



"To win people for Christ and to build them up in Christ."
www.stjameschorley.org Registered Charity No. 1130725

Annual Report, Financial Statements and Accounts 2011

**St James' Church
Brooke Street
Chorley
PR6 0NA**

1. Annual Report

1.1 Administrative Information

St James' Church is one of five Church of England parishes covering the market town of Chorley in Lancashire and within the Diocese of Blackburn.

Correspondence address: St James' Vicarage, St James' Place, Chorley, PR6 0NA.

The Parochial Church Council (PCC) is a charity registered with the Charity Commission.

PCC members who have served

Incumbent	Revd David Phillips	Chairman (from 23/7/11)
Readers	Joyce Ashton	
	Sylvia Bouskill	
	Pat Gore	
	Fred Howarth	
	Phil Parker	
Wardens	Alison Norcross	
	Alastair Phillips	Vice chairman (Chairman until 23/7/11)
Emeritus warden	Jim Connor	
Deanery Synod Representatives	Michael Waddington	
	Joan Geddes	
Elected members	Glyn Bouskill	
	Jean Brierley	
	Florence Fowler	(resigned 31/12/11)
	Mick Fowler	(resigned 31/12/11)
	Marlene Gardiner	
	Phil Garrett	
	Bill Geddes	
	Joan Geddes	Secretary
	Edna Gregson	
	Claire Murray	
	Michael Waddington	
	Caroline Waring	
	Ken Whitfield	
Co-opted member	Sara Tinsley	Treasurer

1.2 Structure, governance and management

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.

The Church, churchyard and parsonage are benefice property and therefore do not form part of the assets of the Church Council. Likewise assets which are covered by faculty legislation, such as the communion silver, are not considered assets of the PCC. Nevertheless the PCC has a duty to maintain and safeguard the Church, churchyard and other assets. Care of the parsonage mainly falls to the Diocesan Parsonages Board.

The Church has no full-time employees but it does have a full-time Vicar who was appointed during the year.

The PCC met 10 times during the year but has now adopted a plan of meeting every two months. There are currently no sub-committees but towards the end of the year the Standing Committee was re-constituted in order to conduct business if necessary and particularly to consider matters at greater depth in order to better advise the PCC.

In 2005 the PCC drew up a Mission Action Plan and as part of this appointed Coordinators for various

areas of the mission of the church. During the year these roles were monitored and a Prayer Coordinator and Child-protection Coordinator were appointed, as was a newly created role of Housekeeping Coordinators. A Health and Safety Officer was also appointed.

At the end of the year there were no coordinators for Discipleship, Evangelism, Service, Communications and Youth and Children. However, the PCC was aware of the need to review some of these roles.

After the year end a new post of Vulnerable Adults Coordinator has been established in accordance with Diocesan Policy and the PCC has agreed that the roles of Finance Coordinator and Treasurer should be separated.

The other Coordinators are Buildings, Pastoral, Music and Worship.

1.3 Objectives and activities

St James' PCC has the responsibility of co-operating with the incumbent in maintaining Christian worship, proclaiming the gospel of Christ, and seeking to minister to all within the congregation and parish. This is summarized in the churches aim "to win people for Christ and to build them up in Christ."

In 2008 the Church Council adopted a policy entitled "The Way Forward" which set out a wide range of aspirations for the life of the Church. Five particular goals were highlighted which were re-iterated at the end of 2010 when the Council drew up a Parish Profile for the purpose of appointing a new incumbent. These goals were summarized as:

- *Preaching – to preach tirelessly and constantly the truth of living with God as number one in our lives, that this is not only essential to bring the gospel to others but will have massive consequences for the church and the community around us.*
- *Prayer – to make prayer second nature for all at St James'; whether that is at home, work or in church.*
- *Premises – To continue to re-order the church building to have a place that serves us as a vehicle for serving the community and a place of worship, outreach and of mission.*
- *People – To ensure that worship is an attractive concept to our congregation, community and especially our young people, and that we find ways to worship that ensure that solid Christian foundations are established in the people that God brings to us and ensure that the Church is built up in Christ.*
- *Publicity – To ensure that our communications are relevant and attractive to the people of the Parish and the wider community. To identify the most relevant and appropriate forms of communication, including our web site, and to optimize the opportunities that arise through services, events and meetings held by St James'.*

The Parish Profile also identified four areas for development and four particular aims for the next 5 to 10 years.

Areas for development:

- *The corporate prayer life of the church.*
- *Nurturing people to become leaders.*
- *Pastoral work and community links.*
- *Improve finances, including our responsibility to pay the Parish Share and give to others outside the family of St James'*

Aims:

- *To have a committed core of well taught sound bible believing Christians at the heart of the Church.*
- *To have mission and outreach as the focus of church teaching, activities and outlook.*
- *To continue to improve the church building to enable it to be used for a range of church, mission and community activities.*
- *To encourage greater integration of the community into the life of the church and for St James' to be a beacon in the community.*

The PCC has agreed that during the latter part of 2012 it will review these various documents with a view to reformulating its vision, aims and objectives.

1.4 Achievements and performance

The following headings below are taken from the various goals, aims and objectives listed above.

Outreach - there were no planned activities specifically for outreach apart from the Walking Day. Many events have an outreach focus and many individuals are active in sharing their faith and inviting people to services and other events. Nevertheless the PCC recognizes the need to make outreach more central to the life of the church.

Publicity - the parish website became moribund in the first part of the year but was then re-launched. It is now updated most weeks with details of services and events as well as a range of other information. A parish magazine was also re-launched just before Christmas. All the houses in the parish were leafleted at certain times of the year and activities are advertised through the school newsletter. However, publicity is an area in need of development.

Preaching - preaching remains a important part of the Sunday morning services but a Sunday evening service has also been re-started and now held jointly with the parishes of Heapey and Withnell. Teaching, preaching and discussion are the main focus. A termly plan for teaching and preaching is produced and published and most sermons are recorded and made available via the website. At the end of the year four home groups were meeting weekly although one other had closed down during the year. In addition a daytime fortnightly Bible study had been started. The subject matter for preaching and home groups has been shaped in part by the four areas for development mentioned above.

Prayer - there is a weekly prayer meeting and during the interregnum an evening Sunday prayer meeting was held. The church also has a prayer chain, a monthly prayer diary, prayer partners, several individuals who lead prayer during services and people available to pray after services. There was also a series of sermons and bible studies on prayer. However, the numbers involved in each area is small and this remains an important area for development.

Young People - three separate groups meet on Sunday mornings and there are also midweek meetings for each of these groups. There is a constant need for more people to get involved in the young people's work and also a problem with lack of space on a Sunday when we have had as many as 50 children at an ordinary service. The Friday evening meeting for younger children has been split into two separate age groups to allow for greater numbers and better contact and this has proved helpful. It has been encouraging to see the growing links with the school and the fruit of this is seen in attendance at special services.

Pastoral - a small team of pastoral visitors ensure that the sick and housebound are visited on a regular basis and a monthly meeting is held at Eldon House, a sheltered housing unit in the parish. There is little or no contact with other residential units in the parish and there is at present little more general pastoral work being done.

Community - during the year the links with St. James' school have continued to develop. PCC appointed governors are very active in the life of the school and several other church members help in school. The Vicar leads worship in school once a week and the school meet in church once a term and attend various Sunday services. The links with St Michael's school have also been developed with the school holding their Education Sunday service at St James' and the new Vicar being involved in leading corporate worship. Members of the church are involved in various areas of local community life and the congregation seeks to support Help the Homeless.

The PCC has in recent years cut back its giving to other charities but has expressed its intention to build this up again. Only 2% of income was given in 2011 but it is planned to give 4% in 2012. A new group called Stitches of Hope has also been started to make garments to be sent overseas.

Worship - two morning services are held on a Sunday and an evening service was begun in September. A monthly midweek Communion service was also re-started in October. The style of the services is very different but preaching is an important feature of all. The early service follows the Book of Common Prayer and attendance generally ranges between 30 and 40. The main morning service is more contemporary particularly in music, which is led by the Music Group. During the interregnum a more liturgical pattern was

re-introduced and this has been continued. Towards the end of the year attendance at ordinary services was between 70 and 80 adults and 35 to 40 children. The evening service is more informal and focused on teaching with ample opportunity for questions and discussion. Attendance has generally been between 25 and 30.

Many special services are held at the key festivals and for various other occasions.

Premises – in April a special prayer and gift day was held as a result of which over £5,582 was raised enabling flooring and carpet to be laid in the church nave. This has greatly enhanced the look of the building and made it warmer. The church grounds are well maintained by our volunteer gardener and the building has been maintained to a high standard. Church members also ensured that the Vicarage was re-decorated throughout before the new Vicar and his family arrived in July. A cleaning rota has also been re-introduced.

A plan to develop the building further is still on the table and there is a particular need for more space for children's work, for more storage and for better toilet facilities. However, at the end of the year there was still over £50,000 of loans outstanding on previous work.

Finances - overall income fell during 2011 which was disappointing but appears to reflect the wider economic climate. Whilst the church was able to meet all its commitments during the year lack of cash in the bank meant that some bills could not be paid until after the end of the year when Gift Aid had been received. The PCC recognizes the need to have sufficient reserves to cover such cash flow issues. The finances have been made a matter for prayer and information on the finances of the church is being made available through the new Church magazine. It is intended to provide regular reports to the congregation and the need for teaching and looking at ways to encourage greater giving are under consideration.

Nurture leaders - little has been done about this directly during the year except as part of the regular teaching programme. It is hoped that the evening services, allowing greater in-depth teaching, will help in equipping people. It is intended during 2012 to run at least a couple of events to help people think about their gifts and areas of service.

2. Financial Review and Accounts

2011 was yet another difficult year financially for the church and saw the income fall for the fourth year running as the credit crunch continued to hit the economy generally. The gift day in January 2011 was a success and this enabled us to carpet the church. This and the payment of our Parish Share, although it was delayed, were the positives for 2011. However, cash flow was an issue at the end of the year.

Because the final gift aid payment arrives after the year end some bills could not be paid until it had been received and the final instalment of parish share was made late. This cash flow problem can only be eased if we build up a modest reserve but this relies on increasing income.

Gift Aid continues to be vital to the church finances. The amount claimed in 2011 was lower than in 2010 due to the drop in giving but also due to the drop in the gift aid rate which came into effect in April. Anyone who pays tax can Gift Aid; you simply need to give via a traceable method such as by envelope, standing order or cheque. Please could I ask that if you can gift aid and don't please prayerfully consider doing so. Details of giving are confidential and you can start gift aiding by simply completing a form for the church.

St James' is still in debt, however. We still owe £29,488 in interest free loans that were made by members of the congregation to enable us to complete the first stage of Project Two:20. Nothing was repaid in respect of these loans in 2011. In addition there is the debt in respect of the diocesan loan. The amount outstanding at the end of 2011 was £33,229 plus interest. The congregation was asked for covenants for a period of 4 years to enable the loan to be repaid. A number of people had withdrawn their covenants leaving us with a shortfall. I am pleased to say that during 2011 the number of covenants did increase again and we now have a reduced shortfall of just over £100 a month.

Finally, my thanks goes out to those who support and help me with the church finances, I couldn't do it without you! A special thank you goes to Fred and Mavis Howarth, Edna Gregson, Sheila Anderton and

those on the counting team. You may recall that I made the decision in January 2011 to resign from the post of Treasurer due to the pressures of work and family life. As no-one stepped forward I have continued but I urgently require assistance in the form of a Financial Co-ordinator. If you are interested in becoming involved in the accounts please let me, David Phillips or the Churchwardens know.

With thanks,
Sara Tinsley, Treasurer

3. Reserves Policy

A reserves policy was not in operation during 2011. The PCC have now agreed that, when finances permit, it will operate a reserve of £3,000.”

Parochial Church Council of St James, Chorley
Statement of Financial Activities

For the year ending 31 December 2011

	Unrestricted funds	Restricted funds	Endowment funds	Total funds	Prior year total funds	Note
Incoming resources						
Voluntary income	55,866	30,324	0	86,190	93,058	2a
Activities for generating funds	4,687	5,839	0	10,526	6,081	2b
Investment income	18	24	0	42	37	2c
Church Activities	4,491	0	0	4,491	3,740	2d
Other incoming resources	3,640	1,416	0	5,056	2,520	2e
Total incoming resources	68,702	37,603	0	106,305	105,436	
Resources used						
Costs of generating voluntary income	819	111	0	930	521	3b
Fundraising trading: cost of goods sold and other costs	1,091	0	0	1,091	715	3c
Church activities	67,882	45,389	0	113,271	85,283	3a
Total resources expended	69,792	45,500	0	115,292	86,519	
Net incoming / outgoing resources before transfer	(1090)	(7,897)	0	(8,987)	18,917	
Transfers						
Gross transfers between funds - in	220	0	0	220	275	
Gross transfers between funds - out	0	(220)	0	(220)	(275)	4
Net incoming before other gains and losses	(870)	(8,117)	0	(8,987)	18,917	
Other recognised gains / losses						
Gains / losses on investment assets	0	0	0	0	0	
Gains on revaluation of fixed assets for charity's own	0	0	0	0	0	
Net movement in funds	(870)	(8,117)	0	(8,987)	18,917	
Balances b/fwd 1 January	5,167	29,976	0	35,143	16,226	
Balances c/fwd 31 December	4,297	21,859	0	26,156	35,143	

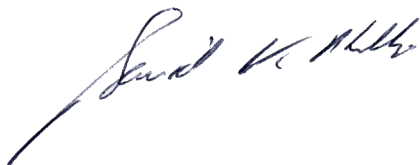
The notes on pages 9 to 12 form part of this account.

Parochial Church Council of St James, Chorley

Balance Sheet as at 31 December 2011

			2011	2010	Note
Fixed assets					
1007	3.5% War Stk		100.00	100.00	5
1008	2.5% Cons Stk		100.00	100.00	
1009	3.5% War Stk		300.00	300.00	
	Total Fixed assets		500.00	500.00	
Current assets					
1001	Deposit Account		2,183	2,017	
1002	Current Account		4,551	2,921	
1003	Petty Cash		0	33	
1004	Deposit Fund held by DBF		2,029	2,015	
1010	Youth Account		6,433	3,715	
1013	Fabric Fund Account		14,304	24,065	
Z05	Accounts Receivable		538	417	6
	Total Current assets		30,038	35,191	
Liabilities					
Z04	Accounts Payable		4,382	41	7
	Total Liabilities		4,382	6,020	
	Net Asset surplus (deficit)		26,156	35,143	
Parish funds					
	Unrestricted		4,297	5,167	
	Designated		0	0	
	Restricted		21,859	29,976	
	Endowment		0	0	
	Total		26,156	35,143	

Approved by the Parochial Church Council on 7th March 2012 and signed on its behalf by



Rev'd David Phillips (PCC chairman and incumbent).

The notes on pages 9 to 12 form part of these accounts

Notes to the Financial Statements

For the year ended 31 December 2011

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with applicable accounting standards and the SORP 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. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include accounts of church groups that owe their main affiliation to another body, nor those that are informal gatherings of church members.

Funds

Endowment funds are funds, the capital of which must be maintained; only income arising from investment of the endowment may be used either as restricted or unrestricted funds depending upon the purpose for which the endowment was established.

Restricted funds represent (a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest, and (b) donations or grants received for a specific object or invited by 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.

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

Incoming resources

Planned 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. Dividends are accounted for when receivable, interest is accrued. All other income is recognised when it is receivable. All incoming resources are accounted gross.

Resources expended

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. The diocesan parish share is accounted for when due. Amounts received specifically for mission are dealt with as restricted funds. All other expenditure is generally recognised when it is incurred and is accounted for gross.

Fixed assets

Consecrated and benefice property is not included in the accounts in accordance with s.96(2)(a) of the Charities Act 1993.

Moveable church furnishings held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the church's inventory, which can be inspected (at any reasonable time). For anything acquired prior to 2000 there is insufficient cost information available and therefore such assets are not valued in the financial statements. Subsequently no individual item has cost more than £1,000 so all such expenditure has been written off when incurred.

Equipment used within the church premises is depreciated on a straight-line basis over four years. Individual items of equipment with a purchase price of £500 or less are written off when the asset is acquired.

Investments are valued at market value at 31 December.

Parochial Church Council of St James, Chorley

Notes to the Financial Statements for the year ended 31 December 2011

	Unrestricted	Designated	Restricted	Endowment	This year	Total Last year
2. Incoming resources						
2a. Voluntary income						
Envelopes	10,794	0	0	0	10,794	12,354
Standing Orders	25,620	0	15,700	0	41,320	41,835
Loose Coin	7,058	0	46	0	7,104	6,252
Donations	3,565	0	9,224	0	12,789	17,411
Tax Recoverable	8,829	0	5,354	0	14,183	15,206
Voluntary income Sub-totals	55,866	0	30,324	0	86,190	93,058
2b. Activities for generating funds						
Special Events	4,687	0	5,839	0	10,526	6,066
Book Stall	0	0	0	0	0	15
Activities for generating funds Sub-totals	4,687	0	5,839	0	10,526	6,081
2c. Investment income						
Interest	18	0	24	0	42	37
Investment income Sub-totals	18	0	24	0	42	37
2d. Incoming resources from church activities						
Fees	4,355	0	0	0	4,355	3,552
Coffee Donations	136	0	0	0	136	188
Incoming resources from charitable activities Sub-totals	4,491	0	0	0	4,491	34,027
2e. Other incoming resources						
Other	3,640	0	1,416	0	5,056	2,520
Other incoming resources Sub-totals	3,640	0	1,416	0	5,056	2,520
Total Incoming Resources	68,702	0	37,603	0	106,305	105,436

Parochial Church Council of St James, Chorley

Notes to the Financial Statements for the year ended 31 December 2011

	Unrestricted	Designated	Restricted	Endowment	This year	Total Last year
3. Resources used						
3b. Costs of generating voluntary income						
Printing and Publishing Costs	819	0	111	0	930	521
Costs of generating voluntary income Sub-totals	819	0	111	0	930	521
3c. Fundraising costs						
Special Events	628	0	0	0	628	439
Tea & Coffee	463	0	0	0	463	276
Fundraising costs Sub-totals	1,091	0	0	0	1,091	715
3a. Church activities						
Parish share	45,207	0	0	0	45,207	45,448
Staff Salaries	0	0	0	0	0	8,650
Staff Expenses	808	0	0	0	808	328
Utilities	3,680	0	0	0	3,680	4,411
Other Expenditure	8,784	0	731	0	9,515	8,584
The Vicarage	2,290	0	0	0	2,290	1,949
Training	75	0	0	0	75	0
Charitable Giving	1,140	0	430	0	1,570	465
Barchester/St Michaels Fees	440	0	0	0	440	0
Building	2,590	0	42,340	0	44,930	11,592
Worship Expenses	2,623	0	0	0	2,623	1,319
Youth and Children's Work	245	0	1,888	0	2,133	2,076
Church activities Sub-totals	67,882	0	45,389	0	113,271	85,283
Total Resources Expended	69,792	0	45,500	0	115,292	86,519

Parochial Church Council of St James, Chorley
Notes to the Financial Statements for the year ended 31 December 2011

4. Transfers

Transfers have occurred between funds where invoices have been paid one fund and then repaid by the relevant fund.

5. Fixed assets

Investments: Total Fixed Assets	500
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6. Debtors

Prepayments	538
	538

Prepayments are in respect of payments made in 2011 but relate to 2012.

7. Liabilities

Creditors: Amounts falling due in one year	4,382
	4,382

Liabilities are in respect of invoices received 2012 relating to 2011.

8 Funds

The restricted funds comprise the Youth and Children's Ministry Fund, Fabric Fund, and Flower Fund.

Fund movements	Opening Balance 2011	Incoming Resources	Resources Expended	Closing Balance 2011
Youth and Children's	3,715	5,439	2,721	6,433
Fabric	26,080	31,500	41,247	16,333
Flower	180	673	731	122

9 Analysis of Net Assets by Funds

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2010
Tangible Fixed Assets	0	0	0	0
Investment Fixed Assets	500	0	0	500
Current Assets	7,055	22,983	0	30,038
Liabilities	(3,258)	(1,124)	0	(4,382)
Net Asset Surplus	4,297	21,859	0	26,156

Independent examiner's report to the PCC of St James, Chorley

This report on the financial statements of the PCC for the year ended 31st December 2011, which are set out on pages 1 and 2, is in respect of an examination carried out in accordance with the Church Accounting Regulations 2006 ('the Regulation') and s.43 of the Charities Act 1993 ('the Act').

Respective responsibilities of the PCC and the examiner

As members of the PCC you are responsible for the preparation of the financial statements; you consider that the audit requirement of the Regulations and s.43 (2) of the Act does not apply. It is my responsibility to issue this report on those financial statements in accordance with the terms of the Regulations.

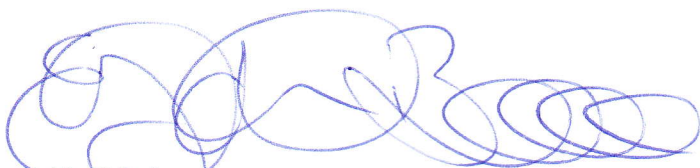
Basis of this report

My examination was carried out in accordance with the General Directions given by the Charity Commission under s.43 (7) (b) of the Act and to be found in the Church guidance, 2006 edition. That examination includes a review of the accounting records kept by the PCC and a comparison of the accounts with those records. It also includes considering any unusual items or disclosures in the financial statements and seeking explanations from you as trustees 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 connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 41 of the Act; and
 - to prepare financial statement, which accord with the accounting records and comply with the requirements of the Act and the Regulations have not been met.
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Ms E Bell
Bellshire Accountancy, 23-27 Bolton Road, Chorley PR7 3AA

6th March 2012



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