

Introduction

The PCC's accounts for the year ending 31st December 2022 have been prepared in the usual way on a Receipts and Payments basis using the "Cash Book" program provided by the Diocese of Gloucester.

These accounts have been reviewed and signed-off by a Chartered Accountant, Andrew Matson; we are extremely grateful to him for carrying out this essential task, free of any charge to the PCC.

In this report, please note:

Detailed figures showing the receipts and payments are shown in Table 1. A visual pie-graph is shown in Figure 1.

The main numbers in this text are shown in bold type, these have been rounded to the nearest £100 for clarity and can largely be traced to the figures in Table 1 by their respective paragraph numbers. The 2021 equivalent numbers are shown in parenthesis after each figure and in the final column of Table 1.

This report excludes any financial account of the £20,000 grant received in 2021 from ECLAS (Equipping Christian Leadership in an Age of Science). This grant has now been fully used by Petra and Rob Crofton for the purpose it was intended. Full accounts for this project have been supplied to ECLAS for its use and review. An independent review of these, via the PCC, has not been carried out.

Summary of the Main Points – see Table 1

1. **Total Income** – income from all sources including giving, Gift Aid tax recovery, hall rentals, and parochial fees totalled **£90,000** (£86,700).
2. **Total Expenditure** - including Parish Share, staff salaries, running expenses for the church, centre and churchyard, charitable giving and utility bills was **£100,400** (94,700).
3. **The Shortfall** over the year was therefore around **£10,400** (£8,100), a moderate increase on the loss in 2021, but not dissimilar.
4. **Funding this loss** – the PCC transferred **£10,000** (£7,000) from its designated Music Fund, via a PCC resolution into unrestricted funds for general church use. A small sum of **£300** was also redesignated from redundant designated funds that were no longer required.
5. **Investment Portfolio Losses** - further losses of around **£10,900** (gain of £12,500) were sustained across the entire portfolio due to market conditions following the political and economic turbulence of 2022.
6. **PCC Total Reserves** – these commenced the year at **£109,400** and finished the year, following these losses, at **£88,100** (109,400).
7. **Available Reserves** – these are simply defined as those which could be used by the PCC for any purpose and, at the beginning of the year they comprised unrestricted cash of **£3,900** and designated cash of **£67,500** (total £71,400). By the end of the year the figures were, respectively, **£5,500** and **£49,000** (total £54,500).

8. **Minimum Available Reserves Level** - the PCC's self-imposed floor of £50,000 was agreed several years ago. It was judged by the PCC, at the time, to be a suitable safety margin to keep the church functioning in an emergency for six months, i.e. it is around half of the PCC's annual turnover. At the end of 2022 we are only £4,500 above this level but hopeful that our reserves will return to former levels of capital growth. In contrast, those reserves grew by **£12,500** in 2021 and by £6,200 in 2020.

Further Detailed Points of Table 1

9. **Giving and Tax Recovery** – Planned giving of **£35,800** (37,500) and Tax Recovery of **£9,900** (£12,000) were both below 2021 levels. But this was more than compensated by increased Collections and Other Giving to **£19,300** (£8,300). It was primarily driven by donations to special appeals, especially the restricted Refugee Support Funds and some generous one-off donations by parishioners including £1,000 to a potential new post, see (23) below.
10. **Legacies** - none were received in 2022 following receipt of **£7,200** in 2021 from the estates of Juliet Bond and Fannie Storr.
11. **Hall Lettings and Parochial Fees** - at **£12,400** (£8,500) and **£7,900** (£6,000) respectively, were significantly up on 2021 levels as church activities returned towards pre-Covid levels. Note that prior to Covid, hall letting income had reached nearly £18,000 pa.
12. **Interest and Dividends** – at **£2,400** (£2,600) fell by £200 as our finances had necessitated selling **£10,000** of Music Fund shares, see (4) above.
13. **Donations and Grants** (to other bodies) – at **£900** (£3,800) fell sharply mainly as a result of a PCC decision not to give our planned £2,000 to Barnwood School as our reserves continued to decline towards our floor level. The majority of the donations we did make were from restricted funds donated for specific causes, especially Christian Aid, after-service coffee donations of £600 and donations to the Royal School of Church Music and to a poor family in the parish.
14. **Mission and Evangelism** – at **£4,500** (£700) increased sharply from last year as we collected and distributed the cash raised through the restricted Refugee Support Fund and with increased expenditure celebrating baptisms and Petra's ongoing work with youth groups. More details of the work with refugees will be given later.
15. **Parish Share** – this was paid in full at **£56,000** (£56,200) – a marginal reduction on 2021. The PCC agreed to delay a small proportion of these regular payments in August until later in the year once we could see our way forward financially and to avoid breaching our reserves floor.
16. **Church, Centre (Cost of Raising Funds) and Churchyard Running Costs** - totalled **£10,900** (£15,000). This primarily arises from reductions in church centre running costs in 2022 along with reductions in Churchyard maintenance costs and the removal of the majority of music costs into Staff Costs see (17) below.
17. **Administration and Staff Costs** – at **£21,200** (£14,600) showed a significant increase on 2021 primarily due to the inclusion of the Director of Music's stipend, see (16) above, staff salary increases, increased normal working hours for Angela from 9 hrs to 12 hrs/week and full payment of holidays whether taken or not for the members of staff with hourly contracts and holiday entitlement.

18. **Repairs to Church Buildings** – of **£1,800** were the full cost of extending the WiFi into the church via an underground cable; it was funded from the restricted Warren bequest.

Other Points of Interest

19. **Refugee Support Fund** – the PCC set up a restricted fund to provide mission and outreach to refugees temporarily resident in the Barnwood area. It collected £3,000 by the end of the year with a further £1,300 collected (both sums include Gift Aid) to provide Christmas presents and lunches for our refugee friends along with members of our church, including Bishop Rachael. To date a total of £3,400 has been spent on items such as cash Christmas presents of £100 to each person, bicycles, helmets and lights, several laptops, baby equipment, travel assistance, mobile phones, drawing equipment and other diverse items for everyday living. The two funds were combined at the end of the year with a total of £1,000 remaining including a hangover of Gift Aid from the final quarter of the year.
20. **Staff Salaries** – we raised salaries to all four staff members by 5% from 1st April 2022 in line with HMG Living Wage recommendations. Our lowest paid worker was paid £9.98/hr and differentials were maintained.
21. **Card Giving** – there has been a gradual take-up of this transaction method. Our SumUp card reader has taken £2,600 this year with around half of this paying for one of the big weddings booked for 2023 with a 1.5% surcharge to cover the card companies' processing fees.
22. **Easy Fund Raising** – this scheme, enables online retailers to donate a small proportion of their sales to good causes if buyers have signed up to the EFR scheme. It raised just £150 this year, a similar sum to 2021. It may not be helped by its bombardment of shoppers with continuous offers once they sign-up to this well-meaning scheme.
23. **Sylvanus Lyson's Fund** – a grant of £17,000 has been agreed from this fund to support the employment of an outreach and communications officer to work alongside the Parish Administrator (Angela) for a three-year period to further the mission of the Church. No suitable applicant has been appointed yet, but one payment of the grant of £600 and a donation from a parishioner towards this post of £1,000 have been received to date. The total of £1,600 is maintained in the PCC's restricted funds, until required. A second parishioner has offered to donate a further £1,000 per year to further support this new post.

In Conclusion

24. **Overall the PCC's finances were put under severe strain in 2022**, largely due to the Covid pandemic and its effect on congregation attendance and their giving combined with a large fall in the value of investments on world-wide markets. Fortunately, the PCC was able to meet the majority of its financial commitments to its parishioners, its staff, suppliers and the Diocese. Its only exception was that it could no longer donate £2,000 to Barnwood School, or any other charities from its own funds. Some donations were possible from special collections, mainly to Christian Aid from after-service coffee in the customary manner.

25. **Help for Refugees** - on the upside, our congregation provided much support to fellow Christians from Iran with a substantial financial support package on their arrival in Barnwood to assist with their work, childcare, travel and leisure activities.
26. **Reserves** - the financial consequences of such a tough year is that the PCC's available funds ended the year uncomfortably close to the £50,000 floor set by the PCC a few years ago.
27. **A budget for 2023** – was presented, discussed and agreed with the PCC by the end of 2022 with the aim to reduce the annual deficit as the economic climate recovers. Its key points are presented below.

The 2023 Budget

28. **Procedure** – in the usual manner, the PCC was presented with a draft budget at its November 2022 meeting based on the previous 12 months of actual data with modifications to reflect the anticipated needs of 2023 at its time of preparation. The PCC reviewed and finalised this, with results given in the following paragraphs. It is judged that these figures represent a realistic central scenario. Taking item-by-item they include the following changes.
29. **Giving – up by £1,200** – increase at around half of the current inflation rate (i.e. 5% with inflation at 10%). Also assumes we will lose at least one giver due to moving out of area, etc and maybe more in 2023 with corresponding reduction in giving by around £100 per month. It is hoped that regular giving could improve beyond this forecast as younger members of the congregation start to join the Parish Giving Scheme or use the card giving machine which is now in regular service.
30. **Gift Aid – up by £200** – assumed to remain at the same percentage of giving levels as in 2022 of 21% at the time of preparation.
31. **Fund Raising – assumed to rise to £1,000** from a few sponsored events or similar specific fund-raising activities to be reinstated during the course of the year.
32. **Parish Fees – up by £700** and arising from the 10% rise set by the Church of England for statutory fees and knocked through to other fees which the PCC receives.
33. **Parish Centre Hire – up by £2,200** as a result of increasing all room hire rates by 10% and an assumed increase in the number of bookings by a further 10% over 2022 levels as we recover further from the Covid slump.
34. **Income from Other Church Activities – up by £700** as a result of expanding the activities associated with current monthly coffee mornings, and other social event occasions and organised by the newly-formed Community Events Team (CET).
35. **Solar Panels – new income stream of £2,000** as we receive the full benefit of solar panel generation income as the loan to the Diocese is expected to be paid-off shortly into 2023.
36. **Parish Share – no change from current level of £56,000.** And as agreed by the Diocese.
37. **Barnwood School** – no change as no donation possible in 2022.

38. **Salaries and Wages** – up by 10% in April as we retain existing staff hours with an across-the-board pay increase in-line with the September 2022 inflation figure; the benchmark used in many annual negotiations as the new financial year begins.
39. **Administration** – up by £150 with a view to the possible purchase of a refillable inkjet printer to replace the increasingly unreliable office machine. A temporary replacement has been donated for the present. A special fund may be considered in 2023 to purchase a full replacement office machine but this could cost between £1,000 and £4,000 depending on the model chosen.
40. **Churchyard Maintenance – increase by £1,000** as a result of potential extra tree maintenance likely to be required as we have spent little on this except for hedge trimming in 2022.
41. **Other Costs – up 10% or around £1,000** - they include clergy expenses, mission and evangelism, children and youth work, minor repairs, music, cost of trading and routine maintenance but not heating and lighting, see below.
42. **Heating and Lighting Costs** – no change – we currently have a significant credit of around £1,000 with the energy companies and fixed price contracts for most of our energy for the rest of the year.
43. **The Results of these changes** - are summarised as follows:
- a) An increase in income over 2022 by £7,300 (9%) to **£87,600**.
 - b) A corresponding increase in expenditure by a more modest £3,200 (4%) to **£92,800**.
 - c) Full payment of the requested Parish Share to the Diocese of £56,000. It is equivalent to 64% of total income and represents about one and a half times the level of our budgeted planned income.
 - d) A forecast deficit for 2023 of around £5,000 to be met from the remainder of the PCC's available reserves, of £4,900, see (6) above. The majority of this is held within the PCC's music fund. Sufficient available cash must remain in the main account to accommodate month-by-month cash-flow variances in income and expenditure without breaching the reserves floor for any significant length of time.
 - e) It is hoped that the PCC's invested reserves will grow in capital value sufficient to maintain its available reserves above this £50,000 floor.

Bob Hinton – Treasurer to the PCC

4th March 2023

Table I - Barnwood PCC's Receipts and Payments Accounts - 2022

	Notes	2022				2021
		Unrestricted	Designated	Restricted	TOTAL	TOTAL
		£	£	£	£	£
Receipts						
Voluntary income:						
Planned giving		35,637	105	70	35,812	37,476
Collections, donations & other giving	9.	12,558	183	6,597	19,338	8,275
Income tax recovered		9,664	-	211	9,875	11,972
Legacies	10.	-	-	-	-	7,163
Activities for generating funds						
Magazine/Bookstall sales/Hall Lettings etc	11.	12,416	-	-	12,416	8,540
Income from other Properties		-	-	-	-	-
Annual Fete/events		387	-	-	387	4,353
Investment income:						
Interest & dividends	12.	41	1,545	806	2,392	2,629
Income from charitable activities:		-	-	-	-	-
Parochial fees		7,932	-	-	7,932	6,008
Other incoming resources:						
Insurance claims		-	-	-	-	-
Gain on disposal of fixed assets		-	-	-	-	-
Loans received		-	-	-	-	-
Other		1,122	736	-	1,858	254
Total incoming resources	1.	79,757	2,569	7,684	90,010	86,670

Payments						
Charitable activities:						
Donations/Grants to charities	13.	(100)	-	(843)	(943)	(3,828)
Mission & Evangelism inc Children's Work	14.	(422)	(808)	(3,276)	(4,506)	(701)
Parish Share	15.	(55,982)	-	-	(55,982)	(56,238)
Clergy expenses		(1,492)	-	-	(1,492)	(1,385)
Church running expenses		(2,838)	(1,035)	(1,437)	(5,310)	(5,842)
Churchyard maintenance	16.	(429)	-	(405)	(834)	(1,849)
Cost of raising funds		(4,781)	-	-	(4,781)	(7,350)
Running costs:						
Support costs		(277)	-	-	(277)	(72)
Administration costs (inc. staff costs)	17.	(19,044)	(1,444)	(738)	(21,226)	(14,622)
Other		(3,110)	(156)	-	(3,266)	(2,858)
Governance costs		-	-	-	-	-
Major expenditure						
Repairs to church buildings	18.	-	-	(1,806)	(1,806)	-
Repairs to other property		-	-	-	-	-
Capital purchases/additions		-	-	-	-	-
Loan repayments		-	-	-	-	-
Total resources expended	2.	(88,475)	(3,443)	(8,505)	(100,423)	(94,745)
Net (outgoing)/ incoming resources	3.	(8,718)	(874)	(821)	(10,413)	(8,075)
Transfers between funds	4.	10,337	(10,337)	-		-
Net incoming/(outgoing) resources before gains		1,619	(11,211)	(821)	(10,413)	(8,075)
Gains on investment assets	5.	-	(7,151)	(3,537)	(10,688)	12,465
Net movement in funds		1,619	(18,362)	(4,358)	(21,101)	4,390
Funds brought forward at 1 Jan 2022		3,886	67,483	37,998	109,367	104,977
Funds carried forward at 31 Dec 2022	6.	5,505	49,121	33,640	88,266	109,367
Available Reserves	7.	54,626			Not Applicable	

*produced using the Diocesan Cashbook v5

BARNWOOD PAROCHIAL CHURCH COUNCIL
ANNUAL FINANCIAL REPORT AND NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31st DECEMBER 2021

Basis of Accounts

The accounts for the PCC of St Lawrence Church in the parish of Barnwood have been prepared on a "Receipts and Payments" basis using the "Cash Book" accounting program provided by the Gloucester Diocesan Board of Finance for this purpose. The Version Number is V5.2 - 2 issued December 2015.

The final accounts have been independently examined by Mr Andrew Matson.

These accounts and their examination are, to the best of the PCC's knowledge, compliant with the requirements of the Charities Act 1993 and those of the Statement of Recommended Practice (SORP), 2005 revisions.

Robert Hinton
(Treasurer)

Andrew Matson
(Independent Examiner)

Approved by members of the Parochial Church Council and signed on their behalf by:

Rob Crofton
(Vicar)

Margaret Seyers
(Church Warden)

DATE:

1. 2021 - Overview

The PCC started the year with total cash and investment assets of nearly **£105,000** following a substantial overall loss in 2020 of around **£19,000**.

By the end of 2021 it had a significant deficit between income and expenditure of just over **£8,000**.

This deficit was adequately financed by a growth in capital assets of nearly **£13,000**.

The net effect was an increase in the PCC's total cash and investment funds by almost **£5,000** at the end of 2021 to near **£110,000**.

It was helped in its endeavours by some significant upsides compared to 2020, including a reduction in Parish Share, two legacies, ~~a sponsored bird-watch~~, additional hall lettings, additional Gift Aid tax recovery and a sponsored fund-raising event.

There were some downsides too, mainly as overall giving decreased with a much poorer response to the Gift Day request.

The PCC paid its full Parish Share due of over **£55,000** following an agreed **£9,000** subsidy from a fund known as the Diocesan Stipends Fund. We then overpaid our Parish Share by an additional **£1,000** near the end of the year as the likely outturn of its finances became clearer. This reduced the level of this subsidy to **£8,000** in response to the Deanery's request to assist other local churches still struggling with their finances more than ourselves.

The PCC continued to pay its four members of staff at rates comparable with other organisations and in-line with government policy on the "Living Wage". We also made **£800** of payments to staff who could not meet their contracted working hours due to Covid. We were grateful to Robin Jones for agreeing to work outside of his contract (i.e. leading the choir and playing the organ) and took up making video recordings of services for streaming via our website.

The PCC was also able to renew its annual grant to Barnwood School in 2021 of **£2,000** which had been interrupted in 2020 due to the large net deficit referred to above.

In conclusion, the PCC's finances have survived the Covid-related difficulties of 2021 by dint of generous donations, bequests and fund-raising together with large growth in the value of its assets and a reduction by the Diocese in its Parish Share. Total assets actually grew by nearly £5,000.

We enter 2022 with optimism and in the knowledge that the PCC has enough funds available in its reserves to meet the likely budget forecast -deficit of **£19,000** for 2022 without breaching its self-imposed minimum level of reserves of **£50,000** and in the hope that the financial climate will improve further as Covid restrictions lift.

2. Notes to the Accounts - Receipts and Payments

Table 1 shows the breakdown of virtually all cash that passed through the PCC's Receipts and Payments Accounts in 2021. These notes are aimed at providing some explanation of how they arose and why they are different from 2020.

- a) **Referring back to 2020** - the first year of Covid, see the final column of figures on the RHS of the table. Here you will recall that the PCC's income dropped to an all-time low of **£77,373** with a much smaller reduction in expenditure of **£102,767**. It was partially compensated by an increase in the value of our investment portfolio by **£6,244** but the net deficit of the PCC's total assets was still **£19,150** with a final balance of **£104,989** to carry forward into 2021.

Now returning to 2021 and compared to 2020, the PCC had the benefits of:

- b) **Reduced Parish Share - £56,238** - reduced by £8,000 - thanks to support from the Diocesan Stipends Fund.
- c) **Two legacies**
 - **Fannie Storr - £2,000** - it is hoped to designate this cash for some special purchase in the future but, for the moment, it is being used to finance day-to-day church activities.
 - **Juliet Bond - £5,163** - a further legacy from one of the beneficiaries of the late Juliet Bond's estate, who subsequently died and kindly passed their legacy from Juliet of **A\$10,000** to the PCC, equating to the sum above at the prevailing exchange rate.
- d) **Annual Fete and Events £4,353 - up from £154** primarily comprised two items:
 - **Sponsored Bird watch** - Andy Langley raised nearly £2,440 net of Gift Aid for church funds, mainly by donations from church Members, and with the assistance of his employer, Ecclesiastical Insurance Group (EIG), which doubled the collection by £1,865 from the majority of the donations it received. A further £1,400 was donated, via the PCC, to A Rocha's Eco Church project.
 - **Coffee morning** - there was also a good response to this event, just prior to Christmas, which raised £340 excluding Gift Aid.
- e) **Gain on Investment Assets - £12,465 up from £6,244** - The PCC's invested reserves grew significantly (by 14%) in capital value on an opening balance of **£92,834** following the good performance of the majority of our funds held by the PCC using the Churches, Charities and Local Authorities (CCLA) fund managers.
- f) **Income tax recovery - £11,972, up from £8,573** - primarily due to shorter turn-around times of claims to HMRC and the hangover of claims from 2020, including its Gift Day.

- g) **Hall lettings - £8,540 - up from £5,687** - lettings started to pick up; this is encouraging but it is still around half of the pre-Covid levels of 2019.

However, there were some decreases in income or increases in expenditure to partially balance these upsides:

- h) **Planned giving and Collections, donations & other giving - £45,751 - down from £52,403** - this was mainly due to a much reduced response to the Gift Day campaign which was down about £3,500 from 2020 and also to the reduced number of services, smaller plate collections, the departure or death of some parishioners and changes in donations by others.
- i) **Donations/grants to charities - £3,828, up from £555**, this is good news for the recipient charities as the PCC was able to:
- Restore its usual grant to the Barnwood School Governor's fund of **£2,000**
 - Donate **£1,400** of Sponsored Bird Watch funds to the A Rocha - Ecochurch as mentioned in (d) above.
 - Make further smaller donations of restricted funds arising from the Long Table, Christian Aid and Children's Society appeals.

3. Notes to the Accounts - Balances and Assets

Table 2 shows the cash and investments held by the PCC at the beginning and end of the year together with their respective gains and losses. Here are the main points:

- a) **Total Assets valuation** - the year opened with a total asset and cash accounts valuation of **£104,989**. All income, including all receipts, dividends and interest together with capital growth totalled **£111,60199,485** which more than offset all payments out of **£94,744**, and the total asset valuation at the end of the year was **£109,3817710**, a net increase of **£4,392741**. We take this total asset valuation forward to commence 2022.
- b) **Reserve Fund** - this fund was virtually all spent in 2020 to survive the first year of Covid 19. There now seems little hope of replenishing it for the foreseeable future and the PCC is using the Music Fund to top-up shortfalls. It is likely this minor residual balance of **£100** will be cashed in and the fund closed in 2022.
- c) **Warren Fund - £238** was drawn down from this fund to finance the final bill for the architect's fees to repair the South door. This fund is restricted to the upkeep, maintenance and repair of the church and churchyard. The balance is **£4,895**. As an interest-bearing cash fund with very low returns, **£1,800** has been ear-marked by the PCC for the costs of installing WiFi in the church early in 2022. It had originally been ear-marked to fund the South door repairs, but priority is now being given to the WiFi project.
- d) **Music Fund** - all dividends totalling **£1,840** were withdrawn from the Music Fund to pay for the majority of the church's music costs (mainly the Director of

Music's stipend). A further **£9,000** was withdrawn and redesignated for general use to meet the shortfall between income and expenditure across-the-board. We were fortunate that the assets value of this fund grew by just over £9,000 so the balance at the end of the year was marginally higher than the opening balance.

- e) **Investments Assets** – with the exception of the Music Fund, the PCC only spent the interest and dividends arising from its investment portfolio. Using the Churchyard fund as an example, with a beginning-of-year valuation of **£21,530** and total dividend returns and capital growth of **£3,722**, its total returns were around 17%.

4. Additional Points to Note

- a) **Energy usage** – The PCC changed energy suppliers early in the year to Ecotricity which provides carbon-free electricity and carbon-offset gas. It plans to move to carbon-free gas in the future, but such gas-producing plants are in their early stages of development. It is more expensive than non-green suppliers but lowering the carbon footprint of the church is seen as a key priority and the PCC's take-up of three-year contracts has protected us from the current energy price increases until the end of 2023. Total energy used through the year was very similar to the much-lower figures of 2020 as follows:

Comparative Energy Usage across three consecutive years (kWh)			
	2021	2020	2019
Church Gas	11,300	14,600	22,600
Centre Gas	15,000	18,500	30,000
Church Power	900	750	1,850
Centre Power	3,300	3,200	4,900

- b) **Solar Panels**—these produced an income of £2,000 (2020—£2,096) from 3,365 kWh of generation which was retained by the Diocese to pay off the solar panel loan. It is now fully paid off and this income will be added to the PCC's accounts for the remaining 14 years of the contract. It has, in effect, been cost free to the PCC as income to date has been used to pay off the 4% pa loan from to from their installation costs back in 2011. Future costs could be incurred if the panels require any long term maintenance. One half of the installation did actually fail within the first year or so of operation, but this was covered by the installer's guarantee. The panels have since been fault free. **[DRAFT – final income not known yet** – these produced 3,365 kWh of generation in 2021 and a corresponding income of £1,948. It reduced the residual of our loan from the Diocese to £2,219 after the accrual of £65 of interest. At this rate of income the loan should be paid off during the first few months of 2023. After that the PCC should benefit by around £2,000 of income pa for the remaining 13 years of the contract (2036) at no cost to the PCC unless the installation requires any maintenance. To date it has had none except for a faulty connection in its first year of operation which was covered by the installer's guarantee.]

- c) Installation of WiFi in the Church** – the PCC has accepted quotes totalling £1,800 for the installation of three WiFi aerials in the church to give it full 4G signal coverage (including the bell tower). It comprises digging a trench to accommodate a hard-wired link between the Parish Office and the Vestry. A Faculty application has been made to the Diocese and approval has just been granted. It is anticipated that the installation will start in early February.
- d) Planned Giving** – the majority of cash donated to the church came via the Parish Giving Scheme run centrally by the Diocese of Gloucester. Here is the pattern of planned giving via the various methods of giving:

Method of Giving	No. of Givers	Cash raised (ex Gift Aid)
Parish Giving Scheme and Employee Giving scheme	30	£24,862
Standing Orders	9	£10,288
Gift Aid envelopes in church	5	£261

- e) Easy Fund Raising** – this is a giving technology whereby the PCC receives a small percentage of an individual's on-line card-based expenditure which was introduced in St Lawrence at the end of 2020. It has not been widely used but it produced a sum of £142 in 2021.
- f) Card Giving** - the Easy Fund-Raising scheme also gave the PCC access to accepting text and credit card donations. But it has not been widely used and raised £122 during the year. This is unsurprising as there we have had very few visitors to the church due to Covid. However, on the hope of being able to offer full card-giving facilities to future visitors, a card reading machine was purchased later in 2021 at a cost of £260. It has associated user-friendly software designed for charitable donations and enables the operator to allocate donations to different funds and to allow donors to register their Gift Aid status. It has been used successfully on the Church Centre's WiFi and will be available for use in church once the WiFi installation is completed. It is anticipated that its use will grow as the UK moves to an increasingly cash-less society.

5. Budget for 2022

Following the second year of Covid 19 and the effects it had on PCC finances, we are anticipating some recovery in 2022. This budget has been compiled by the Finance Team and agreed by the PCC. It foresees another year of difficult times ahead with few of the upsides in (2) above which kept 2021 so buoyant by the end of the year. Its assumptions include:

Income

- a) **Hall lettings and other church activities** - return slowly through the year to a total for the full year of 2/3 of pre-Covid 2019 levels, equivalent to £12,000 pa plus coffee shop every fortnight raising £40 per session.
- b) **Giving and Gift Aid** – increase by half rate of inflation (2%) as many people do not inflate their giving and a similar Gift Day to 2021 but with no hang-over of Gift Aid claims from previous year.

- c) **Fund-Raising** – very limited in 2022 as no fund-raising team in place, but a couple of well-attended coffee mornings should provide around £500 each.
- d) **Dividends and interest** - to fall by around 10% as reserves are spent progressively to meet deficit budget.
- e) **Parochial fees** - return to 2019 levels as funerals and weddings return to the church but inflated by around 10% in line with the three years of inflationary increases in fees since 2019.

Expenditure

- f) **Barnwood school grant** – continue at the present level for 2021 of £2,000.
- g) **Parish share** – Now agreed within the Deanery to stay almost level with the 2021 figure at £56,000, following a further £8,000 of support from the Diocesan Stipends Fund.
- h) **Staff salaries** – proposed 5% salary increase to all workers in line with living wage legislation from 1/04/2022 and to fund the appointment of a second office worker to assist Angela and the Treasurer.
- i) **Energy costs** – the PCC has agreed a three-year fixed-price contract for green energy and carbon-offset gas with Stroud-based green supplier, Ecotricity. In fact there may be a decrease in total energy costs in 2022, below current levels, as the supplier has recently reduced the fixed monthly Direct Debit payments. This is because we have built up a surplus across the four accounts of around £1,000 during 2021. All other expenditure streams have generally been kept at 2021 levels with 5% inflation.

Resulting 2022 Budget

These changes from 2021 produced another unbalanced Receipts and Payment budget account with an Income of around **£81,000** and total expenditure of around **£98,000** and hence a forecast deficit of around **£17,000**.

Still, with available reserves (unrestricted plus designated) of nearly **£72,000** and the PCC's agreed floor of such reserves of **£50,000**, we have **£22,000** headroom to meet a deficit of that magnitude. [.](#)

As we start 2022, the final line of Table 2 shows we have around **£4,000** of unrestricted cash in these available reserves, but at a rate of loss of £1,500 per month we will shortly be drawing down from the Music Fund again.

Further upside is possible if additional fund-raising activities could be organised, including another sponsored event as in 2021. Further legacies are unpredictable in the budgeting process, but they are always welcome if people wish to consider the church in their will. They are also tax efficient. Church Centre Hall rentals may return to pre-pandemic levels faster than expected although several groups have already cancelled for 2022.

6. Templeton Foundation / ECLAS Grant

In addition to the usual income and expenditure streams, the Vicar, Treasurer and Church Wardens agreed to accept a grant of £20,000 into the PCC's bank account for the purposes of funding a project of work initiated and directed by Petra Crofton with a co-director, Rob Crofton.

This grant is held in the PCC's main cash account, but it is restricted and is not owned by the PCC. It was provided by the Templeton Foundation via a Durham University-based organisation called "Equipping Christian Leadership in an Age of Science". (ECLAS). It is now financing a project entitled Science, Faith and Creation Care.

The grant and its associated expenditure stream are available for inspection if required but would add unnecessary complexity to these accounts. To date the PCC has paid out £2,063 of the total grant with a balance of £17,937 remaining in the main bank account, see the bottom of Table 2 point (f). This has been stripped out of these accounts, but, for bank reconciliation purposes, it is shown at the bottom of the Balances and Assets sheet (Table 2).

It is anticipated that the majority of this grant will have been spent by the end of 2022 as laid out in the grant application by its directors. All payments from the fund are subject to the PCC's usual approvals process via authorised signatories.

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Prepared by Bob Hinton – PCC Treasurer