

The Churches of
St Mary & St Lawrence, Great Waltham
and
St John the Evangelist, Ford End
in the Parish of
Great Waltham with Ford End

**Annual Report
and
Financial Statements
of the
Parochial Church Council
for the year ended 31st December 2020**

Chair of the Parochial Church Council

Roger Bearman
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Bank:

Barclays Bank plc

Independent Examiner:

Mr Ian Bond

Registered Charity Number: 1171387

**THE CHURCHES OF ST MARY & ST LAWRENCE, GREAT WALTHAM AND ST JOHN THE EVANGELIST, FORD END
ANNUAL REPORT OF THE PAROCHIAL CHURCH COUNCIL FOR THE YEAR ENDED 31ST DECEMBER 2020**

Administrative Information

The church of St Mary & St Lawrence is situated in Great Waltham and the church of St John the Evangelist is situated in Ford End. They are both in the Parish of Great Waltham with Ford End which is part of the Diocese of Chelmsford within the Church of England. For administrative purposes, the Parish sits within the Episcopal Area of Bradwell and forms part of the Deanery of Chelmsford North. The parish was interregnum (without a priest in charge) for all of 2020. The parish has joined with 7 other parishes in the area to become the North Chelmsford Mission and Ministry Partnership (NCMMP) which was commissioned in 2017.

The Parochial Church Council (PCC) is a charity that is registered with the Charity Commission Charity Number 1171387)

PCC members who have served since the Annual Parochial Church Meeting in October 2020 are:

Chair of the PCC	Roger Bearman	<u>Lay Representatives</u>
Representatives on the Deanery Synod	Roger Bearman Sarah Matthews	Roger Bearman* Phil Lilley * David Tyler Andrew Reid *
Church Wardens:		Helen Powell*
Great Waltham	Jo Pritchard	Sheila Bearman *
Ford End	David Williams Sheila Bearman	Jo Pritchard * Florence Townsend Enid Adcock David Williams *
Treasurer	Andrew Reid *	
Gift Aid Officer	Sheila Bearman *	
Secretary to the PCC	Alison Bates (non-PCC Member)	

* Denotes member of Standing Committee.

Structure, Governance and Management

Objectives and Activities

The PCC has the responsibility of co-operating with the Incumbent (or with the Chair of the PCC in the event of interregnum) in promoting the whole mission of the Church (pastoral, evangelistic, social and ecumenical) throughout the ecclesiastical parish. It also has maintenance responsibilities for both churches and their churchyards.

Church Attendance and Other Matters

For the Parochial Church Council 2020 was a most challenging year to say the least! When the Covid 19 pandemic swept through the country from March, life as we knew it was turned completely upside down. The Church of England, and more specifically our Parish, faced situations that none of us have ever encountered before.

We were obliged to close our Churches for all services from 22nd March and were only able to re-open them on 12th July when it seemed to all of us that the pandemic was receding. This was a mistake because the virus re-established itself and again the PCC were required to close the churches in December. These were perhaps the most difficult decisions we had to make; denying our congregations church services where we could pray together and support one another at the time of great uncertainty did not find approval with everyone. Neither did limiting attendance for funerals, cancelling weddings, memorial services and social functions.

However, we did everything we could to keep the Church as a focus for people. Online services began and are still available now. We held small outside memorial celebrations for VJ Day in August and Remembrance Sunday in November at both ends of the Parish. Ford End School held their Advent service in Church in three Covid "bubbles" and a Nativity scene was set up in the porch at Ford End. A Christmas Tree was erected in the porch in Great Waltham as part of the Christmas Tree trail.

Members of the PCC and congregation joined with other village groups to offer Pastoral care to the elderly and the vulnerable. There was help to collect shopping and medicines. There were telephone calls to support those who were missing their Church. Gifts and Flowers were distributed and when permitted home Eucharist was administered to those who asked for this. Our thanks must go to everyone involved in the pastoral care teams.

At the end of 2020 the Electoral Roll stood at 75. During this year there were 2 weddings and sadly 20 funerals and cremations and no Baptisms.

The PCC met four times and the APCM was delayed from April until 18th October 2020. At the APCM meeting Jo Pritchard and David Williams were elected as Church Wardens at Great Waltham and Sheila Bearman was re-elected Church Warden at Ford End. They were sworn in by the Archdeacon on 4th December 2020.

For the whole of 2020 we were in interregnum and remain so as at the year end. We were on track and making progress to recruit a minister when in May 2020 we were informed that the process was to be paused. As the year progressed it became clear that due to the Covid pandemic and the damage this was doing to the Diocesan financial position the interregnum was going to last for a much longer time than we had anticipated. With good support from the NCMMP, Revd. Neil Richardson and the Revd. Sandra Sykes we were able to provide priests for our services. Since the end of the year there has been progress to find a temporary solution for stipendiary leadership with an appointment with an associated priest which will be reported in greater detail at the APCM on 23 May 2021.

As Chair of the PCC I would like to thank all the committee who have been very supportive during this particularly difficult time. Our thanks must also go to Phil Lilley and Peter Wells who worked extremely hard in Great Waltham Church to ensure the safety of the congregation when we were able to hold services and for their continuing support and Sheila Bearman who has done the same at Ford End, who for the best part of for 10 months of the year was the only Churchwarden at both Churches.

Thanks also to Alison Bates our Parish Administrator and to the many other people who have enabled us to keep the Churches alive.

Financial Review

In 2020 the PCC continued with the decisive steps started in 2019 to protect the balance on the Unrestricted Funds, which are considered too low. In addition, the PCC had to manage the finances whilst dealing with the detrimental impact on income that arose from the Covid pandemic.

Excluding Grants received, which are typically received as a contribution towards for specific items of expenditure, Incoming Resources for Unrestricted Funds fell from £63,166 to £46,705, a fall of over 25%.

The PCC is particularly grateful that the level of Giving was largely maintained during the year, against the background of temporary church closures and the economic hardships arising from Covid, together with the Parish being interregnum for the whole year. Planned Giving, either via bank standing order or via the envelope scheme was maintained at over 90% of prior year levels and all Giving (including Gift Aid receipts) was over 86% of the 2019 level. This demonstrates the resilience of Giving to the PCC but, nevertheless, represented a fall in Giving by approximately £7,000.

The remaining fall in Unrestricted Income was driven by (i) approximately £6,000 fall in donations, appeals and fund raising events and (ii) approximately £3,000 fall in church lettings.

Unrestricted Funds expenditure, excluding the Parish Share and one-off items associated with Grants received, fell by approximately £8,000 on a like-for-like basis. This was mainly driven by a reduction in the costs for utilities (approximately £4,500) and a reduction in clergy and organist expenses (approximately £2,700).

To protect Unrestricted Funds, the PCC authorised £29,750 to be paid to the Diocese as a contribution to the Parish Share, which was assessed as £46,721. As a result of this decisive action, the accounts show a surplus on "normal activities" of £152 however, had the Parish Share been paid in full, a deficit of £16,819 would have arisen.

	<u>Deficit on normal activities</u>
2020	(£16,819) Assuming full Parish Share paid
2019	(£7,232) Assuming full Parish Share paid
2018	(£2,808)
2017	(£1,671)
2016	(£3,872)
2015	(£2,023)
2014	(£3,673)
2013	(£12,007)
2012	(£6,577)
2011	(£3,569)
2010	(£7,439)

Whilst there was a small surplus on "normal activities" in the accounts, the PCC resolved to transfer certain items of prior years Restricted Fund expenditure to the Unrestricted Funds. Firstly, as set out in the 2019 accounts, the £795 deficit on the Chairs Fund needed to be transferred to the General Fund as no further donations had been received towards this project. Secondly, the PCC resolved to transfer certain Great Waltham Churchyard maintenance expenditure from 2018 & 2019 to the Unrestricted Funds to enable the Great Waltham Churchyard Fund to be used only for specific projects. As a consequence of these two transfers, Unrestricted Funds declined from £8,137 as at 31 December 2019 to £6,469 as at 31 December 2020. It should be noted that the PCC are required to maintain a surplus on the Unrestricted Funds and the PCC remains focused on increasing the level of Unrestricted Funds.

The overall value of the Chancel Fund increased by £5,240. The market value of the investments increased by £5,152 in the year to 31 December 2020 and there were dividends and interest during the year of £2,349 (2019: £2,423). This was offset by £1,761 expenditure on insurance premium and £500 expenditure being the insurance excess for repair to the windows at Great Waltham. (For an explanation of the origin of the Chancel Fund, please see the Appendix.)

**Independent Examiner's Report to the Parochial Church Council
of the Parish of Great Waltham with Ford End (the PCC)**

I report to the PCC on my examination of the PCC Accounts for the year ended 31st December 2020, which are set out on pages 6 to 13.

Respective responsibilities of the PCC and the Independent Examiner

The PCC are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act')

I report in respect of my examination of the PCC's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent Examiner's Statement

I have completed my examination. I confirm 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 PCC as required by section 130 of the Act; or
- (2) the accounts do not accord with those records.

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

To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the PCC, as a body, for this report or for the opinions I have formed.

Signed
Ian Bond – Independent Examiner

Date

GREAT WALTHAM with FORD END PAROCHIAL CHURCH COUNCIL

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2020 £	TOTAL FUNDS 2019 £
Incoming resources						
<i>Incoming resources from donors</i>	2a	42,377	80		42,457	52,220
<i>Other voluntary incoming resources</i>	2b	8,324			8,324	8,315
<i>Activities for generating funds</i>	2c					4,667
<i>Other ordinary incoming resources</i>	2d	4,323			4,323	8,251
<i>Income from investments</i>	2e	4		2,349	2,353	2,444
Total incoming resources		55,029	80	2,349	57,458	75,897
Resources expended						
<i>Activities directly related to the work of the churches</i>	3a	54,837	150	2,261	57,248	91,141
<i>Grants</i>	3b	40			40	40
Total resources expended		54,877	150	2,261	57,288	91,181
Net incoming/(outgoing) resources		152	(70)	88	170	(15,284)
Gains/(losses) on investment assets				5,152	5,152	11,805
Net movement in funds		152	(70)	5,240	5,322	(3,479)
Total funds brought forward at 1 January		8,137	7,235	98,461	113,832	117,311
Transfers		(1,820)	1,820			
Total funds carried forward at 31 December		6,469	8,984	103,701	119,154	113,832

GREAT WALTHAM with FORD END PAROCHIAL CHURCH COUNCIL

BALANCE SHEET AT 31 DECEMBER 2020

	Notes	2020	2019
		£	£
<u>Investments</u>			
CBF Investment Fund Shares			
3,908.29 shares at market value	7(c)	80,070	74,918
Current assets			
Debtors	5	1,150	1,302
Cash at bank and in hand			
Cash in hand (Bell Ringers)		289	298
Cash at Barclays Bank		16,092	12,494
Chancel Fund (CBF deposit fund)	7(c)	23,631	28,076
		40,012	40,868
		41,162	42,169
Creditors: amounts falling due within one year	6	(2,078)	(3,255)
Net current assets		39,084	38,914
NET ASSETS		119,154	113,832
Funds			
Endowment funds	7	103,701	98,461
Restricted funds	7	8,984	7,235
Unrestricted funds	7	6,469	8,137
		119,154	113,832

Approved by the Parochial Church Council on

and signed on its behalf by:

.....
 Roger Bearman
 Chairman of the PCC

.....
 Andrew Reid
 Treasurer

The accompanying notes on pages 8 to 13 form part of these financial statements.

GREAT WALTHAM with FORD END PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2020

1 Accounting Policies

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

The financial statements have been prepared under the historical cost convention and 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.

Funds:

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

Restricted Funds comprise (a) income from trusts or endowments which may be expended only on those restricted objects provided for in the terms of the endowment or bequest, and (b) donations or grants received for a specific object or invited by the PCC for a specific object. Such funds may be expended only 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 in that fund. The PCC does not usually invest separately for each fund.

Unrestricted Funds are the funds of the PCC that are not subject to any special restrictions regarding their use and which are available for application to the general purposes of the PCC.

Incoming Resources

Planned giving, collections and donations are recognised when received. Tax refunds are recognised when the incoming resources to which they relate are received. Grants and legacies are accounted for when the PCC is legally entitled to the amount due. All other income is recognised when it is receivable. All incoming resources are accounted for gross of any related expenditure.

Resources Used

Grants and donations are accounted for when paid over, or when awarded if that award creates a binding obligation on the PCC. The Parish Share (payable to the Diocese in respect of clergy stipends, pensions and housing) is accounted for when paid or accrued for if necessary. All other expenditure is generally recognised when it is incurred and is accounted for gross but sometimes net profits from fund raising activities are received.

Fixed Assets

Consecrated and beneficed property is excluded from the Accounts by Section 96(2)(a) of the Charities Act 1993. Movable church furnishings held by the Churchwardens on special trust for the PCC and which require a Faculty for disposal are inalienable property. 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 purchased from unrestricted funds has cost more than £1,000 so all such expenditure has been written-off when incurred.

Investments

Investments are shown at market value at the year end date. Any increase or decrease in value is recognised through income / expense through the endowment funds.

GREAT WALTHAM with FORD END PAROCHIAL CHURCH COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020**

2 Incoming resources

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2020 £	TOTAL FUNDS 2019 £
a Incoming resources from donors					
Planned Giving					
Direct to bank by Standing Order	22,715			22,715	22,572
Envelope Scheme	6,372			6,372	9,259
Collections at all services	4,816			4,816	6,993
Sundry donations and appeals	649	80		729	3,648
Gift Aid tax recoverable for the year	7,825			7,825	9,748
	<u>42,377</u>	<u>80</u>		42,457	52,220
b Other voluntary incoming resources					
Grants	8,324			8,324	8,180
Bell Ringing Accounts					125
Choir Fund					10
	<u>8,324</u>			8,324	8,315
c Activities for generating funds					
Fetes, bazaars and other fund-raising events					4,047
Other funds generated					620
					<u>4,667</u>
d Other ordinary incoming resources					
Wedding, Funeral and Memorial Fees	3,948			3,948	4,787
Lettings of Church & Community Room	375			375	3,464
	<u>4,323</u>			4,323	8,251
e Income from investments					
Dividends received			2,242	2,242	2,178
Interest income	4		107	111	266
	<u>4</u>		<u>2,349</u>	2,353	2,444
Total incoming resources	<u>55,029</u>	<u>80</u>	<u>2,349</u>	57,458	75,897

GREAT WALTHAM with FORD END PAROCHIAL CHURCH COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020**

3 Resources expended

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2020 £	TOTAL FUNDS 2019 £
a Activities directly related to the work of the churches					
Parish Share (Diocesan Quota)	29,750			29,750	40,326
Clergy expenses	285			285	1,170
Organists' fees	1,020			1,020	2,850
Churches insurance	5,208		1,761	6,969	7,090
Churches running expenses & administration	10,244	150		10,394	9,482
Churches fabric & maintenance	7,453		500	7,953	20,926
Churches utilities	457			457	5,057
Churchyards maintenance	420			420	4,239
	54,837	150	2,261	57,248	91,141
b Grants					
External Giving - Historic Churches Trust	40			40	40
	40			40	40
Total resources expended	54,877	150	2,261	57,288	91,181

GREAT WALTHAM with FORD END PAROCHIAL CHURCH COUNCIL

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

4 Staff costs

a *Wages and salaries*

During the year the PCC made payments to part-time organists and vergers, none of which were large enough to attract Social Security Costs. The PCC shares the services of an administrator with two other 2 parishes and contributes its share of the costs. The administrator is employed by The Chignalls with Mashbury PCC. This cost is included within the "Churches running expenses and administration cost".

Payments to PCC members

There were no other disclosable transactions in respect of PCC members, nor persons closely connected to them, nor other related parties.

5 Debtors

	2020	2019
	£	£
Gift Aid Recovery	570	925
Prepayment of Administration Expenses	580	
Chelmsford City Council - Church Letting		376
	<u>1,150</u>	<u>1,302</u>

6 Creditors: amounts falling due within one year

	2020	2019
	£	£
CDBF Fees	972	2,833
Other creditors	1,105	423
	<u>2,078</u>	<u>3,255</u>

GREAT WALTHAM with FORD END PAROCHIAL CHURCH COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2020**

7 Statement of funds

	Bal b/fwd 1 Jan 2020	Income	Expenditure	Transfer	Gain on revaluation	Bal c/fwd 31 Dec 2020
	£	£	£	£	£	£
Unrestricted Funds						
General fund	8,137	55,029	(54,877)	(1,820)		6,469
	<u>8,137</u>	<u>55,029</u>	<u>(54,877)</u>	<u>(1,820)</u>		<u>6,469</u>
Restricted Funds						
Great Waltham Chairs (<i>see note (a) below</i>)	(795)			795		0
Great Waltham Churchyard (b)	630			1,034		1,664
Passion Play	993					993
Bibles Fund (c)	9			(9)		0
Choir	120	80				200
Godly Play	1,947					1,947
Ford End Clock	1,006					1,006
Ford End Organ Fund	207					207
Great Waltham Organ Fund	2,446		(150)			2,296
Staging (<i>see note (d) below</i>)	671					671
	<u>7,235</u>	<u>80</u>	<u>(150)</u>	<u>1,820</u>		<u>8,984</u>
Endowment Funds						
Chancel Fund (<i>see note (e) below</i>)	98,461	2,349	(2,261)		5,152	103,701
	<u>98,461</u>	<u>2,349</u>	<u>(2,261)</u>		<u>5,152</u>	<u>103,701</u>
Total Funds	<u>113,832</u>	<u>57,458</u>	<u>(57,288)</u>		<u>5,152</u>	<u>119,154</u>

- (a) The Great Waltham Chairs fund was established in 2018 with the objective to finance a project to remove a number of pews and replace with chairs. There was a shortfall on the Fund as at 31 December 2019 that has been met by the Unrestricted Fund during 2020 as set out in the 2019 accounts.
- (b) The PCC resolved to transfer £1,034 from the General Fund to the Great Waltham Churchyard Fund so the Great Waltham Churchyard Fund is only used for specific projects, rather than general churchyard maintenance.
- (c) The PCC resolved to transfer £9 from the Bibles Fund to the General Fund on the basis that the Fund balance is immaterial and cannot reasonably be used.
- (d) The staging was funded by a variety of local organisations in 2015 and is intended to be used by all of these groups. The balance on the fund is intended to be used for maintenance of the staging.
- (e) A Chancel Fund, administered by the Chelmsford Diocesan Board of Finance as Custodian Trustees, exists for the benefit of St Mary & St Lawrence, Great Waltham. The Chancel Fund comprises (i) an investment of 3,908.29 CBF Income Shares (ISIN GB0001830420) valued at £80,070 as at 31 December 2020 (£74,918 as at 31 December 2019) and (ii) £23,630 held in a CBF deposit account (£23,542 as at 31 December 2019), which represents the accumulated income on the investment. Although the PCC are 'Managing Trustees', the law requires all funds to be included in the PCC accounts. The PCC is able to claim against the accumulated income for one third of the insurance premium relating to the Great Waltham Church and certain maintenance and repairs to the Great Waltham Chancel, Church and Churchyard.

Please refer to the Appendix where a further description and the history of the Chancel Fund is given.

Appendix

Chancel Fund

The Chancel Fund is an Endowment Fund held by the Chelmsford Diocesan Board of Finance as Custodian Trustees. It was established for the upkeep and repair of the Chancel of the Church of St Mary & St Lawrence, Great Waltham and the accumulated income arising from the investment can be used for repairs and maintenance of the Chancel, the Church and the Churchyard. To understand why it exists, and where the money came from, it is necessary to look at the historical development of the Church of England.

Chancel repair liability has its roots in medieval times when every Church had its own priest or Rector. By virtue of his status, the Rector was entitled to income, known as Tithes, from land in the Parish, known as Glebe land. From this income, the Rector traditionally maintained the Chancel, whilst the Parishioners were responsible for the Nave. In those days, most of the land was owned by the local Squire, who often also had the right of patronage, whereby he could nominate the Rector, although sometimes the right of patronage was separately held.

In the case of Great Waltham the Chancel repair liability lay with the Patron and the Patron was not a local landowner but Trinity College, Oxford. In 1979 the College, as Patron, decided that it would 'redeem' its liability by payment of a capital sum of money and this was the source of the present Chancel Fund.