



Annual Report and Financial Statements of the Parochial Church Council of the Ecclesiastical Parish of St. John the Baptist, Southend-on-Sea for the year ended 31st December 2022

TO BE A CHURCH OF DIFFERENT PEOPLE
TRUSTING AND FOLLOWING JESUS,
LOVING AND FORGIVING ONE ANOTHER,
SERVING OUR COMMUNITIES
AND ESTABLISHING INNOVATIVE
NEW CHURCHES ACROSS SOUTHEND
FOR OUR GREATEST JOY
AND TO THE GLORY OF GOD.

PRIEST-IN-CHARGE & CHAIR OF TRUSTEES

REVD. MIKE WALKER

INDEPENDENT EXAMINER:

J P FRANCIS FCA, 1386 LONDON ROAD, LEIGH-ON-SEA SS9 2UJ

BACKGROUND

St John the Baptist PCC co-operates with the incumbent in the promotion of the Christian Faith in our ecclesiastical parish and the fulfilment of our church vision set out below and the responsibility and maintenance of the church buildings and grounds.

CHARITABLE STATUS

The PCC is a charity registered with The Charities Commission #1194402

RECRUITMENT OF TRUSTEES

The appointment of trustees is determined in accordance with the Parochial Church Council Procedures. All of our trustees are safely recruited and DBS checked.

CURRENT PCC MEMBERSHIP

Members of the PCC are either *ex officio* or elected at the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation rules as published by the Church of England. They are as follows (starred persons are on the standing committee):

Priest in Charge (chair)	Rev Michael Walker*
Wardens	Lucy Ramsay*
	Jacky Rossi*
Deanery Synod	Deji Adesida
Elected Members	Christine Ballard
	Steve Bannister
	Jenny Martin (PCC Secretary)*
	James Myerscough
	Lewis Saville
	Linda Saville*
	Sam Svanda
	Linda Thornton

YEAR IN REVIEW

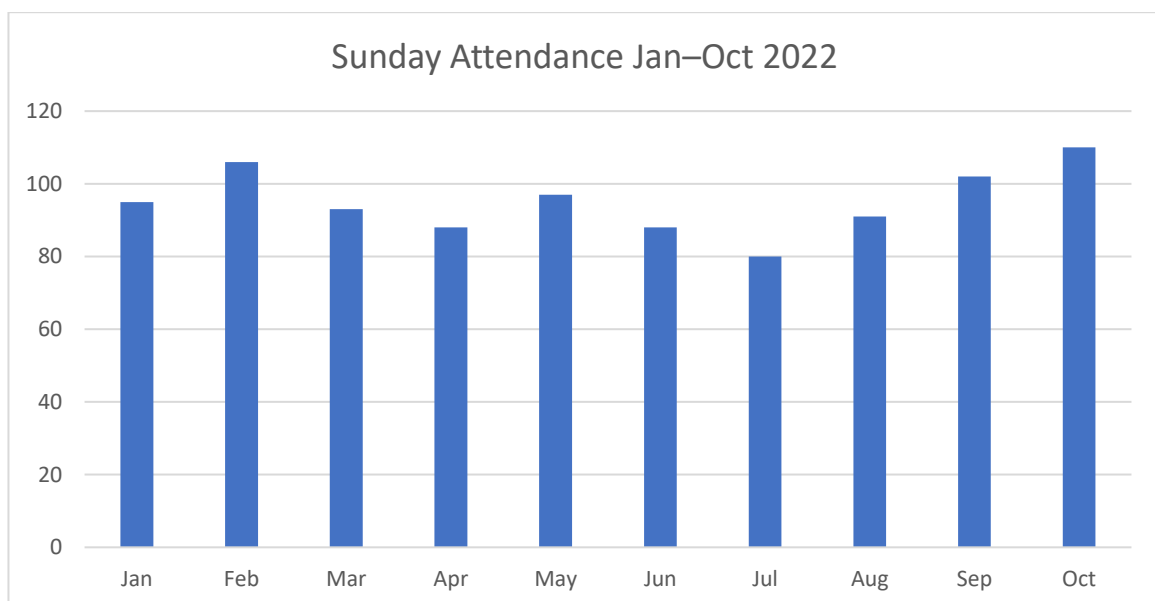
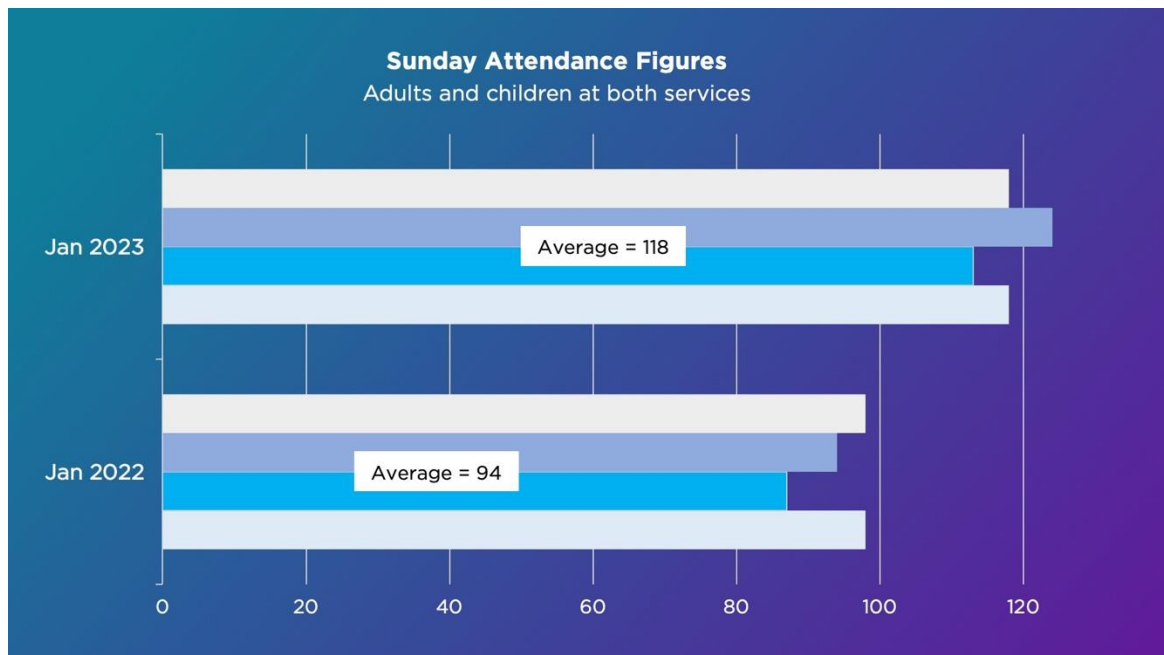
The key highlights of year to 31st December 2022 are as follows:

- The Christ Church project launched on 20th March 2022. This church is based to the East of St John's. 20 adults and children (17 from St John's, 3 from St Michael's) volunteered to be a part of a team that would revitalise the ministry of our neighbouring parish. The ministry of that church has grown significantly over the year. Sunday attendance has gone from an average of 41 before the March start, to 92 in the last quarter of 2022.

Since January 2022, Christ Church underwent an extensive refurbishment, with new flooring and chancel, new seating, new A/V and new coffee area. The project also received grant funding to employ two part time children and youth leaders.

- The ministry of St John's has also seen good growth. We appointed our new Community Pastor Linda Saville in September, who is being discerned for Ordained ministry in the CofE. We have expanded our youth and children's volunteer team to better cater for larger number of Secondary and Primary age children. Tots remains a strong and stable community group on a Thursday with new people signing up every week. We have expanded our offer of small groups over the year to enable more mid-week fellowship, bible study and prayer. We coordinated and launched the yearlong study of the book of Romans with the Rev Dr Paul Blackham with over 140 registrations for this ministry. Bible Live has continued through the year on a Thursday and The Bible Live YouTube channel has now gathered 14,300 views and 2,800 hours of viewing time over its lifetime.
- Notable one-off events through the year include: Alpha Course in January, Baptism services on Easter Sunday and October, Artless production of Centurion, Paul Jones and Fiona Hendley concert, October Light Party, our Carol Service and Christingle.
- Networked events (together with Christ Church and St Michael's Westcliff) have been wonderful occasions too. Belchamps Weekend away saw over 250 attendees on the Sunday and a wonderful time of camping and fellowship across the weekend. Revitalise, the new Youth Ministry saw 95 Youth in November at St Michael's. Our first joint prayer gathering 'Prayer for the City' in September was also well attended across the network and from Christians across the city.

Sunday attendance figures have grown, despite losing 17 adults and children to the Christ Church revitalisation and seeing Rod and Jo Harvey and family begin a new ministry at Southend Vineyard.



Signed (PCC Chair) 29/03/2023

Financial Highlights for 2022

2022 was the first full year for St John's operation as a standalone parish, following the Church Plant from St. Michael & All Angels Westcliff, completion of comprehensive re-ordering and building work at St. John's and formal separation from Southend Team Ministry of churches in early 2021. This is reflected in the financial numbers for the year ended 31st December 2022, which are presented in detail in the Annual Report & Accounts and will be filed with Chelmsford Diocese and the Charity Commission in due course.

Note: St John's detailed annual Accounts include comparative Income and Expenses figures for the 'Period Ending 31.12.2021' which reflect the activities of the St John's church plant for the 2-year period from Jan-2020 (when the church plant from St Michael's effectively began) until Dec-2021. Until the establishment of St John's as a new registered charity (in May-2021) with its own bank account/ PCC etc, these financial activities were managed through the bank accounts of St Michael & All Angels, Westcliff and segregated/ reported within a designated 'St John's Church Plant Fund' in St Michael's books. This Fund is no longer required and was closed effective from Nov-22 (see below).

Here are a few financial highlights from the 2022 reporting year:

Regular giving/ income and other donations

- As previously, the majority of regular giving to St John's came via regular weekly/ monthly bank standing orders (**c.£36,400** in 2022) and via tax-efficient schemes (such as Stewardship and Charities Aid Foundation – c.£1,650 in 2022). General cash donations received were c.£6,000.
- Despite the departure/ loss of a couple of material givers (due to personal circumstances), the spread/ breadth of regular donations improved in late 2022/ early 2023 following Mike's general appeal to the congregation. Many thanks to all of those who responded so generously!
- Following a back-dated claim submitted for accumulated Gift Aid tax recoveries on eligible donations dating back to formal establishment of St. John's as a new registered charity in May-21, St. John's received a total of **c.£14,850** in tax recoveries towards the end of 2022. *Note: In future, Gift Aid claims will be submitted on a quarterly basis - £2,255 relating to Q4 2022 was received in early Jan-23.*
- In addition, St. John's received income from the popular weekly Tots group (c.£1,400 in 2022) and via the Contactless giving machine (c.£2,860 less fees deducted).
- Other income arises mainly from rent charged for hired-out car park spaces (c.£5,000 in 2022) and occasional church bookings/ events.

Parish Share allocation/ contributions

- 'Parish Share' is the amount of funding required to be passed on from individual parishes to contribute towards the budgeted costs of the Chelmsford Diocese, incl. provision of clergy to parishes (salary, pensions, housing and other expenses), curate training, central resources/ support to parishes and various other Diocese/ Deanery costs.

- Share allocations to individual parishes are calculated in accordance with a formula, reflecting a number of variables, including an allowance to reflect the relative deprivation of the geographical area.
- During 2022, St. John's paid Parish Share contributions totalling c.£32,000 (up from c.£8,000 in 2021) via monthly instalments – these were funded entirely from general giving/ other donations made to St. John's.
- *Note: Based on revised methodology introduced by the Diocese for the 2023 Parish Share allocations, and after detailed discussions at Southend Deanery level, St. John's has committed to pay **c.£32,000** again over the course of 2023. This reflects in part a co-operation agreement made between the PCCs of the 3 'network' churches – St. John's, St. Michael's and Christchurch.*

Staff changes/ funding arrangements

- There were a number of changes in the make-up of St. John's paid staff team during the year, as follows:
 - Becky Armstrong (Childrens Worker) returned to work on a part-time basis following her period of maternity leave;
 - Mary Cherni (part-time Worship & Creative Leader) increased her hours to acknowledge and take account of additional responsibilities;
 - Rod Harvey (full-time Operations Manager) departed St. John's to take up a new role as Pastor at Southend Vineyard from Aug-22;
 - Alan Prosser came on board as part-time Facilities & Finance Manager, also in Aug-22, to take on some of the role/ responsibilities vacated by Rod;
 - Linda Saville was appointed as new, full-time Community Pastor from Sep-22.
- *Note: After a significant delay in receiving formal Home Office confirmation for the transfer of Mary's visa sponsorship arrangements from St. Michael's to St. John's, this was finally confirmed in Apr-22. This meant that Mary's employment contract could also be transferred from St. Michael's to St. John's - completed in Sep-22. This facilitated closure of the designated St. John's Church Plant Fund at St. Michael's, with the residual balance transferred to St. John's bank account.*
- All of St. John's staff salaries/ pension costs (**c.£78,500** in 2022, *incl.* c.£17,500 for Mary C funded via St. Michael's prior to transfer of her employment contract back to St. John's in Sep-22) continue to be met in full from central church Strategic Development Fund ('SDF') grant funding – these monies will continue to support St John's until the SDF grant funding ceases in **August 2025**. From that time, St. John's will need to be able to finance any ongoing paid roles from its own giving/ resources.

Buildings/ repair costs etc

- Following damage caused to the church building from a burglary, repairs totalling **c.£7,050** were funded from insurance claim monies received.
- St John's acquired additional chairs/ storage trollies in early 2022 – total cost **£10,700** was funded from remaining budgeted SDF grant receipts. SDF grant funds also covered **c.£2,800** to pay the final balance due to building contractors in relation to the major re-ordering work completed in 2021.
- As part of required work identified by the quinquennial (5-year) inspection of St. John's in 2021, material repairs were made to parts of the church roof at a total cost of **c.£10,000** (incl. scaffolding) – these were funded from general cash reserves.

- Other material projects that will/ may require funding in the near future include:
 1. Stained-glass window repairs – arrangements to repair vandalism damage to the main East window are in course/ awaiting formal Faculty approval by Chelmsford Diocese. The approx. cost of **£2,250** (incl. internal scaffolding costs) will be met from an insurance claim.
 2. Replacement of windows in creche/ kitchen area – this will also require formal Faculty approval. Estimated costs of **c.£10,000** will need to be met from St John's cash reserves.
 3. Churchyard security – PCC is exploring options to improve the security (esp. at night-time) and general amenity/ attractiveness of the churchyard. In this regard we are investigating possible grant funding, to supplement funding from cash reserves.
 4. Church heating – the current gas boiler/ radiator system is deemed to be inadequate to provide a reasonable level of heating to the church building during the coldest months of the year. We are exploring as a priority a number of options to increase/ enhance the heat output.
- Routine/ general repair costs are met from available cash reserves, as required.

FY22 Net result and closing cash position

St. John's reported an overall consolidated net Income/ Expenditure deficit of **£2,500** for 2022. This resulted in a reduction in Dec-22 cash reserves to **£41,555** and in the total Balance Sheet net assets position to **£42,138**.

Reserves policy

Since Mar-23, cash surplus to immediate requirements is invested in a St. John's-designated deposit account held with the Central Board of Finance of the Church of England ('CBF'), via CCLA, which invests funds in ethical funds and offers a slightly higher rate of interest than traditional high street banks, with comparable security of deposit.

PCC considers that a minimum of two months average expenditure, estimated at **£10,000**, should be retained as standby liquidity in the main Lloyd's bank accounts, to cover any unforeseen income fluctuations. PCC regularly reviews the level of reserves to ensure that sufficient funds are held to meet its contractual commitments and those arising from other obligations.

Alan Prosser – Facilities & Finance Manager
31st March 2023

St John The Baptist Church
Statement of Financial Activities
for the year ended 31st December 2022

	<u>Restricted</u>	<u>Unrestricted</u>	<u>Year Ended</u> <u>31.12.2022</u>	<u>Period Ended</u> <u>31.12.2021</u>
Income from:				
Donations and legacies	-	71,254	71,254	100,915
Investment income	-	14	14	2
Charitable activities	99,873	3,459	103,332	389,934
Other trading activities	-	5,609	5,609	3,155
Other	-	7,058	7,058	13,403
Total Income	99,873	87,394	187,267	507,409
Expenditures:				
Raising funds	-	1,234	1,234	1,041
Charitable activities expenses	96,877	86,815	183,692	460,390
Other expenditure	-	4,841	4,841	1,340
Total Expenditures	96,877	92,890	189,767	462,771
Net income/(expenditure) resources before transfer	2,996 (	5,496) (	2,500)	44,638
Transfers				
Gross transfers between funds - in	-	2,996	-	-
Gross transfers between funds - out	(2,996)	-	-	-
Net movement in funds	(2,996)	2,996	-	-
Total funds brought forward	-	44,638	44,638	-
Total funds carried forward	-	42,138	42,138	44,638
Represented by				
Unrestricted fund				
General fund	-	42,138	42,138	44,638
	-	42,138	42,138	44,638

St John The Baptist Church
Analysis of income and expenditure
for the year ended 31st December 2022

	<u>Restricted</u>	<u>Unrestricted</u>	<u>Year Ended</u> <u>31.12.2022</u>	<u>Period Ended</u> <u>31.12.2021</u>
Income				
Donations and legacies				
Cash donations	-	6,086	6,086	2,043
Donations and legacies	-	1,611	1,611	20,446
Gift Aid received on donations	-	17,117	17,117	8,958
Giving station	-	2,865	2,865	642
Regular giving	-	36,372	36,372	63,566
Special collections	-	1,864	1,864	1,095
Stewardship/CAF donations	-	1,648	1,648	3,871
Sundry receipts	-	355	355	50
Website special events	-	2,475	2,475	-
Website giving	-	861	861	244
	-	71,254	71,254	100,915
Investment income				
Bank interest	-	14	14	2
	-	14	14	2
Charitable activities				
Clergy fees received	-	1,284	1,284	497
Fundraising events	-	733	733	-
Kids ministry income	-	1,442	1,442	-
SDF Income grant	99,873	-	99,873	389,437
	99,873	3,459	103,332	389,934
Other trading activities				
Car parking fees	-	4,966	4,966	1,236
Premises hire	-	643	643	1,919
	-	5,609	5,609	3,155
Other				
Furniture sale	-	-	-	4,820
Insurance pay out	-	7,058	7,058	8,583
	-	7,058	7,058	13,403
Total Income	99,873	87,394	187,267	507,409

St John The Baptist Church
Analysis of income and expenditure
for the year ended 31st December 2022

Expenditures	<u>Restricted</u>	<u>Unrestricted</u>	<u>Year Ended</u> <u>31.12.2022</u>	<u>Period Ended</u> <u>31.12.2021</u>
Raising funds				
Advertising	-	1,234	1,234	1,041
	-	1,234	1,234	1,041
Charitable activities expenses				
AV/IT equipment	-	1,762	1,762	95,890
Building and refurbishment project	13,482	-	13,482	153,750
Christmas	-	1,224	1,224	18
Cleaning and waste expenses	-	3,970	3,970	687
General ministry	-	1,427	1,427	-
Hospitality	-	1,270	1,270	2,230
Insurances	-	4,942	4,942	5,151
Insured burglary items	-	7,059	7,059	6,571
Kids ministry	-	2,951	2,951	3,351
General administrative expenses	-	2,373	2,373	1,876
Organ maintenance	-	555	555	810
Parish fees paid to Diocese	-	659	659	-
Parish share	-	31,992	31,992	7,998
Pastoral team	-	1,990	1,990	-
Recurring office expenses	-	2,831	2,831	2,032
Repairs and maintenance	-	14,585	14,585	33,467
SDF Clergy expenses	2,306	-	2,306	4,854
SDF Salaries and pensions	81,089	-	81,089	130,271
St Johns external giving/ mission	-	1,021	1,021	1,431
Sundry expenses	-	500	500	-
Staff costs	-	-	-	5,966
Training	-	-	-	192
Utilities	-	5,704	5,704	3,845
	96,877	86,815	183,692	460,390
Other expenditure				
Accountancy	-	700	700	950
Contactless fees/ website fees	-	154	154	-
Copyright	-	636	636	135
Guest speaker fees and expenses	-	2,001	2,001	-
Organ playing fees	-	645	645	-
Other professional services	-	705	705	255
	-	4,841	4,841	1,340
Total Expenditures	96,877	92,890	189,767	462,771
Net Income/(Expenditure)	2,996 (	5,496) (	2,500)	44,638

St John The Baptist Church
Balance Sheet
As of December 31, 2022

	<u>Restricted</u>	<u>Unrestricted</u>	<u>Year Ended</u> <u>31.12.2022</u>	<u>Period Ended</u> <u>31.12.2021</u>
Fixed Asset				
Cash at bank and in hand				
Checking (5280)	-	11,375	11,375	15,294
Savings (5168)	-	30,015	30,015	30,002
Petty cash	-	165	165	-
St Michaels account	-	-	-	42
	-	41,555	41,555	45,338
Debtors				
Debtors	-	9,315	9,315	250
Prepayments	-	80	80	-
	-	9,395	9,395	250
Creditors				
Accruals	-	8,812	8,812	950
	-	8,812	8,812	950
Total net assets (liabilities)	-	42,138	42,138	44,638
Charity funds				
Surplus/(Deficit)	-	42,138	42,138	44,638
Total Charity funds	-	42,138	42,138	44,638

St John The Baptist Church
for the year ended 31st December 2022

Notes to the Financial Statements

1) Accounting Policies

a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Financial reporting standard 102 – reduced disclosure exemptions

The charity has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 'The Financial Standard applicable in the UK and Republic of Ireland':

- The requirement of Section 7 Statement of Cash Flows.

Taxation

The charity is exempt from tax in its charitable activities.

b) Funds

General funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available by approval for 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 in law. They do not include the accounts of church groups that owe their main affiliation to another body, nor those that are informal gatherings of Church members.

c) Incoming Resources

Voluntary income and capital sources

Collections are recognised when received by or on behalf of the PCC.

Planned giving receivable under covenants is recognised only when received.

Income tax recoverable on covenants or gift aid donations is recognised when the income is received.

Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the PCC is reasonably certain.

d) Resources Used

Costs of generating funds

These include the costs of any fund-raising activities.

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 paid.

Governance costs

These represent the cost involved in running and staffing the church office. The independent examiner has kindly waived his entitlement to any fees.

St John The Baptist Church
for the year ended 31st December 2022

e) Fixed Assets

Consecrated land and buildings and moveable church furnishings

Consecrated and benefice property is excluded from the accounts by s.96(2)(a) of the Charities Act 2011.

No value is placed on moveable church furnishings held by the churchwardens on special trust for the PCC, which require a Faculty approval for disposal and which the PCC considers to be inalienable property, since insufficient cost information is available to value such assets in the accounts.

All expenditure incurred during the year on consecrated or beneficed buildings, individual items under £1,000 or on the repair of moveable church furnishings acquired is written off.

f) Current assets

Amounts owing at 31 December in respect of fees, rents or other income due are shown as debtors less provision for amounts that may prove uncollectible.

Short-term deposits include cash held on deposit at the bank.

2) Trustee Expenses

No trustee received any remuneration for services provided to the charity in the year other than those disclosed in the Related Party note.

3) Staff Costs

<u>Year Ended</u> <u>31.12.2022</u>	<u>Period Ended</u> <u>31.12.2021</u>
£	£
Wages and salaries including Social Security costs	78,022
Staff pension	3,067
	125,552
	4,719

St Johns The Baptist Church employed 5 staff members during the year. No employee received any benefits other than that of a pension.

5) Debtors

	<u>Restricted</u>	<u>Unrestricted</u>	<u>Year Ended</u> <u>31.12.2022</u>	<u>Period Ended</u> <u>31.12.2021</u>
			£	£
Debtors	-	9,315	9,315	250
Prepayments	-	80	80	-
	-	9,395	9,395	250

6) Liabilities: Amounts falling due with one year

	<u>Restricted</u>	<u>Unrestricted</u>	<u>Year Ended</u> <u>31.12.2022</u>	<u>Period Ended</u> <u>31.12.2021</u>
			£	£
Accrual	-	8,812	8,812	950
	-	8,812	8,812	950

7) Analysis of Net Assets by Fund

	<u>Restricted</u>	<u>Unrestricted</u>	<u>Year Ended</u> <u>31.12.2022</u>	<u>Period Ended</u> <u>31.12.2021</u>
			£	£
Current Assets	-	50,950	50,950	45,588
Current Liabilities	-	8,812	8,812	950
	-	42,138	42,138	44,638

8) Related Party Disclosure

During the year the charity paid a salary of £10,000 to Mrs L Saville with pension contributions totalling £59 for her acting role as Community Pastor since September 2022. Mrs L Saville is a Trustee.

Independent Examiner's Unqualified Report

St John The Baptist Church

Independent Examiner's Report to the Trustees

I report on the financial statements of the Trust for the period ended 31 December 2022 set out on pages 1 to 13.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of financial statements. The charity's trustees consider that an audit is not required for this year under Section 144(2) of the Charities Act 2011 ('the 2011 Act') and that an independent examination is needed.

It is my responsibility to:

- * examine the financial statements under section 145 of the 2011 Act;
- * to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b)^ of the 2011 Act; and
- * to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

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

a) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the 2011 Act; and
- to prepare financial statements which accord with the accounting records and comply with the accounting requirements of the 2011 Act;

have not been made or

b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



J P Francis FCA
1386 London Road
Leigh on Sea
Essex, SS9 2UJ

Date: 31st March 2023