

St. John the Baptist Church

Chipping Sodbury

Financial statements 2022

Prepared by: Richard J C Gilpin
Treasurer

St John the Baptist Church Chipping Sodbury Financial Review 2022

Notes to the Financial Statements for the year ended 31st December 2022

1. Basis of accounting for investment funds

The investments held in the CBF UK Equity and Global Equity funds are included in the balance sheet at market value. When funds are withdrawn the profit/loss element will be transferred into the receipts and payments account.

2. Financial results

The financial results for the year show a surplus of £1,081.64. (2021 £6,789). In difficult financial circumstances a satisfactory positive result albeit down on the previous year.

This main highlights are:

- Planned giving increased by £4,753 over the previous year following a concerted campaign to increase our voluntary income.
- Fees for weddings and funerals increased by over £1,000 reflecting the use of the church for such events.
- An increase in donations received from £4,340 to £6,060 for the year.
- Maintaining our parish share contribution at £46,073 being 100% of our allocation.v

However, it should be noted that no grant was received during the year towards of the cemetery. After discussions with Sodbury Town Council it is expected that the 2022 contribution will be received early in 2023 for £2,000. A further application will be made in the 2023 round of grants from the council.

The need for both the Church and the Church centre for capital expenditure to maintain and repair the buildings remains in the immediate future. There has also been limited fund raising activities.

Total expenditure has been reduced during the year from £86,542 in 2021 to £79,373. A commendable effort by all those concerned. Our income at £80,454 continues to barely cover our expenditure and given that there is little scope to reduce costs further, the PCC will need to continue to encourage further stewardship and hold more fund-raising activities.

Net assets as at 31 December 2022 totalled £41,639 (2021 £41,281).

Income and running expenses for the church centre continue to be shared around the benefice with St John's Chipping Sodbury's share being 60%. This is included within the accounts for the year.

These accounts have been prepared in accordance with the Church Accounting Regulations 2006. In accordance with guidance received these accounts are on a receipts and payments basis.

The financial statements include transactions for which the PCC is responsible but does not include the accounts of other related bodies such as Mothers Union and the Bell Ringers which have their own independent accounts.

The PCC has designated various activities including the Crib Festival, Traidcraft, and Storkies. The PCC in all cases uses any surpluses to support the day-to-day activities of the church running costs. No designation was made for the Journey to Christmas which replaced the Crib Festival in 2021.

The accumulated reserve for the Crib Festival of £17,436 is shown in these accounts. With the festivals demise this will be incorporated into the general funds of the church in 2023.

Traidcraft has unfortunately gone into liquidation and ceased trading. Our existing stock can be sold and the profits retained but this source of income will now come to an end.

Designated funds differ from restricted funds. Designated funds are intended for use for the associated activity but can be transferred back into the general funds at any time. Restricted funds must be used for the purpose for which the funds were given or donated. As at 31st December 2022 the Church reordering Church Major repairs and Gifts collected funds are restricted.

3. Staff pensions

The PCC of St John the Baptist Church Chipping Sodbury participates in the Pension Builder Scheme section of Church Workers Pension Fund ('CWPF') for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The Church Administrator is a member of the Church Workers Pension Fund (CWPF) and we also make employer contributions. The church office cleaner is not automatically enrolled but has been given the option to join voluntarily. The cleaner was not a member as at 31st December 2021.

The CWPF has two sections: (1) the Defined Benefits Scheme and (2) the Pension Builder Scheme, which has two subsections (a) a deferred annuity section known as Pension Builder Classic and (b) a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

Both sections of the Pension Builder Scheme both are classed as defined benefit schemes.

Pension Builder Classic provides a pension, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending upon the investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared, is payable, unreduced, from age 65.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the Receipts and Payments account in the year are the contributions payable (2021 £250, 2020 £250).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent was carried out as at 31 December 2019. The next valuation is due as at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review, the Board chose to grant a discretionary bonus of 3% following improvements in the funding position over 2021. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, The PCC of St John the Baptist Church, Chipping Sodbury could become responsible for paying a share of that employer's pension liabilities.

4. Planned Giving

Planned giving received increased by £4,754 in 2022.

	2021	2022
	£	£
Parish Giving Scheme	17,484	24,442
Standing Orders	17,314	15,110
	34,798	39,552

5. Income tax recovered

Income tax recovered from during the year amounted to £10,537 (2020 £11,542) and emanated from both the Parish Giving Scheme and from locally administered gift aid.

6. Grants received.

The following grants were received during the year.

	2021	2022
	£	£
Sodbury Town council - Grass cutting	2,000	0
The National Heritage Lottery Fund	13,500	1,500
	15,500	1,500

Charitable giving

Only one charitable gift was made during the year as listed below. As in 2021 it was decided not to make any charitable donations in 2022 until the financial position is on a more sustainable basis.

	2021	2022
Regenerate	360	360
Top up gift		24
Total	210	384

END OF REPORT

**Independent Examiner's report to the
PCC of ST John the Baptist, Chipping Sodbury.**

This report on the financial statements of the PCC for the year ended 31 December 2022, set out as attached, is in respect of an examination carried out in accordance with the Church Accounting Regulations 2006 ('the regulations') and S.43 of the Charities Act 1993 ('the Act').

Respective responsibilities of the PCC and the examiner

As members of the PCC you are responsible for the preparation of the financial statements: You consider that the audit requirement of the Regulations and s.43 (2) of the Act does not apply. It is my responsibility to issue this report on those financial statements in accordance with the terms of the Regulations.

Basis of this report

My examination was carried out in accordance with General Directions given by the Charity Commission under s.43 (7) b of the Act and to be found in the Church Guidance, 2006 edition. That examination includes a review of the accounting records kept by the PCC and a comparison of the accounts with those records. It also includes considering any unusual items or disclosed 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 consequentially I do not express an audit opinion on the view given by the accounts.

Independent examiners statement

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

- 1) which gives me reasonable cause to believe that in any material respect the requirements to keep accounting records in accordance with section 41 of the Act; and to prepare financial statements, which accord with the accounting records and comply with the requirements of the Act and the Regulations have not been met; or
- 2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

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Dated/...../2023