**ANNUAL REPORTS and FINANCIAL STATEMENTS**

for

**The Parochial Church Council**

**Hoole Parish Church**

**St Michael and All Angels Church**

**Liverpool Old Road, Much Hoole, PR4 5JQ**

**As at 31st December 2021**

**The Rector**

Rev Ann Templeman

The Rectory

69 Liverpool Old Road

Much Hoole

Preston

PR4 4RB

**Banks:**

HSBC

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Preston

PR1 8BH

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United Trust Bank

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EC2Y 9EW

**Independent Examiner**

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Rushton Chartered Accountants

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**1 ADMINISTRATIVE INFORMATION**

The Parish Church of Hoole St. Michael is located on Liverpool Old Road, Much Hoole, near Preston. Correspondence address: The Rectory, 69 Liverpool Old Road, Much Hoole, Preston, PR4 4RB.

The Parochial Church Council (PCC) is a charity with Excepted Status given by the Charity Commission.

**PCC members who have served:**

Ex Officio Members Revd Ann Templeman Incumbent & Chairman

Jane Elphick Warden

Barbara Wood Warden

Deanery Synod Representatives Jean Dewhurst

Kathleen Leigh

Margaret Kirkman

Elected Members Andrew Smith Treasurer

Walter Davidson

Bill Car

Gillian Slinger

Lindsey Crossen

Joan Wilson

Carole Bamber

Emily Wignall

Colin Wilson Health and Safety Officer

Liz Boland Youth Minister

Amanda Hughes Safeguarding Officer

Andrea Susnik Secretary

Co-opted Members Rev Peter Templeman Associate Minister

Margaret Clark (From 12th July 2021)

**2 STRUCTURE, GOVERNANCE and MANGAGEMENT**

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

The aim of the PCC is to co-operate with the Rector in promoting in the Parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical.

The PCC met six times a year with an average attendance of 80%. Given its wide responsibilities the PCC has a number of committees each dealing with a particular aspect of parish life. These committees, which include the Social Committee, the Friends Committee and the Flower Group, are all responsible to the PCC.

The Standing Committee makes recommendations to the PCC and is authorized to conduct business if necessary.

The church has 2 part-time employees: Children and Youth People’s Minister and a Parish Administrator.

**3 ELECTORAL ROLL and AVERAGE ATTENDANCE**

The number on the Electoral Roll as at 31 December 2021 was 157 (155 in 2020)

Our average weekly Sunday attendance taken from the register for the month of October 2021 was:

* Adults 60 (16 years and over)
* Children 12 (under 16 years of age)

In 2020 the average attendance was 56 and 21 respectively

**4 OBJECTIVES and ACTIVITIES**

The PCC have summarised their objectives with the strap line:

**“To Know Christ and Make Him Known”.**

The PCC unanimously agreed to adopt the objectives of the 2026 Vision Statement of the Diocese of Blackburn:

* To make children, young people, schools and families their priority.
* To make disciples of Jesus Christ
* Be witnesses of Jesus Christ
* To grow leaders for Jesus Christ

All the deliberations of the PCC and subsequent decisions, activities and developments in church life in 2021 were made with these aims in mind.

**5 ACHIEVEMENTS and PERFORMANCE**

**5.1 CHILDREN, SCHOOLS AND FAMILIES**

**Children and Youth Work:** The PCC has continued to focus on the development of our children’s and youth work as our top strategic priority. Thanks to our investment in our talented Young People's Minister and the support of an enthusiastic team, we were able to continue to minister to the children and young people of the parish throughout Lockdown and the challenges of covid. We used Zoom when we were not able to meet face to face both for Sunday services (with children’s break out groups) and Confirmation preparation. When limited interaction was possible, we held Family Church in household bubbles. Once live worship resumed in church we have seen a pleasing growth in numbers at Sunday school and Family Church The use of our new screen and projector greatly enhanced the quality of children’s worship in church.

**The Lodge:** The continued growth in our children’s and youth work has highlighted the urgent need of a Lodge in the church grounds as recommended by the DAC. The Lodge is also essential for the for the everyday ministry of the church so as to provide accommodation for weekday meetings like Baptism preparation, Bible studies, bereavement group etc.

We eventually obtained planning permission for the Lodge in June 2021, followed shortly by faculty approval. This meant we were able to begin fundraising and have been delighted with the support and generous giving of many individuals and grant making bodies including both Parish Councils, the Diocese and All Churches Trust. (See Treasurer's report for more detail).

**Schools:** We have continued to develop our partnership with our Church School. The Rector and Youth minister lead worship weekly in school and now enjoy lunch once a week with the children.

**5 ACHIEVEMENTS and PERFORMANCE (cont)**

**5.2 MAKING DISCIPLES**

* Baptism preparation after the end of Lockdown again became an important way of developing links with young families.
* 7 young people and adults were prepared for Confirmation and confirmed in a celebratory service at the end of Lockdown by Bishop Jill.
* The 2 fortnightly House groups met throughout Lockdown by Zoom and then in person. These are an important means of growing people's commitment to the Lord Jesus
* The same is true of our second inspirational Parish Quiet Day lead by Archdeacon Mark Ireland at Whalley Abbey which was very well attended
* In 2021 a bereavement group was established for those recently widowed. This is proving to be an important pastoral opportunity to bring people together and also to give an opportunity to those who wish it an opportunity to explore faith through participating in a Grief share Course.

**5.3 BEING WITNESSES**

* The church has continued to show love and care for the local community through support of food bank
* St Michael’s has also continued to support Global needs throughout world e.g. charities like FOMO. and Relief
* St Michael’s makes every effort to be a green church

**5.4 GROWING LEADERS**

The members of the new Ministry team have developed their leadership gifts by preparing and delivering occasional sermons, leading Bible studies and Morn g Prayer and taking on more pastoral work and Home Communions

**6.5 CHURCHWARDENS’ and FABRIC REPORT**

The wardens have remained very busy throughout the year, settling in to our first full year together since appointment in April 2021.  Our focus has been upon assisting Reverend Ann in pursuing the aims and objectives of St Michael’s, and upon our duties regarding maintenance of the church and churchyard.

**Welcoming People to our Church:** The wardens have been ably assisted throughout the year by three “team leader” sides people – Mrs Margaret Clark, Mrs Carole Bamber and Mrs Gill Slinger, working together to ensure that everybody who enters our church receives the welcome for which St Michael’s has always been known.  We recognise that everyone needs to feel welcome and included in our services, whether they are new Christians, more established members of the church, or just curious to find out more.  Recently several people have come forward to join our sides people team at 10.30, enabling us to run a rota similar to that used at 9.00, and ensuring that nobody feels too overburdened.  As a team, we will continue to focus on helping everybody, younger and older, to feel comfortable and valued as part of our Christian family.

During the last year, we have worked within varying Covid restrictions, but live worship has continued, and hopefully these are now behind us.  The wardens have also supported many additional services and welcomed Bishop Philip to our summer family church event in June 2021.

**5 ACHIEVEMENTS and PERFORMANCE (cont)**

**Fabric and Maintenance of the Church:** Mr Jock Davidson has continued his involvement in this area, assisting the wardens with his considerable knowledge as team leader, and we are fortunate to have a number of church members and others who support us by undertaking maintenance tasks, or offering expertise with specific issues.

**In Brief:**

* All routine maintenance tasks and inspections have been completed and logged in the church log book
* Areas prone to flooding have been monitored during heavy rainfall.
* Work was required to the church roof following two incidents of water ingress in August 2021 which was completed at very short notice by Mr Harry Sutton.
* Mr Sutton also assisted with repairs to the lych-gate wall and coping stones.
* Church noticeboards and porch have been cleaned out and notices kept up to date.
* Electrical safety certificate is up to date
* Insurance certificate is up to date and displayed on notice boards
* The contract for the maintenance of the clock is being renewed for the next three years.

The wardens, assisted by Mrs Irene Pickles, have cleared out clutter from several areas of the church, allowing the creation of a prayer display near the font. More sessions are planned so that we can maximise our limited storage space to the best advantage.

The Area Dean made his annual visitation on 18th October 2021.  He inspected the terrier, inventory and quinquennial report and raised no concerns about the fabric or maintenance of the church, apart from the comments below in relation to the churchyard.

**Churchyard:** Two issues have required considerable attention during the year.

1. Concern has been expressed that space is running out in the churchyard for future burials.  Following an assessment by Mr Stan Pickles and Mr Jock Davidson a recommendation was made to the PCC regarding future management.  In consequence, the PCC will be asked to agree that new applications to reserve grave spaces will no longer be allowed.  It is thought the churchyard will therefore be able to accommodate anyone eligible to be buried or have ashes interred for the next twenty years or so.
2. The Area Dean commented that a considerable number of graves are not being kept in accordance with churchyard regulations.  Comments to this effect have also been made by some visitors to the churchyard.  A churchyard committee has therefore been set up, chaired by Mrs Barbara Wood, to create a new booklet regarding style and maintenance of gravestones and plaques which will be available to all users of the churchyard and to the newly bereaved and funeral directors.  This project is ongoing, but will progress shortly to publication of the new booklet, followed by ensuring compliance.

**Additional Comments:** Both wardens attended the Archdeacon’s Visitation Service in July 2021, with Reverend Ann, making us the first all-female team at St Michael’s.  We have also attended online training provided to new wardens by Archdeacon Mark, and updated the PCC throughout the year via reports and attendance at meetings.  A major focus for us has been supporting the lodge committee and we look forward to the next stages of this project.

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**5 ACHIEVEMENTS and PERFORMANCE (cont)**

**5.6 DEANERY SYNOD**

Three members of the PCC sit on the deanery synod. This provides the PCC with an important link between the parish and the wider structure of the Diocese. Due to Covid restrictions, there has been just one zoom meeting during the year, which was attended by all three representatives

**5.7 SAFEGUARDING**

As a Church we have adopted the House of Bishops ‘Promoting a Safer Church’ policy and the Parish Safeguarding Handbook, incorporating the House of Bishop’s Safeguarding Policy and Practice Guidance. Our PCC has formally adopted this and signed the Safeguarding Policy Statement Promoting a Safer Church.  Details of our Parish Safeguarding Officer can be found in the ‘Contact Us’ section on the website. We have also displayed the Promoting a Safer Church poster prominently within our Church. All those working with children and adults at risk have undergone safer recruitment, received safeguarding training and support.

**6 FINANCE REVIEW**

**6.1 CHURCH INVESTMENT and CURRENT ACCOUNTS**

***United Trust Bank 1 Year Bond***

A new 1-year Bond was taken out at maturity on 15th February 2021, with a maturity value of £26,445.63. £6,445.63 was transferred to the HSBC current account to provide a reserve, leaving a balance of £20,000.

***UTB 100 Day Notice Saving Account***

In February, the PCC decided to withdraw £5,000 from the 100 Day Notice Account to aid cashflow in 2021. Due to a £5,000 restricted donation from the Friends, and a revision of reserves policy, it was decided to transfer back to the 100 Day account £9,000. Interest rates were reduced again during the year.

***HSBC Current Account Cashflow***

Again in 2021 the effects of the Covid pandemic have affected income and was a major concern throughout the year and the following action has been taken in 2021 to keep the Church finances afloat:

**2021** January £5,000 Transfer from the Friends to cover utilities & maintenance

February £5,000 Withdrawal from UTB 100-day account to aid cashflow

February £6,000 Released from 1 Year Bond on maturity to relieve cashflow

April £490 Amalgamation of the Social Committee funds into church funds

June £3,550 HMRC Claims from 2020 donations completed

Unfortunately, with effect from September 2021 all our church HSBC accounts (we have three) now attract bank charges of £5 per month per account plus a charge for every cheque and cash transaction. In an effort to reduce these bank charges and comply with Diocesan guidelines it is planned/proposed to amalgamate the accounts of the Flower Fund and the Friends into one church account. Both accounts will continue to be operated as Restricted funds.

**6 FINANCE REVIEW (cont)**

The PCC is actively looking at changing banks and by amalgamating the accounts, this will immediately reduce bank charges and make the transition much easier to administrate. However, many of the high street banks are also now charging charitable organisations so this is proving problematic, but research is still ongoing. We are therefore encouraging donors to switch, where possible, from cash and cheques to on-line donations either via BACs or Standing Order.

**6.2 DONATIONS**

Church donations come from all types of sources and for different purposes, via service collections on Sundays, at weddings, funerals, and baptisms plus regular and ad hoc donations. All have decreased dramatically since pre-covid levels:

From the PCC Current Account - Average Monthly Giving:

2019 2020 2021

£3,147 £2,535 £2,631

After a dramatic drop in 2020, we are now showing a promising average increase of £96 per month in 2021. In 2022 it is our aim to get back to 2019 figures.

We had an overall deficit of £743 in the PCC Church Current Account but if we had not transferred savings from UTB to assist in cashflow, that deficit would have been in excess of £10k. Our accounts only look healthy because of the success of the Lodge fund-raising appeal, but those funds are restricted and cannot be included in the overall cashflow calculations which produce our profit and loss status.

**6.3 RESTRICTED ACCOUNTS**

We have two restricted funds separate to the main Church Accounts but accountable to the PCC:

**The Friends & Development Committee of St Michael’s Church:** This fund is mainly for the maintenance and development of the church and donors support this fund for this purpose, which is its main source of revenue. The PCC are able to claim Gift Aid on the relevant donations. The funds are generally used to pay for utilities, insurance and repairs both minor and major.

The Friends also have investments with UTB & Barclays Bank.

The current account showed a deficit of £3,646.58.

**The Flower Fund:** This fund is used for the purpose of decorating the church on a weekly basis and for special events and seasonal festivals. Donations in 2021 were down on previous years.

The fund showed a deficit of £169.

**6.4 THE PARISH SHARE**

We have met our parish share commitment of £29,272 for 2021 as requested by the Diocese. This was an increase of 7.3% on 2019 (£25,692). The target for 2022 is £32,643, an increase of 11.51%. This equates to a monthly increase of £579 since 2019. For further details on the Parish Share please refer to [www.blackburn.angican.org](about:blank)

**6 FINANCE REVIEW (cont)**

**6.5 CHARITABLE GIVING BY THE CHURCH**

FOMO Locally Controlled Charity – regular recipient £600.00

FOMO Harvest Service £440.00

Okorom Village St Michaels Our namesake Church – regular recipient £600.00

Churches Together in Penwortham Foodbank in desperate need this year £600.00

Royal British Legion Wreath Costs & Donation £291.55

St Michael’s School Year 6 School Trip £130.00

Children’s Society Christingle Service £200.00

Pancreatic Cancer Ladies Group £561.00

**Total Charitable Donations £3,422.55**

The PCC charitable giving was approximately 6% of income this year which is a reduction on previous years when we have, on average, achieved the recommended ratio of 10%. Our giving is reviewed annually, usually in March, therefore the recipients can change each year or during the course of the year. It is hoped that in the coming year, donations can rise to normal pre pandemic levels

We held the annual appeal for Water Aid “Jars of Change for Jars of Water” from Harvest 2020 to Easter 2021 which has been running for well over 10 years. In 2021 we donated £477.00, a reduction of £75 from 2020. This appeal was not launched for 2021-2022 as we lacked a volunteer to run it.

**6.6 GRANTS/LEGACIES and OTHER DONATIONS**

We received our usual £4 from the war graves commission and grants totalling £850.00 from both parish councils towards the upkeep of the churchyard together with a private donation of £500 which is loyally donated every year. Grants received for our special appeal for the Lodge are referred to later in this report. Grateful thanks go to ALL who have continued to donate to Church during the continuing pandemic, by whatever means they could and for whatever reason. This is so very much appreciated. We hope that as the pandemic recedes, that donations will increase to pre-covid levels. We greatly value the ongoing support from our regular donors.

**6.7 THE CHURCH MAGAZINE**

This is a non-profit-making endeavour which resulted in a small loss of £55 in 2021. Thanks go to the loyal support of our subscribers, an increase in the number of advertisers, and a dedicated production team, together with a great deal of invaluable voluntary work going on in the background. However, the primary aim of the magazine is to inform and share the Christian worship and fellowship available at St Michael’s Church. “To Know Christ and Make Him Known”.

**6.8 THE LODGE – SPECIAL APPEAL**

As many of you are aware, planning permission and a faculty were granted for the construction of a new Lodge in the church grounds. This exciting project will bring many benefits to the church and its parish community.

The Lodge Appeal was launched in July 2021, shortly followed by a ‘Buy A Brick’ campaign. The Lodge appeal has been supported by various means:

* Generous private donations
* A Just Giving page set up by Emily Wignall (with grateful thanks for overseeing this aspect)
* Private fund-raising events
* Church fund-raising events

More grateful thanks to all the fund-raisers of every type and effort.

The target was initially £70,000.00.

**6 FINANCE REVIEW (cont)**

Grants were applied for; the PCC allocated church funds from the reserves and the following is a summary of the total raised to financial year end:

Church Funds £30,000 designated

Grants: Blackburn Diocesan £20,000 to follow

Much Hoole Parish Council £5,500 received

Little Hoole Parish Council £5,000 to follow

All Churches Trust £2,250 received

Donations from individuals, fund-raising events & just giving £11,879 received

Projected Gift Aid £1,851 to follow

**TOTAL £76,480**

**Target Achieved!?** However, the costs of construction have increased dramatically on the original estimates. We also need to fit out the Lodge with furnishings, internet, etc. So, the appeal will continue. We encourage you all to seek out new donors and spread the word.

**6.9 TEAM TREASURER**

My thanks go to a team of people who consistently support me in my role as treasurer:

* especially Barbara Wood as Assistant Treasurer. She still carries out the role as Gift Aid Recorder
* our banker(s) Mike & Elaine Lawrence for their sterling work over the past few years. They handed over their abacus to Margaret Clark who has very kindly taken over from January 2022.
* our new (second year) independent examiner, Neil Calvert of Rushtons Chartered Accountants, Preston who are kindly providing their services free of charge again.

**IN SUMMARY**

Again 2021 was another year of stagnation for the finance sections of all our church groups so we are very grateful indeed for the donations they all gave to the church funds which enabled us to purchase equipment to keep our Church alive. However, we are dependent even more so on donations from church members. The pandemic has reduced income over the last two years and we are more than ever reliant on our reserves. We have invested in people, specifically our Youth Minister, Liz Boland. We have bought equipment in order to keep in touch with everyone using modern media and technology. We are investing heavily in the new lodge, which will be of massive benefit to all in our community.

We are hopeful that we can return to normality this coming year and look forward to welcoming you all to the new lodge.

**7 RESERVES POLICY**

1. It is the policy of this church to hold in reserve the equivalent of 3 months running costs as recommended in the Diocesan reserves guidelines. This includes church service costs, wages, rectory, and parish share.
2. It is expected that the church boiler and possibly the full heating system will need replacement and/or a full overhaul within the foreseeable future. Another consideration taken into account was the need to install Wi-fi if we can, to accommodate our growing young people’s church. It was therefore felt prudent to set a reserve to cover these three items. It is anticipated that the funds held in our restricted accounts would be utilised for these purposes.
3. Our Church is a Grade 2\* listed building which requires responsible maintenance and repair. The next quinquennial in 2024 is not, at this time, expected to reveal any major works. In the meantime, minor repair work and running costs to keep the church in good order are ongoing which includes utilities, regular maintenance. servicing costs and the churchyard. The PCC has set aside a reserve from the restricted accounts to cover these regular annual costs.
4. A major outreach project is in progress as we seek to provide a base for:

* our expanding work among children and young people
* beginners’ groups and our midweek Bible Study groups
* community involvement e.g. Parent and Toddler group

It has therefore been decided to designate a reserve for the “Lodge Project.”

**Reserves Allocated for 2021/2022:**

***“Reserves are the working capital required to fund the work of the church”***

1. Church Running costs x 3 months taking into account planned wage increases £15k
2. Major planned/expected work - Part projection, part estimate £23.5k
3. General Church Maintenance - Realistic estimate based on previous accounts £5k
4. The Lodge Project - Designated by the PCC from church funds £30k

The PCC believe we need to try and keep in reserve £73.5k from our joint church resources for 2021/2022. This is a significant increase from the £20k quoted in our year end accounts of 2020 for the reasons stated above. This leaves us with a reduced cashflow for 3 reasons:

* Income has not yet fully recovered since Covid
* Donations have not as yet returned to pre-covid levels
* Expansion & development activities for the growth of our Church

This policy will be reviewed on an annual basis, or as and when circumstances or commitments change. The next review is scheduled for after the 2022 APCM and annually thereafter.

**8 FINANCIAL STATEMENTS**

















**Approved by the Parochial Church Council and signed on their behalf by the**

**Revd Ann Templeman, Chairman & Incumbent**

**Signed \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Dated: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**INDEPENDENT EXAMINERS REPORT TO BE INSERTED here – Page 17**