

**The Parochial Church Council of
St. Edward's, Stow-on-the-Wold**



**Annual Report and Accounts
Year ended 31 December 2021**

**The Parochial Church Council of
St. Edward's, Stow-on-the-Wold**

Annual Report and Accounts

Year ended 31 December 2021

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The Parochial Church Council of St. Edward's, Stow-on-the-Wold

Annual Report of the Parochial Church Council for the Year Ended 31 December 2021

Administrative information

St Edward's Church is situated in the centre of the town of Stow-on-the-Wold in the North Cotswolds and may be reached from the gates in Church Street and off the northern end of The Square. It is part of the Diocese of Gloucester within the Church of England. The correspondence address is The Rectory, Sheep Street, Stow-on-the-Wold, Gloucestershire, GL54 1AA.

The Parochial Church Council (PCC) is a charity excepted from registration with the Charity Commission.

PCC members who have served since the APCM in 2021 until the date this report was approved are:

| | |
|---|--|
| Clergy (<i>ex-officio</i>) | The Revd. Martin Short (<i>until 31st October 2021</i>) |
| Churchwardens | Robert Barnett (<i>from APCM, October 2020</i>) Desmond Watson (<i>co-opted PCC June 2021, selected extraordinary vestry meeting, 8th August 2021</i>) |
| Treasurer | John Parkes (<i>from PCC February 2020</i>) |
| Deanery Synod Representatives (<i>Elected triennially</i>) | Mr Robert Barnett (<i>from APCM, October 2020</i>) Miss Helen Smith (<i>from APCM, April 2019</i>) |
| Elected members (<i>Elected in rotation</i>) | Mr Peter Dixon (<i>from APCM, April 2021</i>) Mr John Kennell (<i>from APCM, October 2020</i>) Mrs Sue Lipthorpe (<i>from APCM, April 2019</i>) Mrs Bernice Magson (<i>from APCM, October 2020</i>) |
| Co-Opted Members | Dr Dilys Neill (<i>from APCM, April 2018</i>) Mrs Valerie Watson (<i>from PCC June 2021</i>) |

The PCC met 9 times during 2021, via zoom (given legitimacy by the Bishop's letter of 20th March 2020)

The Parochial Church Council of St. Edward's, Stow-on-the-Wold

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Structure, governance and management

The Parochial Church Council (PCC) is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure. The PCC is exempted by order from registering with the Charity Commission.

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.

Objectives and Activities

For the first 10 months of the period covered by this report Stow-on-the-Wold PCC had responsibility for working with the Rector in promoting in the ecclesiastical parish and benefice the whole mission of the Church, including its pastoral, worship, evangelistic, social and ecumenical roles. The PCC also had responsibility throughout the year for maintenance of the church building.

The benefice went into vacancy on 1 November 2021, since which time the Churchwardens, again working with the PCC, have had legal responsibility for all aspects of the church's work including the arranging of services, where possible seeking support from active and retired clergy within the Deanery.

Churchwardens' Report

The Rector retired on 31 October 2021 and the Benefice remains in vacancy to date, This report therefore takes the place of the Rector's report.

After the Rector's retirement, the Bishop of Gloucester issued a formal notice that the living had been suspended for up to five years with the result that any future appointment of an incumbent will, at least initially, be in the role of Priest in Charge. The timing of an appointment is linked to the current Strategic Review of the Deanery.

2021 was another year in which COVID had a major impact on the extent of the church's activities. As in the previous year, lockdowns and the greater vulnerability of a predominantly older church membership meant that special arrangements, including physical precautions in church, were needed to keep those attending as safe as possible. All changes to practices or large services were subject to careful Risk Assessment as part of a regular programme of review.

As last year, extensive use was made of Zoom as a way of holding regular services during periods of lockdown or other times when the church was closed for services. It was also used in conjunction with a cautious return to having some physical services once that became possible. Attention was also given to the needs of those who were unable to come to physical services or who chose not to do so. This was primarily achieved by means of a pilot project for live streaming on YouTube of physical services using temporary equipment.

2021 was also a year in which the PCC was able to make real progress towards longer term aims for equipping the church for future growth. After detailed consultation with the Diocesan Advisory Committee, the PCC submitted two faculty petitions, once for permanent higher-quality Audio Visual equipment for streaming and to enhance what can be offered in church and the second for a re-ordering project to create flexible spaces for community use at the back of the church and to one side of the North Aisle. Both faculties have since been granted and the AV project implemented.

Looking ahead, St Edward's – in common with many other churches - faces a significant challenge to draw in new members into what is currently a relatively modest and predominantly older congregation. The implementation of the two capital projects combined with the appointment of a new incumbent offer the prospect of a really positive step change in the life of the church in its role within the local communities it serves.

The Parochial Church Council of St. Edward's, Stow-on-the-Wold

Annual Report of the Parochial Church Council for the Year Ended 31 December 2021

The PCC gratefully acknowledges the unstinting work of our Treasurer John Parkes in managing our finances and investments with a sure hand. They are also grateful to the many local people who support the work of the church whether financially or with their time in voluntary roles such as flower arranging.

Robert Barnett and Desmond Watson
Churchwardens

Financial Review

The accounts show that payments from the Church's General Fund exceeded receipts by £5,185. On the face of it this was not a good result. However it may be thought remarkable under the circumstances. For a second year, the coronavirus pandemic led to the partial closure of the church, with an inevitable impact on collection and visitor income. Furthermore, on the expenditure side, the PCC decided to make an additional voluntary Diocesan 'quota' payment of £10,000, recognising that, in hindsight, reductions in 2019 and 2020 had been unnecessary. Without this payment the accounts would thus have shown a surplus, reflecting the generosity of parishioners in increasing their planned giving and donations, together with the restoration of the successful Christmas Tree Festival, after its suspension in 2020.

A generous legacy of £20,000 received in the year was paid into the Updating Fund, established in 2020 to help finance a planned programme of works, designed to increase the appeal and adaptability of the church. In 2021 £11,584 was spent from the Fund, mainly on preparatory professional fees and the acquisition of some initial equipment for an ongoing audiovisual element of the scheme.

The church is fortunate in having significant reserves and the value of its investments increased substantially in the year, prior to the recent impact of the Ukrainian crisis on global stockmarkets.

The reserves are kept under constant review and should be seen in the context of our development plans, rapidly increasing costs, both at parish and diocesan level, and of the ever present risk of heavy maintenance expenditure being needed on our beautiful medieval church.

I am again grateful to Ian Quartermaine and Lucy Geldard of Hintons for their work in examining the accounts.

John Parkes
Treasurer

The Parochial Church Council of St. Edward's, Stow-on-the-Wold

Annual Report of the Parochial Church Council for the Year Ended 31 December 2021

Investment Policy and Reserve Funds

It has been the policy of the PCC over a number of years to invest in various Church of England Funds managed by CCLA Investment Management Limited, participation in these funds is restricted to any charitable trust with objects connected with the work of the Church of England, we also have other small investments managed by Edentree Investment Management Ltd. The level of the Church's reserves and the suitability of its investments are kept under constant review.

The Haydock Fund

The late William John (Roy) Haydock left his residuary estate to St Edward's Church "for general charitable purposes", the actual beneficiary being the Rector and Churchwardens. The solicitor informed the beneficiary that the Executors had instructed her that the deceased "was particularly anxious that this should not be used to maintain, improve or upkeep the fabric or form part of the fabric fund".

The Trevor Ashcroft Bequest

A legacy dating from 1996. According to the terms of the will, the payment was to the Rector and Churchwardens "for such religious purposes in the parish as...(they).....shall in (their) absolute discretion think fit and capital may be expended for such purposes at (their) discretion". In the context of the late Mr Ashcroft's known interest in the fabric of St Edward's, the terms of his will have been customarily interpreted to support the repair and maintenance of the building.

In accordance with the terms of the bequest this fund is used for the repair and maintenance of the fabric of the church, repairs, improvements etc.

The General Fund

The income from this fund goes towards meeting the shortfall between the income generated from donations, planned giving, and other Parish fund raising activities etc, and our outgoings, including the Diocesan Quota.

John Lewis Organ Fund

Currently, a small fund set up in memory of our past Organist, Mr. John Lewis, for the maintenance and repair of the Church Organ. This fund continues to receive donations.

The Friends of St Edward's Church

The Friends are a sub-committee of the PCC and organises fund raising events on behalf of the PCC with specific projects in mind. This valuable fund raising capability is very much appreciated by the PCC.

Approved by the PCC on and signed on their behalf by:

**Robert Barnett
Chairman**

The Parochial Church Council of St. Edward's, Stow-on-the-Wold

Independent Examiner's Report to the PCC of St. Edward's, Stow-on-the-Wold

This report on the financial statements of Stow-on-the-Wold PCC for the year ended 31 December 2021 which are set out on the attached pages, is in respect of an examination carried out in accordance with the Church Accounting Regulations 2006 ('the Regulations') and section 144(2) of the Charities Act 2011 ('the Act').

Respective responsibilities of the PCC and examiner

As members of the PCC you are responsible for the preparation of the financial statements. You consider that the audit requirements of the Regulations and section 144(2) of the Act do not apply. It is our responsibility to issue this report on those financial statements in accordance with the terms of the Regulations.

Basis of Independent Examiner's report

Our examination was carried out in accordance with the General Directions given by the Charity Commission and to be found in the Church Guidance, 2006 edition, issued by the Finance Division of the Archbishops' Council. 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 consideration of 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 we do not express an audit opinion on the view given by the accounts.

Independent Examiner's Statement

In connection with our examination, no matter has come to our attention:

- 1 which gives us reasonable cause to believe that in any material respect the requirements
 - ~ to keep accounting records in accordance with section 130 of the Act; and
 - ~ to prepare financial statements which accord with the accounting records and comply with the requirements of the Act and the Regulations
 - ~ have not been met; or

- 2 to which, in our opinion, attention should be drawn to enable a proper understanding of the accounts to be reached.

Ross House
The Square
Stow-on-the-Wold
Glos. GL54 1AF

William Hinton Limited
CHARTERED ACCOUNTANTS

Date:

The Parochial Church Council of St. Edward's, Stow-on-the-Wold

Receipts and Payments Account

For the year ended 31 December 2021

| | Note | General Funds £ | Designated Funds £ | Restricted Funds £ | Total 2021 £ | Total 2020 £ |
|--|------|-----------------------|--------------------------|--------------------------|--------------------|--------------------|
| Receipts | | | | | | |
| Voluntary receipts from donors | | | | | | |
| Planned giving | | 29,815 | - | - | 29,815 | 25,407 |
| Envelopes | | 3,804 | - | - | 3,804 | 5,859 |
| Gift Aid Refunds | | 11,098 | - | - | 11,098 | 8,952 |
| Collections | | 805 | - | - | 805 | 780 |
| Legacies | | - | 20,000 | - | 20,000 | 4,100 |
| Charity Collections | | 2,355 | - | - | 2,355 | - |
| Donations | | 6,015 | 2,521 | - | 8,536 | 8,122 |
| Appeals box in church | | 2,015 | - | - | 2,015 | 1,912 |
| Activities for generating funds | | | | | | |
| Bookstall | | - | - | - | - | - |
| Parish events | | 5,705 | - | - | 5,705 | 660 |
| Receipts from church activities | | | | | | |
| PCC fees | | 6,153 | - | - | 6,153 | 2,842 |
| Hire of church | | - | - | - | - | 300 |
| Investment income | | | | | | |
| CBF interest and dividends | | 4,785 | 1,887 | 1,166 | 7,838 | 8,502 |
| Other receipts | | | | | | |
| Other income | | - | - | - | - | 166 |
| | | <u>72,551</u> | <u>24,407</u> | <u>1,166</u> | <u>98,124</u> | <u>67,602</u> |
| Payments | | | | | | |
| Costs relating to income | | | | | | |
| Parish events | | 982 | - | - | 982 | - |
| Donations to charities | | | | | | |
| Charitable giving | | 2,355 | - | - | 2,355 | 28 |
| Activities directly related to the work of the church | | | | | | |
| Diocesan quota and payments | | 57,000 | - | - | 57,000 | 40,000 |
| Heat, light, water | | 3,023 | - | - | 3,023 | 3,764 |
| Insurance | | 3,273 | - | - | 3,273 | 3,174 |
| Church maintenance | | 264 | - | - | 264 | 1,745 |
| Upkeep of services | | 527 | - | - | 527 | 444 |
| Organist | | 1,810 | - | - | 1,810 | 1,530 |
| Payments to diocese (fees) | | 2,517 | - | - | 2,517 | 1,544 |
| Professional fees | | - | - | - | - | 753 |
| Church administration | | 2,049 | - | - | 2,049 | 790 |
| Miscellaneous Expenses | | 1,027 | - | - | 1,027 | - |
| Office sundries | | - | - | - | - | 1,355 |
| Bank charges | | 225 | - | - | 225 | 362 |
| Cleaning | | 580 | - | - | 580 | - |
| Parish Bookstall | | 450 | - | - | 450 | - |
| Licences and affiliation fees | | 975 | - | - | 975 | 662 |
| Clergy expenses | | 679 | - | - | 679 | 1,450 |
| Relief Clergy | | - | - | - | - | - |
| Major expenditure | | | | | | |
| Major works | 4 | - | 11,584 | - | 11,584 | 2,604 |
| | | <u>77,736</u> | <u>11,584</u> | <u>-</u> | <u>89,320</u> | <u>60,206</u> |
| Excess of Receipts over Payments | | | | | | |
| | | <u>(5,185)</u> | <u>12,823</u> | <u>1,166</u> | <u>8,804</u> | <u>7,396</u> |

The Parochial Church Council of St. Edward's, Stow-on-the-Wold

**Receipts and Payments Account
For the year ended 31 December 2021**

| | Note | General Fund £ | Designated Funds £ | Restricted Funds £ | Total 2021 £ | Total 2020 £ |
|--|------|----------------------|--------------------------|--------------------------|--------------------|--------------------|
| Excess of Receipts over Payments | | <u>(5,185)</u> | <u>12,823</u> | <u>1,166</u> | <u>8,804</u> | <u>7,396</u> |
| For the year ended 31 December 2021 | | | | | | |
| Brought forward at 1 January 2021 | 2 | 138,524 | 45,263 | 44,539 | 228,326 | 231,384 |
| Net increase/(decrease) in year | | (5,185) | 12,823 | 1,166 | 8,804 | 7,396 |
| Internal transfer | | - | - | - | - | - |
| Accounting Adjustments | 5 | - | - | - | - | (10,455) |
| Increase/(decrease) in stock of books and cards | | - | - | - | - | - |
| Carried forward at 31 December 2021 | 2 | <u>133,339</u> | <u>58,086</u> | <u>45,705</u> | <u>237,130</u> | <u>228,325</u> |

The Parochial Church Council of St. Edward's, Stow-on-the-Wold

**Statement of Assets and Liabilities
For the year ended 31 December 2021**

| | Note | General Fund £ | Designated Funds £ | Restricted Funds £ | 2021 £ | 2020 £ |
|-----------------------------------|------|----------------------|--------------------------|--------------------------|----------------|----------------|
| Cash Funds | | | | | | |
| C.B.F. Deposit account (Ashcroft) | | | 777 | | 777 | 8,890 |
| C.B.F. Deposit account (Haydock) | | | | 7,109 | 7,109 | 5,946 |
| C.B.F. Deposit account (Organ) | | | | 5,578 | 5,578 | 5,575 |
| C.B.F. Deposit account General) | | 21,550 | | | 21,550 | 17,449 |
| Balances at Lloyds Bank plc | | 25,340 | - | - | 25,340 | 14,373 |
| Investment Assets | | | | | | |
| Investments at cost | 3 | 107,839 | 35,878 | 33,058 | 176,775 | 176,091 |
| | | 154,729 | 36,655 | 45,745 | 237,130 | 228,325 |
| Liabilities | | | | | | |
| | | - | - | - | - | - |
| | 2 | <u>154,729</u> | <u>36,655</u> | <u>45,745</u> | <u>237,130</u> | <u>228,325</u> |

The financial statements were approved by the Church Council on
and were signed on its behalf by:

Robert Barnett
Chairman

John Parkes
Treasurer

The Parochial Church Council of St. Edward's, Stow-on-the-Wold

Notes to the Accounts

For the year ended 31 December 2021

1. Accounting policy

The financial statements of the PCC have been prepared in accordance with the Church Accounting Regulations 2006 on a cash accounting basis.

2. Designated and Restricted Funds:

The movement in designated and restricted funds during the year were:

| | Balance b/f £ | Receipts £ | Payments £ | Inter fund adj £ | Balance c/f £ |
|--------------------------|------------------|---------------|---------------|---------------------|------------------|
| Restricted funds | | | | | |
| Roy Haydock bequest* | 39,005 | 1,163 | - | - | 40,168 |
| John Lewis organ fund | 5,534 | 3 | - | - | 5,537 |
| | <u>44,539</u> | <u>1,166</u> | <u>-</u> | <u>-</u> | <u>45,705</u> |
| Designated funds | | | | | |
| Trevor Ashcroft Bequest* | 44,725 | 1,886 | - | - | 46,611 |
| Updating Fund | 538 | 22,521 | 11,584 | - | 11,475 |
| | <u>45,263</u> | <u>24,407</u> | <u>11,584</u> | <u>-</u> | <u>58,086</u> |

*Roy Haydock and Trevor Ashcroft Bequests:

The Roy Haydock fund is not available for church repairs and maintenance (Restricted Funds).

The Trevor Ashcroft fund can be used as to both income and capital at the discretion of the Rector and Churchwardens (Designated Funds).

3. Investments

| | Re-investment for year | 31/12/2021 Value £ | 31/12/2021 Cost £ | 31/12/2020 Value £ | 31/12/2020 Cost £ |
|--|---------------------------|--------------------------|-------------------------|--------------------------|-------------------------|
| As at 31 December 2021 . | | | | | |
| 4533.04 Shares in CBF Investment Fund - Income Shares | | 106,155 | 41,000 | 92,870 | 41,000 |
| 2530.30 Shares in CBF Investment Fund - Income Shares (Ashcroft) | | 59,255 | 21,527 | 51,839 | 21,527 |
| 774.93 Shares in CBF Investment Fund - Income Shares(Haydock) | | 18,147 | 6,612 | 15,876 | 6,612 |
| 474.98 Shares in CBF Investment Fund - Income Shares | | 11,123 | 5,820 | 9,731 | 5,820 |
| 25057.14 Shares in CBF Fixed Interest Fund | | 39,678 | 40,000 | 42,502 | 40,000 |
| 8516.05 Shares in CBF Fixed Interest Fund (Ashcroft) | | 13,485 | 14,351 | 14,445 | 14,351 |
| 15722.66 Shares in CBF Fixed Interest Fund (Haydock) | | 24,897 | 26,447 | 26,669 | 26,447 |
| 3542.188 Shares in Amity European Growth Fund (Oct 2012) | 91 | 11,250 | 5,671 | 9,634 | 5,580 |
| 12050.470 Shares in Higher Income Fund (Oct 2012) | 547 | 16,606 | 11,998 | 14,291 | 11,451 |
| 2511.889 Shares in UK Equity Growth Fund (Oct 2012) | 47 | 9,025 | 3,350 | 7,408 | 3,303 |
| | <u>684</u> | <u>309,621</u> | <u>176,775</u> | <u>285,265</u> | <u>176,091</u> |

During the year an additional £684.36 (2020: £855.35) of general funds were invested.

4. Church maintenance and major repairs

It has long been the policy of the PCC to maintain and protect the church building for future generations. Subject to final Diocesan approval, it is proposed to undertake a major 'updating' scheme to improve the church's facilities and appeal. The expenditure shown relates to preliminary professional fees together with the acquisition of minor audio visual equipment.'

5. Accounting Adjustments

The adjustments have been made to show the accounts on a simple 'receipts and payments' basis, excluding non-monetary assets, and to correct anomalies arising from transitional problems following the death of a previous treasurer.