

ST MICHAEL'S CHURCH HORWOOD
ANNUAL REPORT AND FINANCIAL STATEMENT
OF THE PAROCHIAL CHURCH COUNCIL
FOR THE YEAR ENDED 31ST DECEMBER 2020

RECTOR
THE REVEREND GARY OWEN

ST MICHAEL'S CHURCH HORWOOD
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<u>CONTENTS</u>	Page(s)
Information	3
Independent examiner's report	4
Annual report	5 - 8
Payments and receipts summary	9 - 11
Statement of assets and liabilities	12
Appendix 1 - Covid impact	13 - 14
Appendix 2 - Two Rivers Misson Community, Annual Report	15 -17

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Bankers: CAF Bank Ltd

25 King's Hill Avenue
King's Hill
West Malling
Kent
ME19 4JQ

Virgin Money

Jubilee House
Gosforth
Newcastle Upon Tyne
NE3 4PL

Charitable Aid Foundation

CAF Charitable Trust
25 King's Hill Avenue
King's Hill
West Malling
Kent
ME19 4TA

Independent Examiner: John Barr

The Parochial Church Council is an Excepted Charity



**CHARITY COMMISSION
FOR ENGLAND AND WALES**

**Independent examiner's
report on the accounts**

Independent Examiner's Report

Report to the trustees of	ST MICHAEL'S CHURCH, HORWOOD		
On accounts for the year ended	31 st December 2020	Charity no (if any)	An Excepted Charity
Set out on pages	5-12		

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed. It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 130 of the Charities Act or
- the accounts do not accord with the accounting records

I have come across no other matters in connection with the examination to which attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed: **Date:**

Name:

Relevant professional qualification(s) or body (if any):

Address:

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ANNUAL REPORT

Aim and Purpose

Horwood's Parochial Church Council (the PCC) has the responsibility of cooperating with the incumbent Rev Gary Owen in promoting the ecclesiastical parish, the whole mission of the church, pastoral, evangelistic, social and ecumenical. The PCC is also specifically responsible for the maintenance of the Grade 1 Listed Church of St Michael's including surrounding entrance way and church yard.

Objectives and activities

St Michael's is part of the Two Rivers Mission Community, an area of 56 square miles between Barnstaple, Bideford, Torrington and Atherington. We aim to grow vibrant, faithful and sustainable Christian communities in each parish which meet weekly to worship, pray, grow as disciples of Jesus and reach out to our communities with the good news of Jesus. We recognise that we exist to serve and bless the whole parish and to grow and make visible the kingdom of God. Our building and churchyard are valuable community resources and we value the support of parishioners in maintaining and utilising these for the benefit of the community.

Achievements and Performance

At present there are 22 on the electoral roll, 2 were added and 3 removed. The average Sunday attendance was 15.

Covid 19 had a significant effect on church life from February 2020 onwards and then throughout the year. The church building was on occasions because of lockdown shut for worship but was maintained online via and Zoom. As soon as legally allowed the building was opened on a Monday one day per week for private prayer. When there was no lockdown but covid restrictions still applied public worship was held alternate Sundays but with restricted seating arrangements. Festival services were held at Christmas and Easter. To encourage attendance, some services were themed, with a successful pet service as an example. Although not necessarily popular with the whole of the congregation, visual screening of service content was used and has now become the norm. As well as regular services we enabled our community to celebrate and thank God at the milestones of our journey through life. There were two funerals but no weddings held. Covid restricted holding any other social events that normally are held in the church.

For information about achievements and performance as part of the Two Rivers Mission Community see appendix 2.

Deanery Synod

Due to the Covid-19 pandemic it was not possible for the deanery synod to meet. Deanery clergy met twice each month via Zoom to enable the sharing of information and mutual encouragement.

Church Fabric

Works have been carried out in previous years following the quinquennial report of 2017. No major works have been required this year. The usual maintenance work has been done. Such as cleaning, flower arranging, and grass cutting. We express our deep thanks to everyone involved for helping.

Financial review

Total receipts from the unrestricted fund were £7078 (2019 - £8481) and payments from this fund totalled £6504 (2019 - £10477) giving a surplus for the year of £574 (2019 - deficit £1996). The small surplus generated during the year is mostly as a result of continued support from regular giving and reduced spending. The average planned giving for the year was £237 (2019 was £197) per month (before gift aid) and as at February 2021 is approximately £167. The Friends of St Michaels Charitable Trust remains untouched, but has seen a fall in market value as a result of the impact of COVID on UK equities. The PCC would like to thank everyone who contributed to church finances. Regular donations by the Parish Giving Scheme or standing order are particularly appreciated as they provide a regular income regardless of whether the building is open for worship and enable the PCC to manage a budget effectively.

Reserves policy

The PCC has resolved to maintain, if possible, a balance on our general (unrestricted) fund, which equates to at least three months' unrestricted payments, (say £3,000) to cover emergencies. Fortunately, our current balance is comfortably in excess of that.

Safeguarding

The PCC has complied with the duty under section 5 of the safeguarding and Clergy Discipline Measure 2016 (duty to have regard to House of Bishop's guidance on safeguarding children and vulnerable adults). The safeguarding officer is Derek Birch.

Volunteers

The members of the PCC would like to thank all the volunteers who work so tirelessly to make our church a lively and vibrant community.

Structure, Governance and Management

The method of appointment of PCC members is set out in the Church Representation Rules. The council comprises the incumbent, licensed clergy, churchwardens, readers appointed by the Annual Parochial Church Meeting, those elected to the deanery synod and other members elected at the Annual Parochial Church Meeting, by those on the electoral roll. The PCC members are responsible for making decisions on all matters of general concern and importance to the parish and for all financial matters. Two representatives of the PCC are elected by the PCC to serve on the Mission Community Council and are delegated to take decisions on behalf of the PCC in regard to Mission Community matters.

Impact of COVID19

See Appendix 1 for details.

Administration information

The church is situated in Horwood. Bideford Devon EX39 4PF. The parish is in the deanery of Torrington, archdeaconry of Barnstaple and Diocese of Exeter. The correspondence address is The Rectory, High Bickington, UMBERLEIGH, EX37 9AY.

The PCC is a body corporate (PCC Powers Measure 1956 and the Church Representation Rules 2020) and a charity excepted from registration with the Charity Commission.

The PCC members who have served from 1st January 2020 until the date this report was approved were:

Ex Officio

The Incumbent Rector, Rev'd Gary Owen

The incumbent Team Vicar, Rev'd Paul Bysouth (to 31/01/2020))

Churchwarden, Paul Case (to 21/10/20)

Elected PCC members were until 21/10/20

Sandra Barr

Mary Foreman

Susan Turner

Reverend Stuart Fuller

John Riddington Young

Elected PCC members from 21/10/20

Reverend Stuart Fuller Vice Chairman

Edward Jenner (Treasurer)

John Turner (Secretary)

Janice Fuller

Linda Southgate

Susan Turner

Approved by the PCC on 14 March 2021 and signed on its behalf by:

.....
Rev'd Gary Owen (Chair)

.....
Rev'd Stuart Fuller (Vice Chari)

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Receipts and payments - Unrestricted account

Receipts

		<u>2020</u>		<u>2019</u>
Voluntary Receipts	£	£	£	£
Regular giving				
Tax efficient planned giving	2,844		2,364	
Collections at services	1,443		1,675	
Gift aid recovered	1,363		986	
		5,650		5,025
Other voluntary receipts				
Grants	-		128	
Donation from Garden Party	-		220	
Donation from Village BBQ	-		150	
Other non recurring donations	841		561	
		841		1,059
Activities for generating funds				
Tree Festival	-		230	
Harvest supper	-		45	
Other	-		-	
		-		275
Income from investments				
Interest from Virgin account	-		132	
		-		132
Income from Church activities				
Statutory Fees - weddings, funeral etc	517		877	
Bell ringing, Organist etc	70		75	
		587		952
Other receipts				
Unknown Virgin a/c deposit		-		1,038
		<u>7,078</u>		<u>8,481</u>

Note

Included within donations was £680 received to be used on maintenance of church and grounds.
Both amounts were used accordingly in the year.

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Payments

		2020		2019
	£	£	£	£
Cost of generating funds		-		-
Church activities				
Donations	210		446	
Diocesan parish share	1,646		1,983	
Clergy staff and expenses	1,140		1,017	
Churchyard maintenance	1,391		1,405	
Church repairs and upkeep	-		2,716	
Bank charges	60		56	
Church utilities	499		347	
Leaving presents	75		45	
Insurance	1,158		2,290	
Postage, stationery and sundries	325		172	
		6,504		10,477
		<u>6,504</u>		<u>10,477</u>
Excess of payments over receipts		574	-	1,996
CAF Bank account at 01 January 2020		1,675		1,841
Virgin account at 01 January 2020		32,955		34,785
		35,204		34,630
CAF Bank account at 31 December 2020		2,249		1,675
Virgin account at 31 December 2020		32,955		32,955
		35,204		34,630

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RESTRICTED PAYMENTS AND RECEIPTS - CHARITABLE TRUST, FRIENDS OF ST MICHAELS CHURCH

	<u>2020</u>	<u>2019</u>
PAYMENTS	-	-
RECEIPTS	-	-
MOVEMENT IN INVESTMENT VALUATION	(1,868)	4,638
	<u>(1,868)</u>	<u>4,638</u>

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STATEMENT OF ASSETS AND LIABILITIES

			2020			2019
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
BANK ACCOUNT						
CAF BANK	2,249		2,249	1,675		1,675
VIRGIN	32,955		32,955	32,955		32,955
INVESTMENTS						
CAF Charitable Trust (cash and investments) (Friends of St Michaels Church)		42,301	42,301		44,169	44,169
	35,204	42,301	77,505	34,630	44,169	78,799
Net assets b/fwd			78,799			76,157
Excess payments over receipts			574			(1,996)
Changes in market valuation			(1,868)			4,638
closing balance			77,505			78,799

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Impact of the Covid Pandemic

Fundraising

The PCC has been following government guidance for keeping worshippers safe during lockdowns and wider restrictions only holding prayer and services when allowed to do so. Fundraising has not been able to take place during the year due to the ongoing covid restrictions. A letter was sent to the existing church electoral roll members and existing regular givers during the year to highlight the longterm financial pressure the church is under and to promote the Parish Giving Scheme (PGS). The PCC is grateful to all those that have given or donated to the church, particularly through this crises, both financially and non-financially helping us to build a sustainable footing for the church. Income from services is down during the year, but some additional giving was made in the services following lockdown which helped to compensate for some of the shortfall. Due to minimal expenditure being undertaken during the year, and some increase in giving and donations received the church has been able to return a small surplus during the year. The Friends of St Michaels Church Charitable Trust has a high proportion of its funds in UK equity stocks. During the year the investment has seen a decline in its value due to the effects of the pandemic on equities. Towards the end of the year the investments have made a respectable recovery. The PCC has not needed to transfer any funds from the savings account during the year and is in the fortunate position to have sufficient reserves going forward. Looking forward to 2021 it is hoped that with the easing of COVID restrictions we will be able to reopen the church for services and look to arrange some small church events, hopefully starting at Easter with an Egg hunt in the church grounds.

Giving

A campaign sent to the existing church electoral roll was undertaken during the year to highlight the longterm financial pressure the church is under and to promote the Parish Giving Scheme (PGS).

Finance

Due to minimal expenditure being undertaken during the year, and some increase in giving and donations received the church has been able to return a small surplus during the year.

Investments

The Friends of St Michaels Church Charitable Trust has a high proportion of its funds in UK equities. During the year the investment has seen a decline in its value due to the effects of the pandemic on UK equity markets. Towards the end of the year the investments have made a respectable recovery.

Funds

The retained funds remain adequate.

Closure

The PCC has been following government guidance for keeping worshippers safe during lockdowns and wider restrictions only holding prayer and services when allowed to do so. The church closed temporarily in March re opening for services in July. One significant change since the end of the first lock down in June 2020 is that the church has been closed during the week other than non a Monday where it has been open for private prayer. Hygiene precautions have been followed in line with guidance provided and social distancing of clergy and worshippers maintained at all times.

Appendix 2

Two Rivers Mission Community Annual Report 2020

The year began like most others, but by February news of a new virus was breaking and by March we were in lockdown. In addition to contact through personal relationships, the new mission community database allowed us to keep in touch with over 160 church members. We switched services to YouTube, and increasingly Zoom, and sent prayers and liturgies by post to those without internet access. As soon as permissible, church buildings were opened one day per week for prayer and when permitted nine of the eleven buildings were reopened for Sunday worship. This continued throughout the year, with the exception of a second national lockdown in November. Tribute needs to be paid to the ministry team, wardens and others who worked hard to make our buildings Covid secure and make it possible for worship to continue.

Church members did their best to love and practically care for their communities. Food boxes, prayer request boxes and books appeared in various church porches. Help was offered with shopping. Doorstep singing was organised in Horwood. Neighbours looked out for each other. We were able to offer covid compliant support through our parish nurse. A listening service was set up by church members in Horwood and Newton Tracey.

Government restrictions on church activities meant that few baptisms took place during the year; just two and most weddings were postponed or cancelled with just four taking place. Funerals remained possible throughout the year, although for a period only in churchyards and always with limited numbers. We conducted 20 funerals in church and 7 at the Crematorium.

Sadly, many of our church activities had to be suspended. Both youth groups ceased to meet. Coffee mornings were suspended, although we did offer a Zoom coffee morning in April and May. Homegroups met for periods either online or in person. Zoom did not prove to everyone's liking and others were unable to access the technology but for those able to join in these proved valuable means of support and spiritual growth. Our usual support of the four schools within our mission community switched online with Rev Tracey and Rev Gary providing weekly recorded collective worship. Rev Tracey organised a Christingle bag for every child in the four schools at Christmas.

Christmas provided some limited relief, with outdoor services and carol singing being permitted. Several churches attracted good numbers and won goodwill holding crib building, carol singing or Christmas services. Loved ones were remembered by hanging named stars on Christmas trees.

Despite the difficulties of the circumstances we did our best to progress the Mission Community Vision. We managed to hold weekly services in seven of our eleven churches. In several of these churches church members stepped up to the plate, leading services with support in the form of service sheets or sermons provided by the ministry team. Our aim is to meet at the same time in the same place every week, both for the building up of the church congregation but importantly so that members of the community can be confident that when they want to come to church there will be a service in their village for them to attend. We aim to use Sunday services to worship, pray, grow as followers of Jesus and reach out with the good news of Jesus. Some creative ways of reaching out were the delivering of posies on mothering Sunday and harvest, open air services at war memorials, and carol singing in public places.

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During the year Alverdiscott became a chapel of ease of Newton Tracey, it was not possible to reopen Huntshaw church and the AGM decided to become a festival church. A long discernment process resulted in Horwood and Newton Tracey deciding to each meet twice per month in each building and not weekly. Despite three attempts we failed to appoint a half-time team vicar, with a lack of unity in the mission community being given as one of the reasons why one candidate didn't wish to accept the post. Once meeting in person becomes possible again, the mission community will need to decide how to proceed from here – given the situation we currently find ourselves in and not the one detailed in the parish profile two years ago.

The ministry team continues to meet weekly via Zoom for prayer, planning and mutual support. The Mission Community Council meets quarterly to progress the ministry and mission of the Mission Community. These meetings were held via Zoom in 2020. Most PCCs met infrequently, if at all, during the year, but the churches seemed to manage fine with church members pulling together on a more informal basis. The Mission Community expense account ended the year in surplus (in the region of £3,000) largely due to the community not enjoying the services of a second stipendiary cleric and reduced administration and travel costs due to Covid. Eight of the ten PCCs maintained full common fund payments with the other two aiming to make up their shortfalls in 2021. I commend the churches for maintaining their payments – both because it is important to pay for ministry received and because God has promised to bless those who are generous to him. The hope is that in 2021 we will be able to meet once more in person and having agreed a common vision, will be able to set up a Joint Council which will make administration less onerous.

I would like to pay tribute and offer thanks to everyone who has worked so hard to keep the Mission Community operating during this most difficult of years. The ministry team and those taking services have adapted admirably, and shown great patience and forbearance, with quickly changing circumstances. Wardens and PCCs have worked carefully and patiently to keep buildings Covid secure and open and to maintain contact with church members and vulnerable members of the community. Church members have prayed, shown love in practical ways and maintained a sense of humour and good will.

It is impossible to predict what might happen in 2021. Let's pray that Covid is brought under control, that some normality of life resumes and that our local economy recovers. Let's pray for those who have lost loved ones, suffered illness or lost livelihoods. Let's be ready to accompany those who will emerge from Covid scarred or in need of support.

And let's resolve to do what we can to keep our churches alive and active as signs of God's presence amongst our villages; as beacons of light and life. Let's maintain our commitment to worship, pray, grow as disciples of Jesus and reach out to our communities with the Gospel. Let's be people who know that Jesus is Lord, that one day all will be well and that in life's difficulties we are more than conquerors through him who loves us.