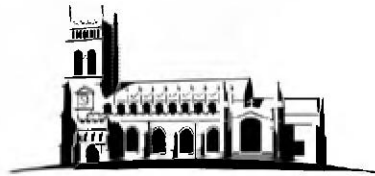


CHARITY REGISTRATION NUMBER: 1137451



# **St.Margaret's Church**

I P S W I C H

## **Annual Report and Unaudited Financial Statements**

**31<sup>st</sup> December 2022**

Issue 1.1

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## Annual Report of the Parochial Church Council

The Parochial Church Council of St. Margaret's church, Ipswich, present their report and the unaudited financial statements of the charity for the year ended 31 December 2022.

### Reference and administrative details

<b>Registered charity name</b>	St Margaret's Church
<b>Charity registration number</b>	1137451
<b>Principal office</b>	Soane Street Ipswich Suffolk

### Membership of the Parochial Church Council

Incumbent:	David Cutts (until April 2022) <i>(role vacant for the remainder of the year)</i>
Churchwardens:	Philip Hall Margaret Woodward
Deanery Synod representatives:	Margaret Woodward Helen Prior-Townsend Andy Turpin
Deanery Synod member (co-opted):	George Woodward
Secretary:	Sarah Milner
Elected PCC members:	Maggie Conder Gill Jackson Richard Jackson Frederike Jacob Mary Johnston Carol Klug Ron Llewellyn Tim Lockington Melanie Quinton
Co-opted PCC members:	Peta Lowin Anna Sawyer-Wright

## Aims and Purpose

The primary objective of the PCC is the promotion of the Gospel of our Lord Jesus Christ according to the doctrines and practices of the Church of England. The PCC co-operates with the Vicar in promoting in the parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical.

## Structure, governance and management

The method of appointment of PCC members is set out in the Church Representation Rules. At St. Margaret's, the membership of the PCC consists of the incumbent, churchwardens and members elected by those members of the congregation who are on the electoral roll of the church.

The PCC members are responsible for making decisions on all matters of general concern and importance to the parish, including deciding on how the funds of the PCC are to be spent.

## Objectives and activities in 2022

The PCC and leadership of St. Margaret's worked throughout the year to enable the church to continue to meet its objectives of

- providing opportunities for people to worship together as a church community
- providing pastoral support to its members and the wider community
- spreading the good news of Christ with those who are new to the Christian faith

and

- helping people to grow deeper in their faith and their relationship with God

Following the retirement of our long-standing Vicar at Easter 2022, the Churchwardens and PCC undertook to ensure that the church continued to be run effectively during the "vacancy" period, whilst also seeking to appoint a new Priest-in-Charge. The PCC and members of St. Margaret's were delighted that a new priest was appointed in November, with a start date of April 2023.

Each year the PCC makes a series of donations to mission societies supported by St. Margaret's, such as CMS and Mission Direct, as well as Ipswich CYM (Christian Youth Ministries).

## Achievements and performance in 2022

St. Margaret's Vicar of over 27 years, Revd. Canon David Cutts, retired at Easter 2022. As an indication of the contribution he had made over those years, and the impact that he had, his last services were attended by large numbers of people representing the church family over the years. The occasion was also marked by a lunchtime event in celebration and thanksgiving for David's massive commitment and contribution to St. Margaret's.

As is usual in the Church of England, David's departure was followed by a period without a Vicar, known as a "vacancy". This is intended to be a period of reflection and preparation: whilst valuing and cherishing what has gone before, it is an opportunity to create space and distance from the previous phase in the life of the church, in order to prepare for and look forward to the next chapter.

During this time, the Churchwardens and PCC endeavoured to continue to run the church as effectively as possible, with a focus on maintaining the varied pattern of services that St. Margaret's church members appreciate, as well as sustaining a sense of fellowship amongst the church family.



Clergy from the Ipswich Deanery (and beyond), both retired and those still in active parish ministry, were invited to lead our weekly 8am and 11am communion services, as well as a communion service once a month at our 9.30am family-oriented service. Although this required a lot of coordination, we were blessed with the support we received from a number of priests from the town, many of whom returned multiple times to help us, with the churchwardens covering services themselves when a priest was not available.

Our 9.30am “Rise and Shine” service continued to be led by our Licensed Evangelist, along with a burgeoning small team, who flourished during this period.

Our “Green Church” service, held outdoors and focussing on God’s natural world, continued as a separate monthly Sunday afternoon activity during the first part of the year, and was then consolidated into the 9.30am service once a month. During the autumn and winter months, we re-introduced Cafe Church, in place of the 9.30am Green Church.

As the country emerged from the worst of the COVID pandemic, the PCC considered the ways in which we could re-introduce the distribution of wine into our communion services, which had been suspended during the COVID restrictions. It was clear that there were a range of views across the church members, with many still concerned about drinking from a shared chalice. The PCC were keen that they didn’t introduce an approach that would result in some people feeling excluded from receiving wine. After much prayerful consideration, it was decided to introduce a method called “intinction”. (Intinction is the process of dipping a “host” into the wine before being administered to the communicant. This also meant introducing wafers instead of bread, which had previously been St. Margaret’s tradition.) Although this was not everyone’s preference, this method of administering the communion elements was accepted by most church members. It was agreed to review this approach in April/May 2023, by which time it was hoped that a new priest would be in post.

Weekly school services in the church, for the whole of St. Margaret’s School, were re-started as COVID restrictions were relaxed. During the vacancy these were kindly led by some of the local clergy, and also our own Licensed Evangelist.

Outside of services, in October we held a shared Harvest lunch for church members, which was a joyful occasion that brought people together in fellowship.

Throughout this period we noticed a strong sense of engagement, support and community across the church family. People working together, people contributing in new ways (from involvement in services through to organising events), and people encouraging and supporting each other in all their endeavours. Levels of attendance at services remained consistent (which, in itself, is positive during a “vacancy”), but there was also a sense that the levels of energy and engagement had increased. This can perhaps be attributed to the shared responsibility that people felt without a Vicar at the helm, and perhaps also a realisation that leadership shouldn’t be taken for granted.

Alongside the running of the church, it was also important to prepare for the next phase in the life of St. Margaret’s church, and especially to appoint a new priest.

Due to potential future parish boundary changes (that might result from the Ipswich “garden suburb” housing developments), a decision was made by the Diocese, after consultation, that St. Margaret’s next priest would officially be a “Priest-in-Charge”, rather than a Vicar/Incumbent. Although this role would have a different legal standing, from a practical point of view the church and its members should not expect to notice any difference.

As a first step in the journey towards appointing a new priest, the PCC consulted with the church members to understand the things that they valued most about St. Margaret’s, the

things that they would like to see St. Margaret's doing in the future, and the things that they felt were most important to consider for our next priest. Following this, the PCC attended a "vision day", which was kindly facilitated by a representative of our patron, the Simeon's Trustees. This was an opportunity to reflect on the kind of church that we are, but also the kind of church that the PCC believe we are being called to be, and therefore the qualities that we felt would be needed in our next priest. Some of the key themes that emerged included the importance of valuing our existing diversity, particularly in terms of worship styles; to enhance the support that we provide to church members within their individual faith journeys; and also the need to strengthen our engagement with the local community, to find new ways to reach out and make meaningful contact with those not already in the church community, especially younger families and children.

This insight fed into the creation of a "Parish Profile", which is a key document used within the appointment process for parish priests. It describes the church as it is now, the church's vision for the future, the community that it serves, and the attributes that are seen as most important for the church's next priest. This document was compiled by an extremely dedicated and diligent small team, in consultation with the PCC, and went through various reviews with the PCC and representatives of the Deanery, Diocese and Patrons.

This led to the opportunity to advertise the post. In November, a half day event was held for shortlisted candidates, to give them an opportunity to see and learn about the church, the parish and the town, and to meet socially with the PCC and various invited guests from the church and local community groups. Interviews were held the following day. The panel were delighted that they felt they had found the right person to become St. Margaret's next priest, and to take the church forward into the next stage of its journey. They and the whole church community were even more delighted that the offer was accepted by the candidate. To give that person time to complete their work in their existing church, but also to give the Diocese time to undertake a major refurbishment of the Vicarage, it was agreed that Revd. Sarah Geileskey would be licensed as St. Margaret's next Priest-in-Charge in April 2023.

Alongside the running of the church and the appointment of its next priest, there have also been some projects running during the year to improve physical facilities. These are part of a suite of projects which the PCC have agreed in principle to undertake over the next few years. In 2022, these projects included preparation to undertake restoration work to the church building, identified in the most recent Quinquennial Inspection; preparation to improve external access through the churchyard to the east of the church (improving paving and lighting); and preparatory work (investigating options and costs) for replacing audio-visual installations and installing a fixed livestreaming facility. In addition, a project to replace the lighting throughout the church was undertaken and completed during the year. This has replaced existing lights with a low energy, centrally controlled system, which also provides additional illumination for the side aisles and the nave altar area.

Overall, 2022 was a very busy, but also very positive year for St. Margaret's, and laid the foundations for an extremely exciting 2023 and beyond.

## Financial review of 2022

The General Fund is the church's main operating fund, covering the running costs of the church, and receiving unrestricted income that is available for general use. In 2022 this fund had a deficit of approximately £2,400, compared to a £700 surplus the previous year.

The most significant single contributor to this was the increase in utility costs, particularly gas, which reflected the global rise in energy costs resulting from factors such as the Ukraine/Russian war. The church's utility charges increased by 32% year on year, equating to an increase of over £1,700.

The second most significant contributor to the General Fund deficit was a small but significant reduction in income received through "giving". This is primarily money given to the church by its members, either through regular giving schemes, standing orders or collections taken in services (both card and cash). Giving has been showing a slow but steady decline over the last few years, reducing by 18% overall in the five years to 2022. This includes a 0.8% decline in 2022 itself, which equated to approximately £800. Given the economic climate and the price of living increases in 2022, and therefore a reduction in disposable income, this reduction seems very modest, and the church continues to be extremely grateful for the financial support that it receives from its members. But the same economic climate means that costs also increased significantly, and so the two factors together equate for the majority of the deficit that was experienced.

Increases in wages and pay, for both payroll and self-employed staff, was another contributing factor. We continued to keep wages for our directly-employed staff aligned with the "Real Living Wage" (set by the Living Wage Foundation), which resulted in a 10.1% pay increase for all payroll staff members. This increase was applied in the latter part of the year (and will therefore have a more significant effect in 2023), but with some increases in the number of hours worked, across both payroll and self-employed staff members, this resulted in an overall increase of 6% in the church's pay bill, equating to approximately £800.

The Church Centre Fund fared much better than the General Fund, out-turning almost £9,400 of surplus (up from £3,700 in 2021). This is the fund that contains all costs and income that are directly related to the Church Centre facility, which is a multi-purpose building, with rooms that are available to hire. Many of the organisations that hire facilities in the Church Centre (such as community groups and out-of-school care providers) do so on a regular, ongoing basis. 2022 saw the amount of use returning to (and exceeding) pre-COVID levels, which resulted in a significant up-turn in rental income, increasing by 77%, which equated to an increase of over £13,600. The resulting rental income in 2022 was approximately £31,400, compared to the 2019 rental income of approximately £22,600, based on pre-COVID levels of usage and rental rates.

The corollary of the increased use of the Church Centre was that energy usage also increased in order to heat the facilities that were being occupied. Combined with the increases in unit energy prices, this resulted in a massive 159% increase in Church Centre utility costs, equating to an additional £6,000.

Compared to this, the increase in staff wage costs was a very modest 5%, resulting from rate of pay increases in line with the "Real Living Wage", as well as some additional working hours. This resulted in a fairly insignificant £300 increase in the Church Centre pay bill.

With respect to staff costs, the previous year (2021) had seen continued financial support from the UK Government's "Coronavirus Job Retention Scheme" grants, which allowed staff



to be retained and paid despite a reduced income. As activities returned to pre-COVID levels in 2022, this scheme was no longer available, which appears as a reduction in income of approximately £1,300, but is clearly off-set by the substantially increased rental income.

As things stand, the Church Centre surplus is being retained in the Church Centre fund, in readiness for major repair, restoration and redecoration works that are likely to be needed at some point in the future.

With respect to other PCC funds, expenditure from the Church Restoration Fund was relatively modest in 2022, covering fairly minor repair works for the clock chimes and roof guttering, as well as some routine maintenance. Much more significant expenditure is expected in 2023, as a result of restoration to the church building to address items identified in the last Quinquennial Inspection. However, this work is in the plan and budget.

Much more significant expenditure was incurred from the Legacies Fund, which holds funds received in the form of bequests over a number of years. The PCC has agreed in principle to use the Legacies money to fund a range of “capital” projects that are aimed at improving the facilities of the church and churchyard, especially with respect to accessibility and inclusivity, whilst also enabling more flexibility in the way that the building is used. These projects all have initial budgets in place, and will use funds that are already available, plus grants where possible.

Three of these projects were in progress in 2022. A project to replace and improve the church’s audio-visual facilities (including a fixed livestreaming capability) was at the tendering stage and didn’t incur any cost. A second project, to re-landscape, re-pave and improve lighting in the churchyard to the east of the church, incurred some relatively minor architectural and survey costs, in preparation for the bulk of the work being undertaken in 2023. However, the project to install a new lighting system throughout the church was fully implemented and completed in 2022. After reclaiming the eligible VAT, the project closed-out with a Net expenditure of just over £36,500 (against an original planning estimate of £39,600).

The performance of the endowment fund held by the church was fairly flat year-on-year in terms of dividend payments, and the market value of the fund had dropped just over £2,000 (11.3%) between year-end 2021 and year-end 2022. This may reflect the markets as a whole, but this will require monitoring going forwards, especially as we near the time when we may need to release some of the investment assets.

The deposit account (nominally linked to the Legacies Fund) fared better, attracting nearly £3,300 in interest in 2022, compared to only £130 in 2021.

## Church Council's responsibilities statement

The Parochial Church Council are responsible for preparing the Parochial Church Council's report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

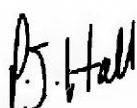
The law applicable to charities in England and Wales requires the charity Parochial Church Council to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

In preparing these financial statements, the trustees are required to:

- ☐ select suitable accounting policies and then apply them consistently,
- ☐ observe the methods and principles in the applicable Charities SORP,
- ☐ make judgements and accounting estimates that are reasonable and prudent,
- ☐ state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- ☐ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Parochial Church Council are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The annual report was approved on ....12<sup>th</sup> April 2023... and signed on behalf of the Parochial Church Council by:



Phil Hall

Chair of the PCC *(in lieu of Incumbent or Priest-in-Charge, during vacancy)*



## Independent Examiner's Report to the Trustees of St. Margaret's Church

I report to the trustees on my examination of the financial statements of St Margaret's Church ('the charity') for the year ended 31 December 2022.

### Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

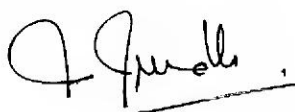
I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

### Independent examiner's statement

I have completed my examination. I confirm that 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 charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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



John M Rendle

154 Valley Road,  
Ipswich,  
IP4 3AJ

STATEMENT OF FINANCIAL ACTIVITIES

For the year ending 31<sup>st</sup> December 2022

	Note	2022				2021
		Unrestricted funds	Restricted funds	Endowment funds	Total funds	Total funds
<b>Income and endowments</b>						
Voluntary giving (donations, legacies and grants)	4	£ 102,340	£ 75	£ -	£ 102,415	£ 105,994
Church activities - fees	5	£ 3,741	£ -	£ -	£ 3,741	£ 1,854
Church activities - other trading activities	5	£ 31,414	£ -	£ -	£ 31,414	£ 17,774
Investment income	6	£ 3,769	£ -	£ -	£ 3,769	£ 611
<b>Total income</b>		<b>£ 141,264</b>	<b>£ 75</b>	<b>£ -</b>	<b>£ 141,339</b>	<b>£ 126,232</b>
<b>Expenditure</b>						
Costs of generating voluntary income	N/A	£ -	£ -	£ -	£ -	£ -
Costs of church activities	7	£ 91,103	£ -	£ -	£ 91,103	£ 90,777
Church Expenses	8	£ 79,800	£ 498	£ -	£ 80,299	£ 35,011
<b>Total expenditure</b>		<b>£ 170,903</b>	<b>£ 498</b>	<b>£ -</b>	<b>£ 171,401</b>	<b>£ 125,788</b>
<b>Sub-total: net income/outgoings</b>					<b>-£ 30,062</b>	<b>£ 444</b>
before considering value of endowment fund						
Net gains/(losses) on investments		£ -	£ -	-£ 2,120	-£ 2,120	£ 2,325
<b>Net income/(outgoing)</b>		<b>-£ 29,639</b>	<b>-£ 423</b>	<b>-£ 2,120</b>	<b>-£ 32,182</b>	<b>£ 2,770</b>
<b>Reconciliation of funds</b>						
Total funds brought forward (from 2021 SOFA)		£ 451,523	£ 7,221	£ 18,715	£ 477,460	£ 474,671
Adjustment for Debtors under-estimate in 2021 financial statements *		£ 21				
<b>Total funds carried forward</b>		<b>£ 421,905</b>	<b>£ 6,798</b>	<b>£ 16,595</b>	<b>£ 445,299</b>	<b>£ 477,460</b>
2021 funds brought forward + 2022 net income/outgoings						

Comments and additional notes:

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

\* In the 2021 financial statements, the amount of Gift Aid that would be recovered (against income received in 2021) was under-estimated by £21.15

## BALANCE SHEET at 31<sup>st</sup> December 2022

	Note	2022	2021
<b>Fixed Assets</b>			
Tangible fixed assets	11	£ 100,000	£ 100,000
Investments	12	£ 268,891	£ 267,736
	(a)	£ 368,891	£ 367,736
<b>Current Assets</b>			
Debtors	13	£ 17,155	£ 9,811
Cash at bank and in hand		£ 68,008	£ 105,972
	(b)	£ 85,163	£ 115,782
<b>Creditors: amounts falling due within one year</b> (current liabilities)	14	£ 8,755	£ 6,059
<b>Net current assets</b> (b - c)	(d)	£ 76,408	£ 109,724
<b>Total Assets</b>			
<b>Total assets</b> (fixed and current) <b>less current liabilities</b> (a + d)		£ 445,299	£ 477,460
<b>Net assets</b>		£ 445,299	£ 477,460
<b>Funds of the charity</b>			
Endowment funds	17	£ 16,595	£ 18,715
Restricted funds	16	£ 6,798	£ 7,221
Unrestricted funds	15	£ 421,906	£ 451,524
<b>Total charity funds</b>		£ 445,300	£ 477,461

These financial statements were approved by the Parochial Church Council and authorised for issue on ....12<sup>th</sup> April 2023..., and are signed on its behalf by:

A handwritten signature in black ink, appearing to read 'P. Hall'.

Phil Hall  
Chair of the PCC (*in lieu of Incumbent or Priest-in-Charge, during vacancy*)

**The notes on pages 15 to 29 form part of these financial statements**



**Notes to the Financial Statements for the year ended 31<sup>st</sup> December 2022**

**1. General information**

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Soane Street, Ipswich, IP4 2BT.

**2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

**3. Accounting policies**

**Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

**Going concern**

There are no material uncertainties about the charity's ability to continue.

**Fund accounting**

General funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for application on the general purposes of the PCC. Funds designated for a particular purpose by the PCC are also unrestricted.

The accounts include all transactions, assets and liabilities for which the PCC is responsible by law. They do not include the accounts of church groups that owe an affiliation to another body nor those that are informal gathering of church members.

## **Incoming resources**

### *Voluntary Income and Resources*

Collections are recognisable when received by or on behalf of the PCC. Planned giving receivable under Gift Aid is recognised only when received. Income tax recoverable on Gift Aid donations is recognised in the same year as the income to which it relates. Grants and legacies to the PCC are accounted for when the PCC is notified of its entitlement and the likely amount due.

### *Other Income*

Rental income from the letting of church premises is recognised when the rental is due.

### *Income from investment*

Interest is accounted for when receivable. Tax recoverable on such income is recognised in the same accounting year.

### *Gains and losses on investments*

Realised gains or losses are recognised when investments are sold. Unrealised gains or losses are accounted to on revaluations of investments at 31 December each year.

## **Resources expended**

### *Costs of generating funds*

Costs are accounted for when incurred.

### *Grants*

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC.

### *Activities directly relating to the work of the Church*

The Diocesan parish share is accounted for when payable. Any share unpaid at 31 December is provided for in these accounts as an operational (though not a legal) liability and is shown as a creditor in the Balance Sheet.

## **Tangible assets**

### *Consecrated land and buildings and moveable church furnishings*

Consecrated and benefice property is excluded from the accounts by s10(2)(a) of the Charities Act 2011.

No value is placed on moveable church furnishing held by the churchwardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be inalienable property. All expenditure incurred during the year on consecrated or benefice buildings and moveable church furnishings, whether maintenance or improvement, is written off as expenditure in the SOFA and separately disclosed.

### *Other fixtures, fittings and office equipment*

Equipment used within the church premises is depreciated on a straight-line basis over 4 years. Individual items of equipment with a purchase price of £1,000 or less are written off when the asset is acquired.

## **Investments**

Fixed asset investments are initially recorded at cost, and revalued at market value at 31 December.

## **Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

## **Financial instruments**

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

## INCOME

### 4. Voluntary Giving

#### Voluntary Giving

	2022			2021		
	Unrestricted Funds	Restricted Funds	Total Funds 2022	Unrestricted Funds	Restricted Funds	Total Funds 2020
<b>Donations</b>						
Planned Giving	£ 76,738	£ -	£ 76,738	£ 81,190	£ -	£ 81,190
Collections at services	£ 6,644	£ -	£ 6,644	£ 2,862	£ -	£ 2,862
Other giving, including special appeals	£ 3,602	£ -	£ 3,602	£ 3,467	£ 400	£ 3,867
Income tax recovered	£ 15,206	£ -	£ 15,206	* £ 15,454	£ -	£ 15,454
<b>Legacies</b>						
Legacies	£ -	£ -	£ -	£ 1,000	£ -	£ 1,000
<b>Grants</b>						
Government Business Grants re. COVID-19	£ -	£ -	£ -	£ -	£ -	£ -
Coronavirus Job Retention Scheme	£ -	£ -	£ -	£ 1,371	£ -	£ 1,371
Other Grants	£ 150	£ 75	£ 225	£ 150	£ 100	£ 250
<b>Total income from voluntary giving</b>	<b>£ 102,340</b>	<b>£ 75</b>	<b>£ 102,415</b>	<b>£ 105,494</b>	<b>£ 500</b>	<b>£ 105,994</b>



2022 notes for Voluntary Giving:

- a) "Planned Giving" includes income received via the Parish Giving Scheme, standing orders, and the regular giving envelope scheme.
- b) "Collections" includes all income received from collections at services (including card payments), except money received via the regular giving envelope scheme.
- c) "Other giving" includes general donations (unrestricted) received outside service collections, including donations from organisations that have used the church but not been charged (e.g. school services).

It excludes donations received in response to an appeal/collection for a specific purpose, where that money was passed in whole to an individual or an external charity/organisation as a gift/donation (e.g. a leaving gift funded through a special collection; a charitable donation funded through a special appeal etc.), as these are not PCC funds (the PCC account is just being used for consolidating the donations).

- d) "Income tax recovered" includes tax recovered in 2022 via the Parish Giving Scheme, plus Gift Aid that will be claimed in 2023 but which relates to income received in 2022.

e) "Legacies"

- (i) No new legacies were received in 2022.
  - (ii) Interest received on the CCLA CBF CofE deposit account has not been included, even though the interest accrued is allocated to the Legacies fund. (This interest is included under "Bank interest receivable" instead: see "Investments".)
  - (iii) Other income to the Legacies fund was from VAT reclaimed for work to install new church lighting. This is not a new Legacy, and so has not been included here. It has been taken into account when deriving the net expenditure figure the lighting (Legacies fund).
- f) "Other grants" includes a restricted grant for youth work, and an unrestricted grant from IBC intended to contribute to the cost of flooding lighting.

2021:

\* In addition to the in-year Gift Aid received from the Parish Giving Scheme, this also includes the Gift Aid tax claimed in 2022 relating to (non-PGS) giving received in 2021 (£9610.59).

## 5. Church Activities

Church Activities	2022		2021	
	Unrestricted Funds	Total Funds 2022	Unrestricted Funds	Total Funds 2020
Wedding & funeral fees retained by PCC	£ 3,741	£ 3,741	£ 1,854	£ 1,854
Trading activities (Rent received for Church Centre)	£ 31,414	£ 31,414	£ 17,774	£ 17,774
<b>Total income from church activities</b>	<b>£ 35,155</b>	<b>£ 35,155</b>	<b>£ 19,628</b>	<b>£ 19,628</b>

Notes for Church Activities:

a) "Wedding & funeral fees" excludes any fees that are received by the church but subsequently passed on to an organist or to the Diocese, as these are not considered to be PCC funds. It *does* include funds that are subsequently passed onto the choir or bellringers.

## 6. Investments

Investments	2022		2021	
	Unrestricted Funds	Total Funds 2022	Unrestricted Funds	Total Funds 2020
Dividends from investments	£ 494	£ 494	£ 481	£ 481
Bank interest receivable	£ 3,275	£ 3,275	£ 130	£ 130
<b>Total income from investments</b>	<b>£ 3,769</b>	<b>£ 3,769</b>	<b>£ 611</b>	<b>£ 611</b>

Notes for Investment income:

a) Dividends from the CCLA COIF Charities Investment Fund are designated as income to the Church Restoration fund

b) Bank interest (accrued within the CCLA CBF CoFE Deposit Fund) is designated as income to the Legacies fund

## EXPENDITURE

### 7. Costs of Church Activities

#### Costs of church activities

	2022		
	Unrestricted Funds	Restricted Funds	Total Funds 2022
Diocesan Parish Share	£ 71,923	£ -	£ 71,923
Mission giving & donations	£ 4,912	£ -	£ 4,912
Salaries, wages & expenses	£ 14,267	£ -	£ 14,267
<b>Total cost of church activities</b>	<b>£ 91,103</b>	<b>£ -</b>	<b>£ 91,103</b>

	2021		
	Unrestricted Funds	Restricted Funds	Total Funds 2021
Diocesan Parish Share	£ 71,566	£ -	£ 71,566
Mission giving & donations	£ 4,800	£ -	£ 4,800
Salaries, wages & expenses	£ 14,411	£ -	£ 14,411
<b>Total cost of church activities</b>	<b>£ 90,777</b>	<b>£ -</b>	<b>£ 90,777</b>

### 8. Church Expenses

#### Church expenses

	2022		
	Unrestricted Funds	Restricted Funds	Total Funds 2022
Church running costs	£ 11,280	£ 498	£ 11,778
Church utility costs	£ 7,159	£ -	£ 7,159
Cost of trading	£ 20,735	£ -	£ 20,735
Major repairs - church building	£ -	£ -	£ -
Major repairs - Church Centre	£ 1,291	£ -	£ 1,291
Other expenditure	£ 39,336	£ -	£ 39,336
<b>Total cost of church expenses</b>	<b>£ 79,800</b>	<b>£ 498</b>	<b>£ 80,299</b>

	2021		
	Unrestricted Funds	Restricted Funds	Total Funds 2021
Church running costs	£ 8,728	£ 474	£ 9,202
Church utility costs	£ 5,404	£ -	£ 5,404
Cost of trading	£ 14,619	£ -	£ 14,619
Major repairs - church building	£ 4,335	£ -	£ 4,335
Major repairs - Church Centre	£ 1,451	£ -	£ 1,451
<b>Total cost of church expenses</b>	<b>£ 34,537</b>	<b>£ 474</b>	<b>£ 35,011</b>

2022 notes for Church Expenses:

- a) The unrestricted portion of "Church running costs" includes music-related costs, service expenses, flowers, office expenses, routine maintenance (e.g. regular servicing, testing etc.), church insurance and church cleaner. It also includes wedding and funeral fees paid to the choir and bellringers (but excludes fees passed onto an organist or the Diocese). In 2022 this also includes costs associated with the production of the Parish Profile.
- b) The element of "Church running costs" that is shown as "restricted" is for the annual maintenance of the bells, which is from a restricted fund (having previously been the heritage and bell project fund), and also for some aspects of Youth expenditure.
- c) "Cost of trading" represents the running costs of the Church Centre, and includes routine maintenance (e.g. regular servicing and checks), cleaner and caretaker, window cleaning, insurance, utility bills and consumables. This category also includes costs associated with the old social club (business rates and, nominally, water charges).
- d) "Major repairs - church building" includes one-off repairs or replacement of faulty equipment (using the Church Restoration fund).
- e) "Major repairs - Church Centre" includes one-off repairs (plumbing, electrical, roof and emergency lighting) and purchase of appliances

## 9. Staff Costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	<b>2022</b>		<b>2021</b>		<b>Increase ('22 v '21)</b>
Staff costs (wages) - pay roll (contracted) staff only*	£	15,348	£	14,645	5%

\* Includes Verger/Administrator, Cleaner and Caretaker. Does not include musicians, as they are self-employed

No employee received employee benefits of more than £60,000 during the year

## 10. Trustees remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees for their role as trustees. (Trustees may be employed in other roles.)

## ASSETS

### 11. Tangible Fixed Assets

	Freehold property £
<b>Cost</b>	
<b>At 1 January 2022 and 31 December 2022*</b>	£ 100,000
<b>Depreciation</b>	
<b>At 1 January 2022 and 31 December 2022*</b>	—
<b>Carrying amount</b>	
<b>At 31 December 2022*</b>	£ 100,000
At 31 December 2021*	£ 100,000

\* These are an estimate of the value of the Church Centre for accounting purposes only

### 12. Investments

<b>COIF Charities Investment Fund</b>	<b>2022</b>	<b>2021</b>
Number of shares held	910	910
Mid market value of one share on 31 <sup>st</sup> December 2022	£ 18.24	£ 20.57
Market value of total share holding on 31 <sup>st</sup> December 2022	£ 16,595	£ 18,715
Net gain/(losses) on investments	£ 2,120	£ 2,325

<b>CBF Church of England Deposit Fund</b> ("Legacies Fund")	<b>2022</b>	<b>2021</b>
Value on 31 <sup>st</sup> December 2022	£ 252,296	£ 249,020

All investments shown above are held at valuation.



## DEBTORS AND LIABILITIES

### 13. Debtors

Debtors			2021	Gift Aid relating to 2021	
				Actual Income (received in 2022)	Difference
Debtors for goods and services	£	7,848	£	200	
HMRC (Gift Aid tax pertaining to giving income received in 2022)	£	9,307	£	9,611	£ 9,631.74
	£	17,155	£	9,811	£ 21.15

### 14. Creditors (Liabilities)

Creditors (amounts falling due within one year)	2022		2021	
Creditors for goods and services	£	8,755	£	6,059
Accruals and deferred income	£	-	£	-
	£	8,755	£	6,059

## ANALYSIS OF CHARITABLE FUNDS

### 15. Unrestricted Funds

	At 1 Jan 2022	Income	Expenditure	Transfers	Gains and losses	At 31 Dec 2022
	£	£	£	£	£	£
General funds	31,138 *	111,609	-114,028	0	-2,419	28,719
Church Restoration and Maintenance	37,535	494	-962	0	-468	37,068
Church Centre	16,605	31,414	-22,026	0	9,388	25,993
Fabric	427	0	0	0	0	427
Vicar & Wardens	328	0	-80	0	-80	248
Legacies	258,417	10,768	-46,829	0	-36,061	222,357
Church Centre Asset	100,000	N/A	N/A	N/A	0	100,000
Bells	7,095	0	0	0	0	7,095
<b>Totals</b>	<b>451,545</b>	<b>154,286</b>	<b>-183,925</b>	<b>0</b>	<b>-29,639</b>	<b>421,906</b>

\* Adjusted to correct for Debtors under-estimate in 2021 financial statements: in the 2021 financial statements, the amount of Gift Aid that would be recovered (against income received in 2021) was under-estimated by £21.15. Therefore 2022 opening balance of the General Fund has been increased by £21.15 to correct this.

	At 1 Jan 2021		Income	Expenditure	Transfers	Gains and losses	At 31 Dec 2021
	£		£	£	£	£	£
General funds	31,217 **		105,830	-105,231	-700	-100	31,117
Church Restoration and Maintenance	38,951		481	-1,897	0	-1,416	37,535
Church Centre	12,886		19,019	-15,300	0	3,719	16,605
Fabric	427		0	0	0	0	427
Vicar & Wardens	-372		0	0	700	700	328
Legacies	260,902		1,130	-3,614	0	-2,485	258,417
Church Centre Asset	100,000		N/A	N/A	N/A	0	100,000
Bells	7,095		0	0	0	0	7,095
<b>Totals</b>	<b>451,106</b>		<b>126,460</b>	<b>-126,042</b>	<b>0</b>	<b>418</b>	<b>451,524</b>

\*\* Adjusted to correct for Debtors under-estimate in 2020 financial statements: in the 2020 financial statements, the amount of Gift Aid that would be recovered (against income received in 2020) was under-estimated by £19. Therefore 2021 opening balance of the General Fund was been increased by £19 to correct this.

## 16. Restricted Funds

	At 1 Jan 2022	Income	Expenditure	Transfers	Gains and losses	At 31 Dec 2022
	£	£	£	£	£	£
Bells *	4,702	0	-438	0	-438	4,264
Befrienders	1,113	0	0	0	0	1,113
Night Shelter	661	0	0	0	0	661
General Fund (Youth)	495	75	-60	0	15	510
General Fund (restricted donations/grants)	0	0	0	0	0	0
Vicar & Wardens Fund *	0	0	0	0	0	0
Fabric *	250	0	0	0	0	250
<b>Totals</b>	<b>7,221</b>	<b>75</b>	<b>-498</b>	<b>0</b>	<b>-423</b>	<b>6,798</b>

\* restricted element of the fund

	At 1 Jan 2021	Income	Expenditure	Transfers	Gains and losses	At 31 Dec 2021
	£	£	£	£	£	£
Bells *	5,176	0	-474	0	-474	4,702
Befrienders	1,113	0	0	0	0	1,113
Night Shelter	511	150	0	0	150	661
General Fund (Youth)	395	100	0	0	100	495
General Fund (restricted donations/grants)	0	0	0	0	0	0
Vicar & Wardens Fund *	0	0	0	0	0	0
Fabric *	0	250	0	0	250	250
<b>Totals</b>	<b>7,195</b>	<b>250</b>	<b>-474</b>	<b>0</b>	<b>-224</b>	<b>7,221</b>

\* restricted element of the fund

## 17. Endowment Funds

	At 1 Jan 2022	Income	Expenditure	Transfers	Gains and losses	At 31 Dec 2022
	£	£	£	£	£	£
Permanent Endowment Fund 1 - desc in a/cs	—	—	—	—	—	—
Expendable Endowment Fund - COIF Investment	18,715	—	—	—	-2,120	16,595
<b>Totals</b>	<b>18,715</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-2,120</b>	<b>16,595</b>

	At 1 Jan 2021	Income	Expenditure	Transfers	Gains and losses	At 31 Dec 2021
	£	£	£	£	£	£
Permanent Endowment Fund 1 - desc in a/cs	—	—	—	—	—	—
Expendable Endowment Fund - COIF Investment	16,390	—	—	—	2,325	18,715
<b>Totals</b>	<b>16,390</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,325</b>	<b>18,715</b>

**TOTAL FUNDS at 31st December 2022**

**445,300**

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