

**Registered charity number 1131372**

**LANCASTER PRIORY AND PARISH CHURCH OF ST. MARY**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**OF THE PAROCHIAL CHURCH COUNCIL**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**LANCASTER PRIORY AND PARISH CHURCH OF ST. MARY  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**INDEX**

	<b>Page</b>
Annual Report	2-9
Independent Examiner's Report	10
Statement of Financial Activities	11
Balance Sheet	12
Notes to the Financial Statements	13-24
<i>The following pages do not form part of the Statutory Financial Statements:</i>	
Appendix 1: Lancaster Priory and Parish Church Bookstall	25
Appendix 2: Mustard Seed @ Priory Hall	26
Appendix 3: General Unrestricted Income & Expenditure Account	27

**LANCASTER PRIORY AND PARISH CHURCH OF ST. MARY  
ANNUAL REPORT OF THE PAROCHIAL CHURCH COUNCIL  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**Administrative information**

The Parochial Church Council (PCC) of the Ecclesiastical Parish of St Mary with St John & St Anne, Lancaster is a charity registered with the Charity Commission as required by the Charities Act 2011.

The charity is usually known as Lancaster Priory and Parish Church of St Mary PCC.

The registered charity number is 1131372.

Lancaster Priory and Parish Church is situated in St Mary's Gate, Lancaster and is part of the Diocese of Blackburn within the Church of England.

The correspondence address is The Vicarage, Priory Close, Lancaster, LA1 1YZ.

PCC members (who are the trustees of the charity) who have served from 1 January 2019 until the date this report was approved are:

<u>Incumbent:</u>	Revd Canon C W Newlands	Chairman
<u>Ex Officio - Curate:</u>	Revd Dr R Aechtner	<i>to 13 August 2019</i>
<u>Ex Officio - Readers:</u>	Professor R G Carter Mrs L C Kirtley Canon C Mullineaux	
<u>Churchwardens:</u>	Mr A M Nicholson Dame P Fielding	Vice -chairman
<u>Synod Representatives</u>		
<u>Diocesan Synod:</u>	Dr A E Carter Professor R G Carter	
<u>Elected Deanery Synod Members:</u>	Dr D S Cheung Mrs B A Gardner Canon C Mullineaux Mx K Wilkinson - Roberts	Treasurer
<u>Co-opted Members:</u>	Mrs C A Hill	
<u>Elected Members:</u>	Mrs R C Brockbank Professor J P Dickinson	<i>to APCM 2019</i> <i>to APCM 2019</i>
<i>To serve until APCM 2020</i>	Mrs M E Davis Dr J D Lewis Mrs V J Pearson Mr D J Redmore	
<i>To serve until APCM 2021</i>	Mr S Gardner Mr B Greenwood Mr V Lean Mrs G M Witt	
<i>To serve until APCM 2022</i>	Mr S T Birse Mrs B D Roberts Mr G Sallis Mr J N W Walker	<i>from APCM 2019</i> <i>from APCM 2019</i>

**LANCASTER PRIORY AND PARISH CHURCH OF ST. MARY**  
**ANNUAL REPORT OF THE PAROCHIAL CHURCH COUNCIL**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**Administrative information (continued)**

Independent Examiner:

S W Hinnigan FCA CTA  
Scott & Wilkinson LLP  
Dalton House  
9 Dalton Square  
Lancaster  
LA1 1WD

Bankers:

Barclays Bank plc  
38 Market Street  
Lancaster  
LA1 1HR

CAF Bank Limited  
Kings Hill  
West Malling  
Kent  
ME19 4TA

Scottish Widows Bank  
67 Morrison Street  
Edinburgh  
EH3 8YJ

Solicitors:

Oglethorpe, Sturton & Gillibrand  
16 Castle Park  
Lancaster  
LA1 1YG

Day to day management is delegated to the incumbent, Revd Canon C W Newlands.

**Structure, governance and management**

The Parochial Church Council is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure. The PCC registered with the Charity Commission on 29 August 2009.

The method of appointment of PCC members is set out in the Church Representation Rules. All Church attendees are encouraged to register on the Electoral Roll and stand for election to the PCC.

Members of the PCC are either ex officio or elected by the Annual Parish Church Meeting (APCM) in accordance with the Church Representation rules. Each elected member holds their seat for 3 years. One third of the elected members of the council retire each year.

The PCC members are responsible for making decisions on all matters of general concern and importance to the parish including deciding on how the funds of the PCC are to be spent. The PCC has wide responsibilities and has a number of committees and groups which meet between the regular meetings of the PCC and report back to the PCC, each dealing with a particular aspect of parish life:

The Standing Committee is the only committee required by law. It has power to transact the business of the PCC between its meetings, subject to any directions given by the PCC. It also receives and considers reports concerning the fabric of the building.

The Priory Planning Group oversees Vision and Strategy including study sessions, house groups etc. The Resources Group monitors the financial affairs of the PCC in conjunction with the Treasurer, has responsibilities for budgeting and also assessing other non-monetary resources available. The Spiritual Growth and Communications and Welcome Groups look at the development of various aspects of the Priory. The World and Community Group looks to develop links with various charities supported through our charitable giving programme. The Property Group looks at all aspects of maintaining the church building. The Worship and Music Department Groups look at issues relevant to services etc. The Children and Youth Work Group looks at all aspects of work with young people. The Eco Church Group looks at relevant environmental issues and supports the 'Green Journey' initiative whose aim is to reduce the Church's carbon footprint. All groups are invited to a PCC meeting to report on their activities.



**LANCASTER PRIORY AND PARISH CHURCH OF ST. MARY  
ANNUAL REPORT OF THE PAROCHIAL CHURCH COUNCIL  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**Structure, governance and management (continued)**

The Bookshop funds form part of the resources of the PCC and are included in these financial statements.

Risk management

During the year the PCC has continued to assess various major risk areas which have an impact on the work of the Church in the parish. We have a Child Protection and Vulnerable Adults Policy in place, a set of financial procedures for monitoring on a monthly basis the actual results compared to the annual budget, and regular inspections to monitor the condition of the building. In addition, health & safety matters, fire risk, insurance cover and security continue to be reviewed on an ongoing basis.

**Aim and purposes**

The Parochial Church Council (PCC) has the responsibility of co-operating with the incumbent, the Reverend Chris Newlands, in promoting in the ecclesiastical parish, the whole mission of the Church, pastoral, evangelistic, social and ecumenical.

**Objectives and activities**

Lancaster Priory is a welcoming, inclusive, Christian community, serving the people of Lancaster. The PCC is committed to enabling as many people as possible to worship at Lancaster Priory and to become part of the parish community.

The PCC maintains an overview of worship and music and services are reviewed on an ongoing basis.

The Commission's guidance on public benefit and, in particular, the supplementary guidance on charities for the advancement of religion has been considered in planning the activities for the year. In particular, we promote a parish community which lives out its faith through:

- Worship and prayer.
- Provision of pastoral care for people living in the parish.
- Mission and Outreach work.

The Church is open seven days a week to all who wish to visit, attend any of the mid week or Sunday services or spend time in private prayer. The Church is available for community groups, schools and organisations to use for special services, events and concerts.

**Achievements and performance**

Worship and Prayer

During 2019 the Priory offered a range of services during the week and over the year: Holy Communion (BCP), Priory Eucharist (All Age on certain Sundays) with choir and Young Church (CW) and Choral Evensong (BCP) every Sunday, Tuesday morning Eucharist (BCP), Wednesday lunchtime Eucharist with prayers for healing, Epiphany, Advent and Christmas Carol Services, Christingle Service, Midnight Mass and services on other special days in the Church year. The guest preacher for the Holy Week and Easter services was Revd Canon Dr. Judith Maltby.

Wedding, funeral and baptism services regularly take place with special services for local schools and other groups as required, particularly during the Christmas period.

There were 160 names on the electoral roll at 31 December 2019. The average regular weekly attendance counted during October was 211 but this number increased at festivals and special services, with large numbers attending the Christmas Carol Service, Christingle Service and Midnight Mass.

Pastoral Care

The clergy team together with pastoral care assistants regularly visit the sick and housebound members of the congregation to celebrate communion, including those in care homes.



# LANCASTER PRIORY AND PARISH CHURCH OF ST. MARY

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### Achievements and performance (continued)

##### Mission and Outreach

A set of three leaflets are available for visitors: 10 Highlights of the Priory, Spiritual Walk and Stained Glass Window Walk as well as short guides produced in a number of languages.

The World and Community Group has established links with six charities which the PCC agreed to support from our Charitable Giving Programme. Information about the charities has been displayed in church, featuring a different charity each month and representatives from the charities have attended the 10.00am Sunday service to speak about the work of their charity.

The traditional Harvest Festival was held on Sunday 6th October and the gifts of fruit and vegetables received were distributed to local charities.

##### *Priory Community Work - report from Katie Schad*

In September I had the privilege of starting my new role as the Priory's Community Worker, with a particular responsibility for the Marsh.

I have continued to help lead the Marsh Community Choir, that meets at the Community Centre. It is very capably led by singers and musicians Richard Hawksby and Matt Dobie, so it is they who teach and choose the songs, while Hilary Hopwood looks after the music and keeps us all organised. There are 17 of us who meet every Thursday, (6 from the Priory), and it has to be admitted that the friendship and company is nearly as important as the singing. There were 2 highlights this year: singing under the Moon at the Priory and leading the Carols at the Community Centre Christmas special.

With Sally Pidd, I also lead the Coffee and Cake Club that meets every Friday at the Community Centre. This is a group of feisty Marsh ladies who have become great friends, enjoying each others company, a game of dominoes or bingo and Sally's wonderful cakes. This group has now been meeting for over 5 years and one of our ladies is very frail and can't always get out so instead I try to visit her

The Community Centre is a great asset to the area, so I try to support the events they put on: Food Club, fundraisers, and socials, all of which are a great way of getting to know local people.

Working with Pauline Fielding, Andrew Nicholson and Chris Newlands and a company called Futurekraft, we have tried to explore the needs of the area and drawn up plans to hopefully put in bids to find money for 2 more part-time workers on the Marsh.

##### Diocesan Vision 2026

The Vision 2026 Group, made up of four PCC members, has been looking at how the PCC can be more fully engaged with the Vision and reports to the PCC at each meeting with updates from the Diocese.

The group organised a day of prayer entitled "Exploring Prayer" which took place on 16th March. Other churches in the Deanery were invited to attend.

Thy Kingdom Come Day of Prayer was held on Ascension Day with excellent participation.

##### Review of the Year

Every morning during Lent, a 'daily thought' written by members of the congregation of all ages was emailed to Priory People. A series of House Groups also met during Lent, studying "Life Together" by Dietrich Bonhoeffer.

In May, Lancaster Priory hosted the Greater Churches Conference, with 60 delegates from some of the most significant churches attending the three day event which included several excellent speakers and covered a range of subjects, presentations on fire risk, cyber security and counter terrorism being particularly relevant.

A confirmation service took place on 19th May, taken by the Bishop of Lancaster, the Rt Revd Dr Jill Duff with 18 candidates being confirmed.

In July, Revd Dr Rebecca Aechtner completed her curacy at Lancaster Priory. A lunch was held after the Sunday morning service on 21st July to say farewell to Rebecca and her family as she prepared to take up her new appointment as Vicar of St Paul, Scotforth.

From 1st September Viv McCracken was appointed as Schools and Family Learning Officer and Mrs Katie Schad, formerly the Young People's Officer, was appointed as Priory Community Worker with particular responsibility for the Marsh.



# LANCASTER PRIORY AND PARISH CHURCH OF ST. MARY

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### Achievements and performance (continued)

##### Review of the Year (continued)

The Heritage Open Day took place on Saturday 14th September when tours of the church and tower were available to visitors.

Light Up Lancaster took place on 1st and 2nd November with Lancaster Priory hosting the main event, The Museum of the Moon, an art installation by Luke Jerram. The Moon installation remained in the Priory until 20th November, attracting over 20,000 visitors to experience the variety of events taking place under the Moon throughout the three week period: Dinner under the Moon, Moon themed concerts, Yoga under the Moon, educational visits from primary schools and scout groups, lectures etc.

The coffee shop continued to open on Saturdays during the Coffee Concert season and also provided bar facilities at various 'Moon' events during November.

##### Priory Bookstall and Gift Shop

The Priory Bookstall and Gift Shop opened as usual for the 2019 visitor season. Takings decreased again from the previous year and a new volunteer manager is still being sought. The bookshop volunteers provide a valuable ministry of welcome to our many visitors from the UK and overseas and thanks go to all of them.

##### Choir and music

2019 has been another highly successful year in the life of the Priory Music Department. Don Gillthorpe and Ian Pattinson continue in their roles as Director of Music and Organist respectively, and Sarah Cox and Chris Steele are our resident singing teachers, teaching Junior (school-age) and Senior (undergraduate) Choral Scholars. We were delighted that we were successful in our bid for £3,000 per year for the next five years from The Duchy of Lancaster, to cover organ lessons for three organ scholars per year.

The Priory Children's Choir, run by Kaarina Leong and Steph Edwards continues to thrive and is serving as an excellent vehicle for recruitment into the robed choirs (with several new choristers joining via this route this year). A team of volunteers constitutes the rest of the music staff, with Brian Kirtley continuing to manage the library, Stuart Birse looking after robes and acting as choir chaperone, and Nick Walker leading the choir association. In addition to this, the three Duchy of Lancaster organ scholars, Tom Edney (Senior Scholar), Richard Cheetham (Senior Scholar) and Phoebe Heywood (Junior Scholar), have made great strides with their playing and are beginning to accompany the choir in services, under the expert tutelage of Ian Pattinson.

Treble numbers are relatively healthy, with fifteen boys and sixteen girls, although we do need to ensure that a constant stream of probationers (9-11 year-olds) is coming through as the older boys and girls move on. Up until this year, alongside the adults, the tenor and bass lines were being held by a transient team of very able teenage boys and we were in desperate need of some more able adult singers; the addition, therefore, of fourteen Senior Choral Scholars, mainly from Lancaster University and the Ripley St Thomas PGCE programme, has been a welcome change. The choirs continue to lead the usual pattern of Sunday worship, with an ever-expanding repertoire; we continue to introduce new pieces and were delighted this year to include another new congregational carol by Chris Newlands and Don Gillthorpe, as well a reprise of the Mass Setting commissioned for Midnight Mass in 2017 from Oliver Tarney (which was published by Oxford University Press in 2019).

Concerts and events continue to enliven the Priory calendar, with diverse musical styles bringing new people into our wonderful building. The third iteration of our 'Festival of Song' included education workshops and performances from local primary and secondary schools, alongside visiting professional musicians and our own choirs. As part of the festival, four of our choral scholars worked with talented operatic soprano, Katy Thomson in a vocal masterclass, 400 primary school children took part in a singing workshop, and fourteen concerts were given alongside six choral services. We had a focus during the week of celebrating women's voices and were delighted to welcome Mother Carrie Thompson, Chaplain of the Morland Choristers' Camp, to host a panel discussion on the role of women in church music.

Our Coffee Concerts series is now also in its third year; these events on Saturday mornings continue to be popular and have provided a much-needed boost for the Priory Coffee Shop. All of the performers for these are giving their time for free and the not-insubstantial retiring collections are going towards the work of the Music department. Many thanks are due to Steph Edwards for her continued excellent work on this project.



# LANCASTER PRIORY AND PARISH CHURCH OF ST. MARY

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### Priory Youth Group

This year the Priory Youth Group was not as active as in previous years as we have fewer leaders. However, we still managed to go to some great events. Sarah Hutchins took over as leader with Katie Schad and Viv McCracken joined us in September when she took on the role of Schools and Family Learning Officer.

This year we have done events such as a pizza making night, where we made pizzas from scratch and played games, we went to the cinema to see Aladdin and had games nights. We also had the annual sleepover in November as well as the summer trip to Blackpool Pleasure Beach. At the sleepover we focused on Climate Change as our yearly discussion and prayer session and the members were very involved in the discussions. The leaders feel it is important for the young people to be able to discuss important issues that affect their lives and the world around them and how, as a Church, we have responsibilities to each other and the world around us.

As usual, we had a charity this year that we raised money for. This year we chose to support Team Reece and we held a cake sale where we raised around £200 for the charity. The members of PYG are always very keen to raise money for charity and they work really hard to make it happen.

Sarah has decided that it is time for her to step down and allow Katie and Viv to move PYG forward. She is developing the training programme for the servers and will now focus on that. She has really enjoyed the six years she has served with the young people and looks forward to seeing where Katie and Viv take PYG in the future.

#### Priory Young Church

In September 2019 Viv McCracken took over as Young Church Leader and continued to run three Young Church groups during the 10am Eucharist service. Numbers have continued to grow, particularly in the middle group (ages Year 2 to Year 4). The number of children fluctuates weekly but on roll we have the following number of children in each group: Refectory Group – 24 children, Choir Group – 24 children, Hall Group – 30 children.

At the end of summer, we lost some volunteers, but we have managed to recruit 2 more helpers and 2 more leaders. Each group consists of one leader and one volunteer. We are extremely grateful that we have a dedicated team who are committed to teaching the children. At the moment we have the following number of leaders and helpers: - Leaders – 7, Helpers - 9.

The teaching follows the lectionary and festivals and we use the resources Roots on the Web and Blackburn Weekly @ to plan the lessons. Resources and materials are provided by the Priory to ensure the volunteers are not out of pocket.

Christmas Messy Church was thoroughly enjoyed by the families and visitors to the church. This will continue to be a big event to welcome new families into the Priory.

#### Mini Marshmallows

Mini Marshmallows has now been meeting for just over a year and our numbers have steadily grown. Most weeks we have 9-12 parents, with their 13+ toddlers and babies, but there are 17 families registered.

St Thomas More is a great place to meet, particularly as in the warm weather we are able to enjoy their gardens.

We are a very friendly group with everyone comfortable together, so much so that one of the highlight of the year was our – 'Not a Christmas party, party' in November, when 17 of us enjoyed an evening without children and ate a Chinese Takeaway delivered to St Thomas More.

We also had a great visit to see the Moon and in December Katie told the Christmas story to the Children walking around Church.

Unlike other groups we don't stop over the school holidays, instead we invite older siblings to come and Toddlers becomes Messy Church. We provide a variety of activities and crafts for children aged 0 – 10 and end with a Bible story and songs. It is always much appreciated by parents as entertaining children over the school holidays is often hard.

In September Corrine from St Thomas More was no longer able to help lead, so Viv McCracken has ably taken her place.



# LANCASTER PRIORY AND PARISH CHURCH OF ST. MARY

## ANNUAL REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### Mustard Seed @ Priory Hall

Mustard Seed re-opened for the 2019/20 season on 17th September

Over the 21 evenings on which we have opened since September, up to 11th February, the number of guests has varied from 11 to 33 and we have served over 400 meals. The average attendance has been just over 20, about the same as last year, whereas the figure for the 2017/18 season was around 12. Clearly, and sadly, the need for a service like Mustard Seed has grown.

An estimate of the number of actual individuals visiting, based on the 'signing-in' book in which we record the first name of each guest, is around 75; again this is higher than the figure of about 65 in the previous year and will no doubt show an increase by the end of the season in May.

We provided on the Tuesday before Christmas a special Christmas dinner, with crackers and goody-bags containing fresh fruit, confectionery, warm socks, gloves, and woolly hats to each of the 24 guests.

We have a good team of volunteers, recruiting some new members from the Priory following our appeal in the summer, and we welcome the contribution from time to time by volunteers from St Joseph's, Skerton, where they do not have premises to operate a facility like Mustard Seed. We have also been joined by a number of Lancaster University students, who have helped to swell the numbers available. The rota system, operated by Liz Bagley, still works well.

It is worth noting that volunteering at Mustard Seed does have its challenges. While most of the guests are well-behaved, and appreciative of what they are offered, we have experienced aggressive behaviour between the guests. Often this behaviour is caused and aggravated by alcohol and/or drugs; volunteers need to be tactful and patient in 'defusing' such situations.

At our 2019 AGM John Dickinson and Brian Kirtley continued as joint Chair with John also keeping on his valuable role as Treasurer. Jean Simpson continued as Secretary. Other posts are: Lois Kirtley as Cooks' Rota organiser; Brian and Lois jointly look after maintaining basic supplies; Christine Dickinson is our representative at FISH meetings.

We thank all our volunteers and benefactors: we are grateful for monetary donations, tins of soup to keep up our supplies, treats of sweets at festivals, end-of-the-day sandwiches and cakes from Atkinson's, as well as a supply of warm clothes. The take-up of clothing is constant, and as we do not have much storage space regular donations are most welcome. Our volunteers cook at home as well as serving in the Priory Hall, whose Trustees we thank for the provision of the premises.

At the time of writing, the Priory Hall kitchen is out of action, being completely refurbished for the Global Village and other Hall users. On the two evenings since the work began we have still managed to provide guests with hot drinks and a hot main meal. On the second of these evenings, 11th February, we were delighted to welcome the former Archbishop of Canterbury, Rowan Williams, who called in on his way to deliver his Priory lecture. He met the volunteers, found out about the work of the project, and offered the opening prayer. He also generously asked for a collection to be taken on our behalf at the end of the lecture. This realised a splendid total of £479.17.

Mustard Seed is represented on FISH (Faith Groups in Support of the Homeless). This forum provides a useful point of contact for volunteers from Lancaster Homeless Action (Edward Street), the Ark at St Thomas's, Christ Church Night Shelter, Olive Branch and others. As in previous years, Mustard Seed sent food and volunteers to join the annual 'Winter Warmer' event at St T's in late January. We have also sent any tins etc left over at the end of the season to Olive Branch: it makes sense for these to be of use during the summer rather than just remaining in our store cupboard. Donated clothing which has proved unsuitable for our guests has been given to Lancaster's refugees.

It is very sad that there should be a need for initiatives like Mustard Seed, but the team see it as a vital part of the Priory's outreach to the local community.



# LANCASTER PRIORY AND PARISH CHURCH OF ST. MARY

## ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

### Financial review

Total receipts on unrestricted funds were £376,627 which included £78,717 from unrestricted committed voluntary donations, £23,049 from Gift Aid recovered on all forms of eligible giving, £36,067 from grants & donations and £85,002 from a major legacy. Restricted grants and donations totalling £39,354 were received, mainly being for Marsh outreach, young people & families work and support of the choir. Grants and donations are detailed in note 5 to the financial statements.

The committed giving through envelopes and standing orders showed a decrease of 1.4% (2018: 1.9% increase) over the year. Unrestricted collections showed an increase of 17% (2018: 2.7%). The use of Gift Aid envelopes is encouraged for collections at special services, at regular services for those who do not give by standing order or committed giving envelopes and also for single donations. Contactless card payment is now an option and has proved to be beneficial, particularly for donations from visitors.

The calculated Parish Share for 2019 was £81,115, reduced by statutory fees of £5,786 collected on behalf of the Diocesan Board of Finance during 2019. The Parish Share largely provides the stipends and housing for our clergy. The calculated Parish Share for 2020 has increased to £83,813.

### Reserves policy

The reserves policy adopted by the PCC is to maintain (i) unrestricted funds of £50,000 which equates to around two and a half months of normal unrestricted expenditure, (ii) a further £50,000 building contingency reserve to cover expenditure which may occur for unexpected items of repair and restoration associated with a large historic listed building, (iii) a remaining balance of Priory unrestricted funds - £192,020 at 31 December 2019 - earmarked for future projects associated with the 5 year strategic plan which may involve substantial funds being required. Free reserves at 31 December 2019 amounted to £322,551 of which £292,020 relate to Priory funds, including a legacy of £85,000 earmarked for new lighting, £14,776 relate to the bookstall (excluding stock of £3,025) and £15,755 to St George's remaining funds, earmarked for future work in the Marsh area of Lancaster.

It is the PCC's policy to invest surplus funds in CBF funds and interest bearing accounts at its bank.

### Statutory compliance

The accounts comply with the current statutory requirements, the requirements of the Church Accounting Regulations and the Charities SORP (FRS 102).

The accounts (financial statements) have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

On behalf of the PCC

Revd C W Newlands  
Incumbent

Date



30-06-2020

# LANCASTER PRIORY AND PARISH CHURCH OF ST. MARY

## INDEPENDENT EXAMINER'S REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### Independent Examiner's Report to the Parochial Church Council of Lancaster Priory and Parish Church of St. Mary

I report on the financial statements of the PCC for the year ended 31 December 2019, as set out on pages 11 to 24.

Your attention is drawn to the fact that the Charity has prepared the 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 since been withdrawn.

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

This report is made solely to the PCC's members, as a body, in accordance with the Church Accounting Regulations 2006 ('the Regulations') and section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the PCC's members those matters I am required to state to them in this 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 PCC and the PCC's members as a body for my work or for this report.

#### Responsibilities and basis of report

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

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

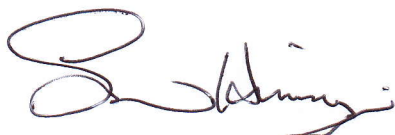
#### Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no material 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 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts to be reached.



**S W Hinnigan FCA CTA**  
**Scott & Wilkinson LLP**  
**Chartered Accountants**  
**Dalton House**  
**9 Dalton Square**  
**Lancaster LA1 1WD**

Date 19 JULY 2020



**LANCASTER PRIORY AND PARISH CHURCH OF ST. MARY**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

		Unrestricted Funds	Restricted Funds	Endowment Funds	TOTAL FUNDS	
	Note	£	£	£	2019 £	2018 £
<b>INCOME AND ENDOWMENTS</b>						
Voluntary income	2(a)	264,218	47,358	-	311,576	312,286
Church activities	2(b)	25,587	160	-	25,747	24,332
Activities for generating funds	2(c)	79,354	10,885	-	90,239	36,082
Income from investments	2(d)	2,559	496	-	3,055	2,835
Other incoming resources	2(e)	4,909	-	-	4,909	891
<b>TOTAL INCOME</b>		<b>376,627</b>	<b>58,899</b>	<b>-</b>	<b>435,526</b>	<b>376,426</b>
<b>EXPENDITURE</b>						
Raising funds	3(a)	22,423	8,386	-	30,809	17,564
Church activities	3(b)	291,100	53,314	-	344,414	259,178
<b>TOTAL EXPENDITURE</b>		<b>313,523</b>	<b>61,700</b>	<b>-</b>	<b>375,223</b>	<b>276,742</b>
<b>NET INCOME / (EXPENDITURE) BEFORE INVESTMENT GAINS</b>		<b>63,104</b>	<b>(2,801)</b>	<b>-</b>	<b>60,303</b>	<b>99,684</b>
<b>NET GAINS / (LOSSES) ON INVESTMENTS</b>	8	11,205	397	294	11,896	(938)
<b>TRANSFERS BETWEEN FUNDS</b>						
Release of restricted funds		27,094	(27,094)	-	-	-
Release of endowment funds		-	2,437	(2,437)	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>101,403</b>	<b>(27,061)</b>	<b>(2,143)</b>	<b>72,199</b>	<b>98,746</b>
<b>TOTAL FUNDS BROUGHT FORWARD</b>	14	<b>282,444</b>	<b>249,053</b>	<b>2,143</b>	<b>533,640</b>	<b>434,894</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>	12 & 14	<b>383,847</b>	<b>221,992</b>	<b>-</b>	<b>605,839</b>	<b>533,640</b>

The funds breakdown for 2018 is shown in note 17.



**LANCASTER PRIORY AND PARISH CHURCH OF ST. MARY**  
**BALANCE SHEET**  
**AS AT 31ST DECEMBER 2019**

	Note	2019 £	2018 £
<b>FIXED ASSETS</b>			
Tangible fixed assets	7	55,310	55,368
Investments	8	-	2,143
		<u>55,310</u>	<u>57,511</u>
<b>CURRENT ASSETS</b>			
Stock		3,337	3,958
Investments	8	121,449	59,847
Debtors	9	48,732	33,639
Cash at bank and in hand		401,809	392,298
		<u>575,327</u>	<u>489,742</u>
<b>LIABILITIES</b>			
Creditors - amounts falling due in one year	10	24,798	13,613
<b>NET CURRENT ASSETS</b>		<u>550,529</u>	<u>476,129</u>
<b>TOTAL NET ASSETS</b>	12	<u>605,839</u>	<u>533,640</u>
<b>PARISH FUNDS</b>			
Unrestricted			
General		12 & 14 380,886	274,598
Designated		12 & 14 2,961	7,846
Restricted		12 & 14 221,992	249,053
Endowment		12 & 14 -	2,143
		<u>605,839</u>	<u>533,640</u>

These accounts have been prepared in accordance with the Charities SORP (FRS 102)

Approved by the Parochial Church Council on 30 June 2020 and signed on its behalf by

 Incumbent

30 June 2020 Date

The notes on pages 13 to 24 form part of the financial statements.

# LANCASTER PRIORY AND PARISH CHURCH OF ST. MARY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### 1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Church Accounting Regulations 2006 and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and 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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Lancaster Priory and Parish Church of St. Mary meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are presented in GBP and rounded to the nearest £1.

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 those that are informal gatherings of church members.

#### **Exemption from preparing a cash flow statement**

The Charity opted to adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

#### **Funds**

*Restricted funds* represent donations, grants and other income received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund. The PCC does not usually invest separately for each fund. Where there is no separate investment, interest is apportioned to individual funds on the basis of the balances held in each fund on a daily basis. Details of funds held are provided in note 14 to the financial statements.

*Unrestricted funds* are general funds of the PCC that are not subject to any restrictions regarding their use and are available for the application on the general purposes of the PCC. Funds designated for a particular purpose by the PCC form part of the unrestricted fund and are detailed in note 14 to the financial statements.

#### **Income**

##### ***Donations and legacies***

Committed giving, collections and donations are recognised when received.

Tax refunds are recognised when the incoming resource to which they relate is received.

Grants and legacies are accounted for when the PCC is legally entitled to the amounts due.

##### ***Other trading activities***

Income from fund raising events are accounted for gross.

Sales of books and magazines from the church bookstall are accounted for gross.

Rental income from the letting of church premises to outside bodies is accounted for when earned.

##### ***Investments***

Dividends are accounted for when due and receivable. Interest entitlements are accounted for as they accrue.



**LANCASTER PRIORY AND PARISH CHURCH OF ST. MARY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**1. ACCOUNTING POLICIES (Continued)**

***Church activities***

Parochial fees due to the PCC for weddings, funerals, etc are accounted for when due.

All other income is accounted for when due.

***Investment gains and losses***

Realised gains or losses are recognised when investments are sold. Unrealised gains or losses are accounted for on revaluation of investments at 31 December.

**Expenditure**

***Church activities***

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

The Diocesan parish share is accounted for when payable and any assessment unpaid at 31 December is shown as a creditor in the Balance Sheet.

All other expenditure is recognised when it is incurred and is accounted for gross.

**Fixed Assets**

***Consecrated land and buildings and moveable church furnishings***

Consecrated land and buildings and beneficed property of any kind is excluded from the financial statements by s10(2)(a) and (c) of the Charities Act 2011.

No value is placed on moveable church furnishings held by the churchwardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be an inalienable property. All expenditure incurred during the year on consecrated or beneficed buildings, including the pipe organ which is considered to be an immoveable item and part of the fabric of the church, and moveable church furnishings, whether maintenance or improvement, is written off as expenditure and separately disclosed.

***Other fixtures, fittings and office equipment***

Equipment used within the church premises is depreciated on a straight line basis over 4 years, 10 years or 20 years as appropriate. Individual items of equipment with a purchase price of £1,000 or less are written off in the period in which the asset is acquired.

**Investments**

Investments are valued at market value at 31 December.

**Current assets**

Stock of goods for resale is stated at the lower of cost or net realisable value.

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors less any provision for amounts that may prove irrecoverable.

Short-term deposits include cash held on deposit at the bank.

**Operating leases**

Rentals payable under operating leases are charged to the SOFA on the straight line basis over the term of the lease.

**Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

**LANCASTER PRIORY AND PARISH CHURCH OF ST. MARY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**2 INCOME AND ENDOWMENTS**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS	
Note	£	£	£	2019 £	2018 £
<b>(a) Voluntary income</b>					
Committed giving:					
Gift aid donations	69,382	-	-	69,382	71,773
Other committed giving	9,335	-	-	9,335	8,063
Tax recoverable	23,049	794	-	23,843	25,215
Collections (open plate) at all services	23,332	-	-	23,332	22,290
Legacies	85,302	-	-	85,302	3,000
Grants and donations	36,067	39,354	-	75,421	157,725
Other income and sundry donations	17,751	7,210	-	24,961	24,220
	<u>264,218</u>	<u>47,358</u>	<u>-</u>	<u>311,576</u>	<u>312,286</u>
<b>(b) Church activities</b>					
Newslink	737	-	-	737	672
Fees	11,044	160	-	11,204	8,789
Use of Church buildings	637	-	-	637	910
Contributions to other expenses	9,747	-	-	9,747	10,773
Social & outreach events income	3,083	-	-	3,083	3,011
Young people, families & outreach work	339	-	-	339	177
	<u>25,587</u>	<u>160</u>	<u>-</u>	<u>25,747</u>	<u>24,332</u>
<b>(c) Activities for generating funds</b>					
Bookstall	1,866	-	-	1,866	2,458
Fundraising events	44,173	10,885	-	55,058	15,805
Coffee shop	12,978	-	-	12,978	3,570
Use of Church buildings	20,337	-	-	20,337	14,249
	<u>79,354</u>	<u>10,885</u>	<u>-</u>	<u>90,239</u>	<u>36,082</u>
<b>(d) Investment income</b>					
Dividends on CBF Investment Fund Shares	2,070	74	-	2,144	2,088
Bank and other interest	489	422	-	911	747
	<u>2,559</u>	<u>496</u>	<u>-</u>	<u>3,055</u>	<u>2,835</u>
<b>(e) Other incoming resources</b>					
Insurance claims	4,909	-	-	4,909	891
<b>TOTAL</b>	<u><u>376,627</u></u>	<u><u>58,899</u></u>	<u><u>-</u></u>	<u><u>435,526</u></u>	<u><u>376,426</u></u>



**LANCASTER PRIORY AND PARISH CHURCH OF ST. MARY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**3 EXPENDITURE**

		Unrestricted Funds	Restricted Funds	Endowment Funds	TOTAL FUNDS	
	Note	£	£	£	2019 £	2018 £
<b>(a) Raising funds</b>						
Bookstall expenses		2,126	-	-	2,126	4,355
Coffee shop expenses		5,435	-	-	5,435	1,331
Event expenses		13,241	8,386	-	21,627	10,526
Publicity costs		1,343	-	-	1,343	1,247
Committed giving and Gift Aid envelopes		278	-	-	278	105
		<u>22,423</u>	<u>8,386</u>	<u>-</u>	<u>30,809</u>	<u>17,564</u>
<b>(b) Church activities</b>						
Missionary and charitable giving	15	7,191	698	-	7,889	9,414
Ministry: Diocesan parish share	4	75,329	-	-	75,329	72,341
Other ministry costs		10,395	-	-	10,395	10,583
Music		4,992	7,626	-	12,618	15,448
Salaries	6	58,924	25,568	-	84,492	69,170
Church running and maintenance		92,169	7,366	-	99,535	47,877
Major fabric repairs and survey		17,994	4,224	-	22,218	9,097
Young people, families & outreach work		1,140	6,300	-	7,440	2,250
Social & outreach events costs		3,386	-	-	3,386	1,974
Newslink & The See		686	-	-	686	895
Mustard Seed @ Priory Hall expenses		-	1,498	-	1,498	1,613
Stationery, telephone and office equipment		6,518	-	-	6,518	6,817
Office equipment lease charges		1,493	-	-	1,493	1,247
Bank charges		1,443	34	-	1,477	1,263
Independent examiner's remuneration		3,025	-	-	3,025	2,711
Sundry expenses		-	-	-	-	133
Depreciation & loss on disposals		6,415	-	-	6,415	6,345
		<u>291,100</u>	<u>53,314</u>	<u>-</u>	<u>344,414</u>	<u>259,178</u>
<b>TOTAL</b>		<u><b>313,523</b></u>	<u><b>61,700</b></u>	<u><b>-</b></u>	<u><b>375,223</b></u>	<u><b>276,742</b></u>
					<b>2019</b>	<b>2018</b>
					£	£
<b>4 Diocesan parish assessment</b>						
Calculated assessment for year					81,115	77,348
Statutory fees due to Blackburn Diocesan Board of Finance					(5,786)	(5,007)
Net Diocesan parish assessment payable					<u><b>75,329</b></u>	<u><b>72,341</b></u>

**LANCASTER PRIORY AND PARISH CHURCH OF ST. MARY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>5 GRANTS AND DONATIONS RECEIVED</b>		
Earl Peel Trust Fund	26,871	8,123
The John Pilling Trust	5,000	5,000
Kings Own Regimental Chapel Committee	4,495	-
Lancaster Priory Music Trust	8,800	9,769
Listed Places of Worship Grant Scheme	4,892	1,251
The Moss Memorial Trust	15,000	13,158
Nile Street Trust	-	120,424
National Lottery Community Fund	9,998	-
Priory Hall Trustee Fund	365	-
	<u>75,421</u>	<u>157,725</u>

<b>6 STAFF COSTS</b>		
Wages and salaries	80,938	67,088
Employer's pension contributions	699	309
Social security costs	2,855	1,773
	<u>84,492</u>	<u>69,170</u>

During the year the PCC employed an organist, choir director, 4 vergers, young people's officer, outreach officer, parish secretary and personal assistant, none of whom earned £60,000 p.a. or more. Mr S Birse, one of three assistant vergers, is a member of the PCC and during the year was paid £3,438 (2018 - £2,803). PCC members were reimbursed expenses of £248 (2018 - £220) for the year. There were no other disclosable transactions in respect of PCC members, persons closely connected with them or other related parties.

The only full time member of staff was the head verger. The remaining employees equate to an average of approximately two full time employees.

**7 FIXED ASSETS FOR USE BY THE PCC**

	<b>Office</b>	<b>Other</b>	<b>Total</b>
	<b>Equipment</b>	<b>Equipment</b>	<b>£</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>GROSS BOOK VALUE</b>			
At 1 January 2019	4,192	96,175	100,367
Additions	-	7,152	7,152
Disposals	-	(1,383)	(1,383)
At 31 December 2019	<u>4,192</u>	<u>101,944</u>	<u>106,136</u>
<b>DEPRECIATION</b>			
At 1 January 2019	4,192	40,807	44,999
Charge for the year	-	7,038	7,038
Disposals	-	(1,211)	(1,211)
At 31 December 2019	<u>4,192</u>	<u>46,634</u>	<u>50,826</u>
<b>NET BOOK VALUE</b>			
At 31 December 2019	<u>-</u>	<u>55,310</u>	<u>55,310</u>
At 31 December 2018	<u>-</u>	<u>55,368</u>	<u>55,368</u>

**LANCASTER PRIORY AND PARISH CHURCH OF ST. MARY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

	2019 £	2018 £
<b>8 INVESTMENTS</b>		
<b>Fixed asset investment</b>		
Church Chancel Fund - 133 Church Investment Fund Shares		
Market value at 1 January 2019	2,143	2,175
Disposal	(2,143)	-
Loss on annual revaluation	-	(32)
<b>Market value at 31 December 2019</b>	<u>-</u>	<u>2,143</u>
Cost at 31 December 2019	<u>-</u>	<u>616</u>
<b>Current asset investment</b>		
6,349.98 CBF Church of England Investment Fund Income Shares		
Market value at 1 January 2019	59,847	60,753
Addition in year	50,000	-
Gain / (loss) on annual revaluation	11,602	(906)
<b>Market value at 31 December 2019</b>	<u>121,449</u>	<u>59,847</u>
Cost at 31 December 2019	<u>100,000</u>	<u>50,000</u>
<b>9 DEBTORS</b>		
Income tax recoverable	18,266	19,217
Other debtors	2,362	2,737
Prepayments	28,104	11,685
	<u>48,732</u>	<u>33,639</u>
<b>10 LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
Other creditors	7,310	5,428
Accruals	10,619	5,359
Income received in advance	6,869	2,826
	<u>24,798</u>	<u>13,613</u>
<b>11 COMMITMENTS</b>		
<b>OPERATING LEASE COMMITMENTS</b>		
The total commitments under operating leases are shown below, analysed according to the expiry date of the leases.		
Equipment		
Between 1 - 5 years	5,276	7,188
	<u>5,276</u>	<u>7,188</u>



**LANCASTER PRIORY AND PARISH CHURCH OF ST. MARY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**12 ANALYSIS OF NET ASSETS BY FUND**

	Unrestricted				Total £
	General	Designated	Restricted	Endowment	
	Fund	Fund	Fund	Fund	
	£	£	£	£	
Tangible fixed assets	55,310	-	-	-	55,310
Current assets	347,915	2,961	224,451	-	575,327
Current liabilities	(22,339)	-	(2,459)	-	(24,798)
	<u>380,886</u>	<u>2,961</u>	<u>221,992</u>	<u>-</u>	<u>605,839</u>

**Comparative of net assets by fund:**

	Unrestricted				Total £
	General	Designated	Restricted	Endowment	
	Fund	Fund	Fund	Fund	
	£	£	£	£	
Tangible fixed assets	55,368	-	-	-	55,368
Fixed asset investments	-	-	-	2,143	2,143
Current assets	230,893	7,846	251,003	-	489,742
Current liabilities	(11,663)	-	(1,950)	-	(13,613)
	<u>274,598</u>	<u>7,846</u>	<u>249,053</u>	<u>2,143</u>	<u>533,640</u>

**13 CONNECTED CHARITIES**

During the year the PCC received grants from the following charities and trusts which support the Priory as appropriate within the terms of their governing documents and objects:

Lancaster Priory Music Trust which is a charity involved in raising funds for the support of the music department at Lancaster Priory. The amount received in 2019 was £8,800 (2018: £9,769).

The Moss Memorial Trust - £7,500 (2018: £Nil) for outreach work on the Marsh Estate and £7,500 (2018: £13,158) to support a Children and Families worker.

The Earl Peel Trust Fund - £26,871 (2018: £8,123) for qualifying fabric repairs.

Priory Hall Trustee Fund - £365 (2018 - £Nil) for educational resources.



**LANCASTER PRIORY AND PARISH CHURCH OF ST. MARY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**14 FUND DETAILS**

<b>The Unrestricted fund comprises:</b>	<b>Balance at 01.01.19</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers &amp; investment gains/losses</b>	<b>Balance at 31.12.19</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Designated funds:					
Education, youth and children's fund	3,766	-	(179)	(3,587)	-
Music fund	3,780	20	(3,800)	-	-
Charity fund	300	-	(300)	-	-
Vicar's fund	-	-	-	2,961	2,961
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	7,846	20	(4,279)	(626)	2,961
General reserve	274,598	376,607	(309,244)	38,925	380,886
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	282,444	376,627	(313,523)	38,299	383,847
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The education, youth and children's designated funding is no longer required and has been returned to general funds.

The music fund has been fully expended during the year.

The charity fund has been fully expended during the year.

The Vicar's fund is for expenditure at the discretion of the vicar and has been transferred from restricted funds..

The general reserve represents those funds which are unrestricted and not specifically designated for other purposes.

<b>Comparatives of Unrestricted funds:</b>	<b>Balance at 01.01.18</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Transfers &amp; investment gains/losses</b>	<b>Balance at 31.12.18</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Designated funds:					
Education, youth and children's fund	3,589	177	-	-	3,766
Music fund	2,901	2	-	877	3,780
Charity fund	500	-	(500)	300	300
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	6,990	179	(500)	1,177	7,846
General reserve	303,144	176,393	(203,825)	(1,114)	274,598
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	310,134	176,572	(204,325)	63	282,444
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**LANCASTER PRIORY AND PARISH CHURCH OF ST. MARY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**14 FUND DETAILS (continued)**

<b>The Restricted fund comprises:</b>	<b>Balance at 01.01.19 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers &amp; investment gains/losses</b>	<b>Balance at 31.12.19 £</b>
Priory Fabric Fund	35,996	3,693	(3,847)	3,405	39,247
Education, Youth & Children's Work Fund	125,748	7,800	(11,315)	397	122,630
Marsh Fund	3,150	17,503	(9,103)	69	11,619
Music Fund	19,442	26,846	(26,812)	-	19,476
Organ fund	26,556	298	(3,598)	-	23,256
Charitable Objects Fund	5,856	2,184	(2,276)	-	5,764
Vicar's fund	2,431	530	-	(2,961)	-
The Vicar & Churchwardens' Fund	27,452	45	(4,224)	(23,273)	-
Sundry funds	2,422	-	(1,000)	(1,422)	-
	<b>249,053</b>	<b>58,899</b>	<b>(62,175)</b>	<b>(23,785)</b>	<b>221,992</b>

The Priory Fabric Fund is for expenditure on the Church buildings and fixtures and rationalises the former fabric repair, restoration, preservation and development, Vicar's board, Church bells and small sundry funds.

The Education, Youth and Children's Work Fund supports the work of the education department and work with young people and families and rationalises the former Priory Youth Group fund, Pilgrimage fund and Nile Street fund.

The Marsh Fund is for use in the Marsh residential area of the Parish and rationalises the former St George's funds for outreach, children's work and development and small sundry funds.

The Music Fund is to promote the work of the Priory's choirs and music making.

The Organ Fund is for expenditure on the renewal or repair and tuning of the Priory organs and piano.

The Charitable Objects Fund represents monies for the support of work with the homeless through Mustard Seed @ Priory Hall and donations received which are to be distributed to other charities.

The Vicar's fund is for expenditure at the discretion of the vicar and has been transferred to designated funds during the year.

The Vicar and Churchwardens' fund is for expenditure on future projects deemed to be appropriate by the Vicar and Churchwardens and has been released to general unrestricted funds during the year.

Sundry funds are monies relating to specified donations and contributions to expenses plus other small sundry funds, unexpended balances being transferred on rationalisation to appropriate restricted funds and general unrestricted reserves.



**LANCASTER PRIORY AND PARISH CHURCH OF ST. MARY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**14 FUND DETAILS (continued)**

**Comparatives of restricted funds:**

	Balance at 01.01.18 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31.12.18 £
Education, youth and children's work fund	188	13,158	(8,308)	-	5,038
Fabric repair fund	9,827	8,710	(17,204)	-	1,333
Restoration fund	4,407	61	(50)	-	4,418
Charity fund	95	1,662	(1,757)	-	-
Mustard Seed @ Priory Hall	6,372	1,297	(1,813)	-	5,856
St George's development fund	3,094	2	-	-	3,096
Pilgrimage fund	240	-	-	-	240
St George's outreach fund	361	-	(325)	-	36
St George's children's work	35	-	(17)	-	18
Vicar's board fund	2,590	-	-	-	2,590
Church bells fund	477	-	-	-	477
Choir fund	10,589	40,703	(30,881)	(969)	19,442
Organ fund	26,535	21	-	-	26,556
Priory Youth Group fund	469	200	(497)	-	172
Vicar's fund	1,742	743	(54)	-	2,431
Preservation and development fund	27,136	42	-	-	27,178
The Vicar & Churchwardens' Fund	27,722	78	(348)	-	27,452
Nile Street fund	-	120,609	(311)	-	120,298
Sundry funds	706	12,568	(10,852)	-	2,422
	<u>122,585</u>	<u>199,854</u>	<u>(72,417)</u>	<u>(969)</u>	<u>249,053</u>

**The Endowment fund comprises:**

	Balance at 01.01.19 £	Revaluation in year £	Investment Income £	Transfers in year £	Balance at 31.12.19 £
Church Chancel Fund	2,143	294	-	(2,437)	-
	<u>2,143</u>	<u>294</u>	<u>-</u>	<u>(2,437)</u>	<u>-</u>

The Church Chancel Fund was held as investments to generate income for fabric repair expenditure. The income produced was minimal so as part of the rationalisation of funds, the investment has been sold during the year and the proceeds transferred to The Priory Fabric Fund.

**Comparatives for Endowment funds:**

	Balance at 01.01.18 £	Revaluation in year £	Investment Income £	Transfers in year £	Balance at 31.12.18 £
Church Chancel Fund	2,175	(32)	-	-	2,143
	<u>2,000</u>	<u>175</u>	<u>-</u>	<u>-</u>	<u>2,175</u>

**15 RELATED PARTIES**

	2019 £	2018 £
Unconditional donations received from PCC members and their close family	<u>25,249</u>	<u>24,668</u>

**LANCASTER PRIORY AND PARISH CHURCH OF ST. MARY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**16 SCHEDULE OF DONATIONS**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<i>Donations nominated via 'Bride's Charity Scheme' and other specified donations</i>		
Aching Arms	20	-
Alzheimer's Society	9	24
Annie Mawson's Sunbeams	-	100
Big Change MCR	-	110
Dementia UK	-	28
Endometriosis UK	-	26
Lancaster & District Homeless Action Service	-	200
Lancaster Priory Music Trust	-	123
Little Princess Trust	58	-
Macmillan Cancer Support	181	-
Mind	-	195
More Music	105	-
Ronald McDonald House	9	-
St John's Hospice	36	412
The Olive Branch	141	-
Wolfwood	67	-
	<hr/>	<hr/>
	626	1,218
<i>Donations from charitable giving programme</i>		
CMS	1,000	1,000
DEC Cyclone Idai Appeal	300	-
EducAid Sierra Leone	1,000	1,000
Lancaster & District Homeless Action Service	-	300
Marsh Community Centre	1,000	1,200
Musalaha UK	1,000	1,000
Open Doors UK	1,000	1,000
Reaching the Unreached	1,000	1,000
	<hr/>	<hr/>
	6,300	6,500
<i>Donations from special services, collections and events:</i>		
Children's Society - Christingle Service and Christmas stars	697	609
Marsh Community Centre	-	302
Royal British Legion	266	785
	<hr/>	<hr/>
	963	1,696
<b>TOTAL DONATIONS</b>	<hr/> <hr/>	<hr/> <hr/>
	7,889	9,414



**LANCASTER PRIORY AND PARISH CHURCH OF ST. MARY**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

**17 COMPARATIVE OF STATEMENT OF FINANCIAL ACTIVITIES**

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2018 £
<b>INCOME AND ENDOWMENTS</b>					
Voluntary income	2(a)	131,708	180,578	-	312,286
Church activities	2(b)	13,629	10,703	-	24,332
Activities for generating funds	2(c)	27,958	8,124	-	36,082
Income from investments	2(d)	2,386	449	-	2,835
Other incoming resources	2(e)	891	-	-	891
<b>TOTAL</b>		<b>176,572</b>	<b>199,854</b>	<b>-</b>	<b>376,426</b>
<b>EXPENDITURE</b>					
Raising funds	3(a)	11,824	5,740	-	17,564
Church activities	3(b)	192,501	66,677	-	259,178
<b>TOTAL</b>		<b>204,325</b>	<b>72,417</b>	<b>-</b>	<b>276,742</b>
<b>NET INCOME / (EXPENDITURE) BEFORE INVESTMENT GAINS</b>		<b>(27,753)</b>	<b>127,437</b>	<b>-</b>	<b>99,684</b>
<b>NET GAINS ON INVESTMENTS</b>	<b>7</b>	<b>(906)</b>	<b>-</b>	<b>(32)</b>	<b>(938)</b>
<b>TRANSFERS BETWEEN FUNDS</b>					
Fixed asset additions		969	(969)	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>(27,690)</b>	<b>126,468</b>	<b>(32)</b>	<b>98,746</b>
<b>TOTAL FUNDS BROUGHT FORWARD</b>		<b>310,134</b>	<b>122,585</b>	<b>2,175</b>	<b>434,894</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>282,444</b>	<b>249,053</b>	<b>2,143</b>	<b>533,640</b>

In line with the requirements of FRS 102 SORP the above note shows the split of comparative information between the funds.

The option to prepare a separate note has been taken, over the integration within the existing SOFA (i.e. the eight column approach).

**The following pages do not form part of the Statutory Financial Statements**



## LANCASTER PRIORY AND PARISH CHURCH OF ST. MARY

## APPENDIX 1

## LANCASTER PRIORY AND PARISH CHURCH BOOKSTALL

## STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2019

	£	2019 £	£	2018 £
<b>INCOME</b>				
Bookstall sales		1,866		2,458
Bank interest		18		19
		<u>1,884</u>		<u>2,477</u>
<b>EXPENDITURE</b>				
Bookstall purchases	363		240	
Movement in stock	348		2,057	
Obsolete stock written off	585		610	
Stall maintenance	-		653	
Other sundry expenses	35		49	
Depreciation of till	795		795	
		<u>(2,126)</u>		<u>(4,404)</u>
Net expenditure		(242)		(1,927)
Transfer to general church funds		(300)		(500)
Balances brought forward		19,668		22,095
		<u>19,126</u>		<u>19,668</u>
Balances carried forward		<u>19,126</u>		<u>19,668</u>
<b>Represented by:</b>				
Bookshop till		1,325		2,120
Stock in hand		3,025		3,958
Bank current account		4,638		3,901
Bank deposit account		9,384		9,366
Cash in hand		748		323
Due from Priory general account		6		-
		<u>19,126</u>		<u>19,668</u>

**LANCASTER PRIORY AND PARISH CHURCH OF ST. MARY**

**APPENDIX 2**

**MUSTARD SEED @ PRIORY HALL**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

	£	2019 £	£	2018 £
<b>INCOME</b>				
Donations and tax recoverable		1,389		1,285
Bank interest		11		12
		<u>1,400</u>		<u>1,297</u>
<b>EXPENDITURE</b>				
Food	1,098		1,027	
Tableware, kitchen equipment & consumables	157		368	
Tents, sleeping bags & clothes	122		91	
Cleaning & sundries	120		127	
Donation to LDHAS	-		200	
		<u>(1,497)</u>		<u>(1,813)</u>
Net expenditure		(97)		(516)
Balances brought forward		5,856		6,372
Balances carried forward		<u><u>5,759</u></u>		<u><u>5,856</u></u>
Represented by:				
Bank account		5,634		5,641
Cash in hand		125		215
		<u><u>5,759</u></u>		<u><u>5,856</u></u>



**LANCASTER PRIORY AND PARISH CHURCH OF ST. MARY**

**APPENDIX 3**

**GENERAL UNRESTRICTED INCOME & EXPENDITURE ACCOUNT**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

	£	2019 £	£	2018 £
<b>INCOME</b>				
Committed giving				
Gift aid donations	69,382		71,773	
Other donations	9,335		8,063	
Income tax recoverable	23,049		22,352	
Collections	23,332		19,942	
Church boxes	10,877		5,826	
Grants and donations	12,632		1,686	
Legacies	85,302		-	
Votive candles	3,438		2,066	
Newslink sales	737		672	
Wedding & funeral fees	11,044		8,379	
Use of church building	20,974		15,159	
Fundraising	44,153		7,681	
Social and outreach activities	3,083		3,491	
Earl Peel Trust Fund	26,871		-	
Insurance claim	4,909		891	
Contributions to expenses	9,747		-	
Investment income and bank interest	2,518		2,353	
		<u>361,383</u>		<u>170,334</u>
<b>EXPENDITURE</b>				
Charitable giving	7,191		6,600	
Diocesan parish share	75,329		72,341	
Clergy expenses	1,269		1,409	
Curate house expenses	2,021		3,140	
Vicarage expenses	7,105		6,034	
Church running expenses				
Heat, light & water	17,565		10,773	
Insurance	11,088		9,804	
Other expenses	11,640		8,914	
Music	1,192		1,152	
Young people and families work	731		955	
Church and churchyard maintenance	51,876		3,051	
Major fabric repairs	17,994		-	
Newslink & The See	686		895	
Salaries	58,924		47,992	
Telephones	3,015		3,251	
Social, outreach and other sundry expenses	4,829		3,203	
Fundraising and sponsorship expenses	13,241		4,861	
Publicity costs	1,343		1,172	
Independent examination & payroll fees	3,025		2,711	
Quinquennial inspection report fees	-		84	
Printing, stationery and office equipment	4,996		3,728	
Committed giving and Gift Aid envelopes	278		105	
Depreciation & loss on disposals	6,415		6,345	
		<u>(301,753)</u>		<u>(198,520)</u>
Net expenditure		59,630		(28,186)
Coffee shop profit share		7,543		2,239
Transfer from designated charity fund		300		500
Transfer from bookstall		300		500
Transfer to designated music fund		-		(877)
Transfer to designated charity fund		-		(300)
Net income / (expenditure) for the year after transfers		<u>67,773</u>		<u>(26,124)</u>