAL CHURCH COUNCIL

OF THE ECCLESIASTICAL PARISH OF ST THOMAS, ST ANNES ON THE SEA

FOR THE YEAR ENDED 31ST DECEMBER 2018

My report on the financial statements of the Parochial Church Council of the Ecclesiastical Parish of St Thomas, St Annes on the Sea ("the PCC") for the year ended 31st December 2018, which are set out on pages 7 to 12, is in respect of an examination carried out under the Church Accounting Regulations 2006 and S.144 of the Charities Act 2011 ("the Act").

Respective Responsibilities of PCC and Examiner

As members of the PCC you are responsible for the preparation of the accounts. The members consider that an audit is not required for this year (under Section 144 (2) of the Charities Act 2011 (the Act)) and that an independent examination is required.

It is my responsibility to:

- Examine the accounts (under Section 145 of the 2011 Act)
- Follow procedures laid down in the General Directions given by the Charity Commission (under Section 145 (5) (b) of the Act) and
- State whether particular matters have come to my attention.


Basis of Independent Examiner's Report

My examination was carried out in accordance with General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the PCC and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as members concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the accounts.

Independent Examiner's Statement

In the course of my examination, no matter has come to my attention:

- 1) Which gives me reasonable cause to believe that in any material respect the members have not met the requirements to ensure that:
 - Proper accounting records are kept (in accordance with Section 130 of the 2011 Act) and
 - Accounts are prepared which agree with the accounting records and to comply with the accounting requirements of the 2011 Act; or
- 2) To which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


.....
Fraser Norris ATT CTA
Fylde Office Service Bureau Ltd
28 Orchard Road
Lytham St Annes
Lancashire FY8 1PF

PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL

PARISH OF ST THOMAS, ST ANNES ON THE SEA

REPORT OF THE MEMBERS FOR THE YEAR ENDED 31ST DECEMBER 2018

The Members present their annual report for the year ended 31st December 2018 under the Charities Act 2011, together with the financial statements for the year and confirm that the latter comply with the requirements of the Act and the Charities SORP 2005.

Structure, Governance and Management

Appointment of Members

The PCC members are listed on page 1. Members of the PCC are either ex-officio or elected by the Annual Parochial Church Meeting in accordance with the Church Representation Rules.

Organisation

The work of the PCC is carried on by a number of Committees between meetings. The main Committee, which is legally required is the Standing Committee which can transact business of the PCC with particular responsibility for stewardship, maintenance and finance.

There are further committees which also carry on work of the PCC between meetings including Worship and Outreach, Finance, Parish Centre Committee and Social Committee.

There are 118 on the electoral roll as at 31st December 2018; 71 reside in the parish and 47 outside the parish.

Risk Policy

The PCC members have examined the major strategic, business and operational risks which the PCC faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

Objectives and Activities

The PCC has the responsibility of co-operating with the incumbent in promoting the ecclesiastical parish of St Thomas, St Annes on the Sea, the whole mission of the Church, pastoral, evangelistic, social and ecumenical.

The PCC is also specifically responsible for the Community Centre of St Thomas' Church, St Thomas' Road, St Annes on the Sea.

The PCC is committed to enabling as many people as possible to worship at our church and to become part of the parish of St Thomas'. The PCC maintains an overview of worship throughout the parish in conjunction with the Worship Committee to enable worship for as many groups as live within our parish. Our services and worship put faith into practice through prayer and scripture, music and sacrament.

ST THOMAS' CHURCH: INCUMBENT'S REPORT 2018

2018 has been marked by a number of building and other "housekeeping" issues relating to St. Thomas'. The lead roofing from the lady chapel porch, which has stolen at the end of 2017 (and following which a temporary repair was in place) was replaced in April. A collapsing piece of guttering damaged a section of roof tiles over the south aisle and had to be replaced in the summer.

This made us very much aware of the lamentable state of the guttering and downspouts around the church, which had been an issue since before I arrived. Fortunately a substantial legacy in the autumn meant that we can now look to undertake these repairs in the course of 2019. Their initiation might have come about at the end of the year had it not been for a financial dispute with Total Gas and Power which caused a temporary cash flow problem. This has now, we hope, been resolved and we will be changing suppliers in the course of 2019. We may congratulate ourselves that, despite all these issues we managed to pay sufficient of our parish share for the diocese to declare it paid in full.

In the Spring of 2018 we said farewell to Home-Start who sadly had to leave their offices in the Parish Centre for larger premises at Blackpool football ground. We were glad that their developing work made the move necessary, but were sorry to see them go and we retain close links with Home-Start Blackpool, Fylde and Wyre. This did also mean the loss of very useful rental income and we are still exploring the possibility of renting out office space for "hot desking" and indeed we are open to enquiries about longer term rentals. However on the plus side, we have an additional room upstairs and are once more able to use the lounge for church activities. It is planned to re-organise how we use our office space following on from this change.

Our ongoing dispute with E.E. seems no nearer conclusion. Despite a surveyor having visited the tower and agreed a list of repairs with our own architect, EE, their sub-contractors Daly International and their legal advisers continue to follow a policy of failing to respond to enquiries or denying what they have previously agreed is the case. It is difficult to see how or when this issue will be resolved.

On a happier note, 2018 has been a year of continued growth and development in the worshipping life of St. Thomas'. The new non-eucharistic AAW service on the first Sunday of the month followed by a (usually) said service of Holy Communion has been found to work well. Though it was sad to have to bring the 8a.m. Book of Common Prayer service to an end, I know that all those who worshipped at it have found a spiritual home either at the Sunday morning service at 10a.m. or at the Thursday morning Communion. The latter has been one of the most notable areas for development in fact with a regular and growing congregation of 15+. Concern is sometimes expressed about falling numbers at the 10a.m. service. However this is at least partly due to people finding it difficult to get to a service at that time and lasting as long as it does. Often these people are not lost to St. Thomas' but rather move to the Thursday morning communion. The later communion on the first Sunday after the AAW service has also proved useful to those who find the 10a.m. main service difficult. Conversely, while services that fall in school holidays always present something of a challenge, the AAW services are clearly attracting more families than was the case before. Nor should the appeal of the 10a.m. Parish Communion be underestimated. A number of new people have started attending this service over the last year and we have been pleased to welcome or welcome back worshippers at Compline. Perhaps surprisingly, our "modern worship experience/ informal worship", while it has continued to attract an appreciative congregation, draws its attendance almost entirely from those who are already St. Thomas' worshippers. Towards the end of 2018 Eleanor and Lilli who provided most of the music for this service, felt they could no longer do so, as they were also assisting another church, which had no musicians, and would in any case be moving on to higher education in the course of 2019. This caused us to re-think what we offered on that Sunday evening and in recent months it has become an opportunity for experimental types of reflective worship. It is hoped too that this slot in our programme of worship may in future be used to provide worship opportunities for the older members of the Youth Group.

PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL

PARISH OF ST THOMAS, ST ANNES ON THE SEA

Our close relationship with St Thomas' School continues to flourish. Once again in 2018 a group of children were prepared for Communion and a further group will soon be admitted this year. Following on from this, we now have a termly School Holy Communion service using a simplified order. The first took place to celebrate St Thomas-tide in early July and was followed by another in Advent and a Passiontide service in early April 2019. There was a degree of anxiety during the year due to the school being in the window for inspection by Ofsted. The inspection eventually came in March 2019 and so is, strictly speaking, outside the scope of this report. However we were delighted that it confirmed the school as good and made some very positive comments about its inclusive philosophy, which is ultimately an expression of its Christian ethos.

Both St Thomas' and Clifton Nurseries join us 6 times a year for Nursery Praise – now at a new time 2p.m., which seems better for all concerned, plus other activities – while once again we welcomed AKS for their annual carol service.

Peter Watson, together with other members of the congregation, has taken a leading role in the revived "Churches Together in St. Anne's". The Pentecost Walk was again a great success, being joined this year by the Bishop of Burnley and there have been a number of joint activities around Christmas. We also got some unsought publicity at Christmas, when the baby Jesus was stolen from the town centre crib. The figure was never recovered, though a former St. Thomas' pupil donated a replacement, but we made the national press and I found myself doing a number of pieces for local radio.

I would like to thank all my colleagues in the ministry team for their help and support over the year, as well as Joy and Kath our wardens, Sarah our treasurer and Mark our secretary, plus all the members of the P.C.C.. A special mention should go to the social committee and their team, who do so much in the areas of fundraising and building up our church fellowship, most notably this year an exceptionally successful Christmas Fair. I have always believed that the ministry of the Church is a team effort and St Thomas' has demonstrated that once again, whether we think of our choir and musicians, those involved in publicity in children and youth work, in staffing the office or whatever. My vision of St Thomas' is a community of people called together by God to witness by worship and service to the town in which we are set. Thank you all for the part you play in that witness.

Christopher M. Scargill (Revd.)

PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL

PARISH OF ST THOMAS, ST ANNES ON THE SEA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

1. Accounting Policies

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with applicable accounting standards and the Charities Statement of Recommended Practice (SORP) 2005. They have been prepared on an accruals basis.

The financial statements have been prepared under the historical cost convention except for the valuation of freehold land and buildings, which are shown at PCC valuation (insurance replacement value) and investment assets, which are shown at market value.

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

1.1 Funds

General funds represent the funds of the PCC that are not subject to any restrictions regarding their use and available for application on the general purposes of the PCC. Funds designated for a particular purpose by the PCC are also unrestricted.

1.2 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 the income is recognised.

Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement and the amount due. Funds raised by the events such as fetes and garden parties as well as sales of magazines are accounted for gross as they are received.

Other Ordinary Income

Rental income from the letting of church premises is recognised when the rental is due.

Income from Investments

Dividends and interest are accounted for when receivable. Tax recoverable on such income is recognised in the same accounting year.

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 each successive balance sheet date.

1.3 Resources Used

Grants

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

Activities directly relating to the work of the Church

The Diocesan Parish Share is accounted for when due. Any parish share unpaid at 31st December is provided for in these financial statements as an operational (though not a legal) liability and is shown as a creditor in the balance sheet. Other expenditure is recognised when it is incurred and includes where applicable irrecoverable VAT.

PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL

PARISH OF ST THOMAS, ST ANNES ON THE SEA

1.4 Fixed Assets

Consecrated land and buildings and moveable church furnishings

Consecrated and beneficed property of any kind is excluded from the financial statements by S.10 of the Charities Act 2011.

Moveable church furnishings held by the Vicar and Churchwardens on special trust for the PCC and which require a faculty for disposal are accounted for as inalienable property unless consecrated. They are listed in the Church's inventory, which can be inspected (at any reasonable time).

All expenditure incurred in the year on consecrated or beneficed buildings, individual items under £1,000 or on the repair of moveable church furnishings is written off.

Other Consecrated Assets

All other consecrated assets and possessions of the Church are recorded in the record known as the Terrier which is available for inspection on request.

Listed Investments

Listed investments are valued at market value at the reporting date.

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.

Value Added Tax

The Charity is permitted to reclaim VAT expended on the maintenance and repair of the Church. Expenditure is stated in these accounts net of the relevant VAT where a reclaim of VAT is permitted.

Parochial Church Council of the Ecclesiastical Parish of St Thomas, St Annes on Sea

Statement of Financial Activities

for the year ended 31 December 2018

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £	2017 £
Incoming resources					
Incoming resources from donors	2a	73,773		73,773	55,608
Income from operating activities to further the council's objectives	2b	34,587		34,587	30,218
Income from investments	2c	835		835	849
Total incoming resources		<u>109,195</u>		<u>109,195</u>	<u>86,675</u>
Resources Expended					
Donations & grants to charities	3a	2,244		2,244	2,539
Activities directly relating to the work of the church	3b	79,839		79,839	82,959
Church management and administration	3c	4,515		4,515	4,481
Cost of generating funds	3d	5,952		5,952	4,458
Other costs	3e	1,541		1,541	2,938
		<u>94,091</u>	<u>-</u>	<u>94,091</u>	<u>97,375</u>
Net incoming/(outgoing) resources		<u>15,104</u>	<u>-</u>	<u>15,104</u>	<u>(10,700)</u>
Investment Gains & Losses					
Unrealised (Loss)/gain on revaluation of investments to market value			(957)	(957)	877
Net movement in funds		<u>15,104</u>	<u>(957)</u>	<u>14,147</u>	<u>(9,823)</u>
Total funds brought forward		<u>552,596</u>	<u>14,248</u>	<u>566,844</u>	<u>576,667</u>
Total funds carried forward		<u>567,700</u>	<u>13,291</u>	<u>580,991</u>	<u>566,844</u>

Parochial Church Council of the Ecclesiastical Parish of St Thomas, St Annes on Sea

Balance Sheet

as at 31 December 2018

	Notes	2018 £	2017 £
Fixed assets			
Tangible fixed assets	8	534,134	534,134
Investments	9	13,291	14,248
		547,425	548,382
Current assets			
Funds held by the diocese		29,385	29,385
Debtors	5	33,721	10,720
Cash at bank and in hand		21,067	30,175
		84,173	70,280
Creditors			
amounts falling due within one year	6	(50,607)	(51,818)
Net current assets		33,566	18,462
Total assets less current		580,991	566,844
Net assets		<u>580,991</u>	<u>566,844</u>
Represented by:			
Capital funds	4		
Restricted		13,291	14,248
Unrestricted		567,700	552,596
Total Funds		<u>580,991</u>	<u>566,844</u>

Approved by the members on 28/4/19 and signed on their behalf by

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Parochial Church Council of the Ecclesiastical Parish of St Thomas, St Annes on Sea

Notes to the Financial Statements (continued)

for the year ended 31 December 2018

	2018	2017
	£	£
2a Incoming resources from donors		
Donations	55,572	39,633
Income tax recoverable	12,295	9,391
Collections	5,255	5,681
Sundry donations	651	363
	<u>73,773</u>	<u>55,608</u>
2b Income from operating activities to further the council's objectives		
Church hall lettings etc	18,943	15,924
Branches (clubs & associations)	1,200	12
Magazine - sales and adverts	1,788	1,618
Fetes, bazaars & other fund raising	7,647	8,222
Fees	5,009	4,442
	<u>34,587</u>	<u>30,218</u>
2c Income from investments		
Dividends & interest	835	849
	<u>835</u>	<u>849</u>
Total incoming resources	<u><u>109,195</u></u>	<u><u>86,675</u></u>
Resources expended		
3a Grants & Donations		
Home missions and other church societies	2,244	2,539
	<u>2,244</u>	<u>2,539</u>
3b Activities directly relating to the work of the church		
Ministry - diocesan parish share	48,154	52,599
Ministry - clergy expenses	1,950	2,020
Church running expenses	17,471	15,897
Church maintenance	5,772	4,587
Upkeep of services	3,267	3,637
Branches (clubs and associations)	281	1,385
Vicarage H&L/rates	2,944	2,834
	<u>79,839</u>	<u>82,959</u>

Parochial Church Council of the Ecclesiastical Parish of St Thomas, St Annes on Sea

Notes to the Financial Statements (continued)

for the year ended 31 December 2018

	2018	2017	
	£	£	
3c Church management and administration			
Independent examination fee	792	792	
Printing, postage and stationery	3,723	3,689	
	<u>4,515</u>	<u>4,481</u>	
3d Costs of generating funds			
Parish centre running costs	5,913	4,427	
Expenditure on parish magazine	39	31	
	<u>5,952</u>	<u>4,458</u>	
3e Other costs			
Professional Fees	456	963	
Subscriptions	138	136	
Advertising and PR	331	499	
Computer Equipment	-	143	
Sundry expenses	616	1,197	
	<u>1,541</u>	<u>2,938</u>	
	<u><u>94,091</u></u>	<u><u>97,375</u></u>	
4 Analysis of net assets by fund			
	Unrestricted	Restricted	Total
	Funds	Funds	Funds
	£	£	£
Fixed assets	534,134	13,291	547,425
Current assets	84,173	-	84,173
Current liabilities	(50,607)	-	(50,607)
	<u>567,700</u>	<u>13,291</u>	<u>580,991</u>
5 Debtors			
	2018	2017	
	£	£	
Gift Aid recoverable estimate	12,295	9,748	
Heat & Light	20,180		
Other debtors	1,246	972	
	<u>33,721</u>	<u>10,720</u>	

Parochial Church Council of the Ecclesiastical Parish of St Thomas, St Annes on Sea

Notes to the Financial Statements (continued)

for the year ended 31 December 2018

	2018	2017
	£	£
6 Creditors: Amounts falling due within one year		
	2018	2017
	£	£
Independent examiner's fee	792	792
Unpaid parish share and assigned fees	47,724	47,720
Accruals of other costs	2,091	3,306
	<u>50,607</u>	<u>51,818</u>

7 Fund Details

The restricted funds comprise the investments in their entirety which were at £13,291 (2017: £14,248) at the reporting date.

8 Fixed Assets for use by the PCC

	2018	2017
	£	£
Freehold land and buildings	534,134	534,134
	<u>534,134</u>	<u>534,134</u>

9 Investments

	2018	2017
	£	£
Market value brought forward	14,248	13,371
Increase/(decrease) in market value	(957)	877
Market value carried forward	<u>13,291</u>	<u>14,248</u>