



The Diocese of St Edmundsbury & Ipswich

ANNUAL REPORT

and

FINANCIAL STATEMENTS

of the

PAROCHIAL CHURCH COUNCIL

of

ST JOHN THE DIVINE, ELMSWELL

for the

YEAR ENDED 31 DECEMBER 2021



GENERAL INFORMATION

Website:	www.stjohnselmswell.org.uk
Facebook Page:	www.facebook.com/stjohnselmswell
Church address:	St John the Divine Church Road Elmswell Bury St Edmunds Suffolk IP30 9DZ
Rector:	The Revd Peter Goodridge The Rectory, Church Road Elmswell Bury St Edmunds Suffolk IP30 9DY
Secretary:	Mrs Jean Folkard 10 Warren Close Elmswell Bury St Edmunds Suffolk IP30 9DS
Treasurer:	Mr Michael Schofield Minerva Fairmead Elmswell Bury St Edmunds Suffolk IP30 9HT
Bank:	HSBC Bank plc 54 Abbeygate Street Bury St Edmunds Suffolk IP33 1LJ
Independent Examiner:	Mr Mike Smith Bay Tree House The Street Badwell Ash Suffolk IP31 3DG

The Parochial Church Council (PCC) is a charity exempted from registration with the Charities Commission.

Elmswell Church Land Charity (255055) and The Friends of St John's Church - Elmswell (1083116) are associated registered charities who provide financial support to the PCC. Further details of these charities can be found in the Notes to the Financial Statements – see near the end of the report.

ANNUAL REPORT OF THE PAROCHIAL CHURCH COUNCIL

AIMS AND OBJECTIVES

The Parochial Church Council has the responsibility of co-operating with the Rector in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical.

At St John’s Church our aim is **to know Christ and make him known** as we

- 1. demonstrate God’s love to the world
- 2. declare the good news of Jesus Christ
- 3. depend on God as part of His family

MEMBERSHIP OF THE PAROCHIAL CHURCH COUNCIL (PCC)

Clergy:

Rector - The Revd Peter Goodridge
Curate - The Revd Ernest Okeke (until August 2021)

Term of office ends

Churchwardens:

Mr Michael Brown (Vice-Chairman)	May 2022
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Deanery Synod Representatives:

Mrs Linda Barber	31 May 2023
Mrs Carol Blissett	31 May 2023
Mrs Margaret Hitchins	31 May 2023

Elected Members:

Mr Eddie Barber	APCM 2022
Mrs Kathleen Rust	APCM 2022
Vacant	APCM 2022
Mr Derek Folkard	APCM 2023
Mrs Jean Folkard (Secretary & Electoral Roll Officer)	APCM 2023
Mrs Alex Cubbitt	APCM 2023
Mrs Janet Baker	APCM 2024
Mr Michael Schofield (Treasurer)	APCM 2024

STRUCTURE

Members of the PCC are either ex-officio or elected at the Annual Parochial Church Meeting (APCM) and in accordance with Church Representation Rules (Rule 16 [1]) one third of the members of the Parochial Church Council are required to retire each year but may stand for re-election.

Standing Committee

This is the only committee required by law. It has the power to transact the business of the PCC between its meetings, subject to any directions given by the Council.

CHURCH MEMBERSHIP

There are 81 parishioners on the Church Electoral Roll (2020 – 89) of whom 10 are not resident in the parish.

REVIEW OF THE YEAR

Parochial Church Council (PCC)

The PCC met 5 times (3 times using Zoom) during the year, with over 90% attendance. Meetings of the International & UK Mission Committee were suspended due to the pandemic, but the Social, Outreach & Fundraising Team (SOFT) met several times (sometimes on Zoom) and minutes of their meetings were reported to the PCC as were those of the committee of Christians Together in Elmswell, of which St John's is a member.

Worship: St John's continues to be a diverse congregation made up of all ages with a range of worship styles. The normal service pattern was disrupted between January and March 2021 due to the national lockdown. St John's continued to worship online using Facebook and YouTube and sometimes Zoom. The two services of Night Prayer during the week finished in June 2021. From Easter Day onwards, we have been back to worshipping in person with just one main service at 10:30am. The service is also streamed and put on DVD (with between 7 to 16 people watching online). Social distancing and other precautions were in place in church during this period. Singing was not permitted between April and July. Sunday school continues to meet weekly in term time at 9:30am (except on the first Sunday in each month, when the service is all age). The Messy Church fresh expression of Church did not meet during 2021.

During October, the month used for Diocesan statistics, the average attendance in church was 36 adults and 2 under 16's. There were also approximately 10 individuals joining online or watching later and 8 children attending Sunday school (which met twice in October on Zoom).

A special Ash Wednesday card and stone marked with an ash cross were delivered to the congregation for Lent. The Maundy Thursday and Ascension Day special services were run online only. Other special services did take place in church – including Harvest, Christians Against Poverty Mission Sunday, Time to Remember, Remembrance Day, Carols by Candlelight, Christmas Eve Nativity, Midnight in Bethlehem and Christmas Day. Harvest and Christmas visits from the primary school and Little Elms (nursery) were, sadly, not held. However, Year 5 and 6 came to church for Discover Advent (a creative way of reflecting on the Christmas Story) in December. Open the Book remained on hold, but the Rector managed to visit the school twice to run assemblies. It was lovely to have five weddings/blessings and four baptisms during the year.

Weekly prayer meetings and 3 Bible Study groups continued to meet online (one group occasionally in person). The online weekly "Coffee and Chat" came to an end in April. Zoom Sunday School continued, attracting over 10 children in the late spring and has continued to provide teaching and fellowship for our children.

Fund raising events were limited, but included an online Variety & Spice entertainment evening, 2 quiz nights (on Zoom) and a concert by Nutz and Boltz in church.

At the end of August our curate, Ernest Okeke, departed to take the post of Rector at Coalbrookdale and Ironbridge. Ernest had been with us since July 2017. He and the family will be sorely missed.

Mission and support agencies supported in 2021 were primarily the Stowmarket Foodbank, Christians Against Poverty, Tearfund, Suffolk Historic Churches Trust and a schoolchild in Cambodia is being sponsored with donations from congregation members.

The Friends of St John's, which has raised over £50,000 for the Fabric of the church since 1995 sadly was unable to hold many activities in 2021.

Christians Together in Elmswell includes St John's, the Baptist Church and some members of Norton Salvation Army. The Good Friday service was online, the Pentecost service in St John's and Carol singing with the SA band was held on the Green. Bible Society Christmas story booklets were again distributed to the children at the primary school.

Summary: Due to the Coronavirus pandemic, 2021 was another peculiar year with many challenges. It was good to resume a more normal pattern of services during the year, but social events and coffee after services remained limited. Online provision of services and small groups continues. The ever-increasing parish share remains our greatest challenge – we missed the target by £12,000. Elmswell continues to be a growing village and we look to God as we continue to serve Him faithfully, praying we will bring Him glory in all we do.

FINANCIAL REVIEW

Coronavirus Pandemic

St John's was still affected financially by the Coronavirus Pandemic during 2021 but showed a considerable increase in the level of collections in Church which marginally surpassed the figure in 2019. However, planned giving was reduced by 10% and figures for donations and non-Gift Aid giving were similarly reduced.

Parish Share

The major expense each year continues to be the Parish Share, which is St John's contribution to the Diocesan Purse. We were only able to pay off £57,116 from the 2021 Parish Share leaving a shortfall of £12,000. The Parish Share for 2022 has increased by £800 (1.16%) to £69,916. Without a further drawdown of capital (which I would be reluctant to suggest) we will struggle to meet this target without substantial further sources of income.

Donations – Contactless, Online and CAF

In 2021, we received £561 (after charges) in donations via the contactless giving machine, a considerable increase from 2020.

We also received donations via an online giving webpage (Virgin Money) worth £410 but this service has now been ceased by the company. We also continue to receive a number of donations through the giving scheme Charities Aid Foundation (CAF).

Fabric Fund

As Chris reported last year, the very generous legacy we received has been paying interest to the St John's Fabric Fund and in the first full year of payment (2021) we received a total of just under £12,000 as opposed to just £3,000 in 2020. I would expect this level of income to increase as the value of the Fund has increased and now stands at £469,000 compared with its value at the end of 2020 of £410,000. There was a surplus of income over expenditure in the year of £5,500 even allowing for recharging the cost of utility bills to the account.

In addition, we have been advised by CPAS that we could hold the Martyrs' Memorial Fund (present value - £285,000) under our own name which would mean we would no longer need their permission should we wish to use any of the capital for major projects. The value of this fund also increased considerably within the year from a figure of £254,000 in 2020.

Defibrillator

A £600 donation was received in January 2020 from Mid-Suffolk District Council towards the installation of a defibrillator and the church entrance. This together with the £1,000 donation from the Elmswell Firefighters in 2019 provides a good start to our fundraising to install this, which we hope can be actioned during 2022. We also received a pledge of a further £900 from our District Councillor in the autumn.

Bank Charges

Unfortunately, our bank, HSBC, imposed a regime of charges on all community or charity accounts from December 2021. Whilst the amount will vary, an estimate is at least £10 per month for our main account and £5 per month for each of our other two accounts. Very few other banks offer free accounts and those that do are currently not accepting transfers! I will review the situation during the year.

Fundraising

Unfortunately, 2021 fundraising was also hit by the Coronavirus Pandemic and we were again severely restricted in the fundraising events we could hold but did manage a small increase in income. We managed to hold two successful quiz evenings, both virtually on Zoom, a Variety & Spice evening and a combined cake and book sale all of which together raised over £1,600 for church funds.

Message from Mike

As you will be aware, this will be my first year completing the accounts for St. Johns and whilst the process of taking control has been somewhat torturous, I do now have full access to our accounts and should be able to submit Gift Aid claims to HMRC. I should like to thank the previous treasurer, Chris, for all his help and forbearance during both the period of delay in taking over, caused by my illness and during the lengthy process of becoming an 'authorised person' for our bank accounts.

Mike Schofield, St John's Treasurer, February 2022.

RISK ASSESSMENT

The PCC has previously carried out a detailed review of the church's activities (as Charity Trustees) and produced a comprehensive, strategic plan setting out the major opportunities available to the Church and the risks to which it is exposed. The PCC monitors progress against the strategic objectives set out in the plan at each meeting and a comprehensive review of the plan is carried out annually. As part of this process the PCC has implemented a risk management strategy which covers:

1. **Financial Risks** – this is the most common risk to be managed through budget, internal audit and proper financial procedures.
2. **Reputational Risk** – unwelcome publicity which hinders the mission of the Church.
3. **Statutory and Legal Requirements** - to cover health and safety, employment law, child protection and associated difficulties which could lead to compensation claims.
4. **Operational Risk** – threats to the Church's ability to deliver its objectives.

The PCC (as Charity Trustees) have established systems and procedures to mitigate those risks identified in the plan through recording, PCC authorisation and review. The PCC is satisfied the above risks have been reduced to their minimum, by systematic consideration and assessment regarding both the level of risk and the Health and Safety procedures relating to each of the above areas.

FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020
INCOME AND EXPENDITURE ACCOUNT FOR THE GENERAL PURPOSES FUND

<u>General Purposes Fund</u>	2021		2020	
<u>INCOME</u>	£	£	£	£
Voluntary income				
Planned giving (Gift Aid)	21,449		23,780	
Other planned giving (no Gift Aid)	2,570		3,210	
Collections	7,007		1,855	
Donations	2,035		3,116	
Income Tax recovered	7,167		7,420	
Virgin Money	410		703	
CAF Donations	2,000		1,600	
Contactless Giving	561		154	
Legacies	0		-	
Grants	0		-	
Restricted donations for parish projects	0		600	
Other Restricted donations	<u>656</u>		<u>541</u>	
		43,855		42,979
Activities for generating funds				
Church Room lettings	-		-	
Fund raising events	<u>1,691</u>		<u>1,326</u>	
		1,691		1,326
Income from church activities				
Fees		3,768		1,380
Income from investments				
Diocesan Trust Fund	931		936	
Martyrs Memorial & Church of England Trust Fund	<u>7,311</u>		<u>7,950</u>	
		8,242		8,886
Miscellaneous		-		-
TOTAL INCOME		57,556		54,571
		2021		2020

EXPENDITURE

	£	£	£	£
Fund raising costs				213
Church activities				
Charitable donations	654		410	
Deanery expenses	0		0	
Diocesan Parish Share	57,116		70,442	
Clergy expenses	1,539		1,504	
Church running expenses	55		2,271	
Church maintenance	35		293	
Cost of services	557		651	
Upkeep of churchyard	14		90	
Bank Charges	14		-	
Mission	<u>7</u>		<u>19</u>	
		59,991		75,680
Administration		552		433
Parish projects				
Roofing Projects	<u>0</u>		<u>1,003</u>	
		0		1,003
TOTAL EXPENDITURE		60,543		77,329
Surplus/deficit for the year		(2,987)		(22,758)
Cashflow reconciliation:				
Balance at HSBC Bank account at 1 January 2021		9,420		7,178
Capital Added				25,000
Balance at HSBC Bank account at 31 December 2021		6,433		9,420

INCOME AND EXPENDITURE ACCOUNT FOR THE FABRIC FUND

Fabric Fund

	2021		2020	
	£	£	£	£
<u>INCOME</u>				
Voluntary income				
Donations	0		0	
Friends of St John's	<u>0</u>		<u>0</u>	
		0		0
Income from investments				
Dividend Income from New Investment		11,922		2,953
TOTAL RECEIPTS		11,922		2,953
<u>EXPENDITURE</u>				
Church activities				
Insurance	2,345		2,290	
Repairs to Church Fabric	4115		<u>973</u>	
Bank Charges	<u>5</u>		-	
		6,465		3,263
TOTAL PAYMENTS		6,465		3,263
Surplus/(Deficit) of Receipts over Payments		5457		-310
Balance at HSBC Bank & CAF Bank accounts at 1 January 2020		1,029		1,339
Balance at HSBC Bank account at 31 December 2020		6,486		1,029

The Church of England Central Board of Finance investments for the Fund are as follows:

Deposit Fund	Value at 31 December 2021 - £469,161	(2020 – £410,182)
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**INCOME AND EXPENDITURE ACCOUNT FOR THE MARTYRS MEMORIAL
& CHURCH OF ENGLAND TRUST FUND**

Endowment Fund

	2021	2020
	£	£
INCOME		
Dividend Income	7,311	7,950
TOTAL INCOME	7,311	7,950
EXPENDITURE		
General Purposes Fund	7,311	7,950
TOTAL EXPENDITURE	7,311	7,950

The Church of England Central Board of Finance investments for the Fund are as follows:

Investment Fund	11,192.01 shares	Value at 31 December 2021 - £262,096	(2020 - £229,294)
Fixed Interest Securities	14,828.48 shares	Value at 31 December 2021 - £23,481	(2020 - £25,025)

INCOME AND EXPENDITURE ACCOUNT FOR THE DIOCESAN TRUST FUND

Endowment Fund

	2021	2020
	£	£
INCOME		
Dividend income	931	936
TOTAL INCOME	931	936
EXPENDITURE		
General Purposes Fund	931	936
TOTAL EXPENDITURE	931	936

The Church of England Central Board of Finance investments for the Fund are as follows:

Investment Fund	1,348.94 shares	Value at 31 December 2021 - £31,547	(2020 - £27,581)
Fixed Interest Securities	2,912.94 shares	Value at 31 December 2021 - £4,602	(2020 - £4,927)

INCOME AND EXPENDITURE ACCOUNT FOR ELMSWELL CHURCH LAND CHARITY

Registered Charity no. 255055

	2021	2020
	£	£
INCOME		
Elmswell Poor's Land Charity	194	192
Investment income:		
Charity Commissioners	167	164
TOTAL INCOME	361	356
EXPENDITURE		
Repair to North Aisle Roof Ecclesiastical Policy Excess	0	129
Elmswell Poor's Land Charity	0	1
Bank Charges	5	-
TOTAL EXPENDITURE	5	130
Surplus/(Deficit) for the year	356	226
Balance at HSBC Bank account at 1 January 2020	1,151	925
Balance at HSBC Bank account at 31 December 2020	1,507	1,151

The COIF Charities investments for the Charity are as follows:

Investment Fund	317 Income Units	Value at 31 December 2021 - £6,520	(2020 - £5,710)
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STATEMENT OF ASSETS AND LIABILITIES AT 31 DECEMBER 2021

DESIGNATION OF FUNDS	Unrestricted Funds		Restricted Funds	TOTAL £
	Designated	Undesignated		
Elmswell Church Land Charity (Registered Charity no. 255055)			1,507	1,507
Fabric Fund			6,486	6,486
General Purposes Fund		4,224	2,209	6,433
The CBF Church of England Deposit Account			45	45
TOTAL	0	4,224	10,247	14,471

MONETARY ASSETS	Cash	The CBF Church of England Deposit Account	HSBC Bank	TOTAL £
Elmswell Church Land Charity (Registered Charity no. 255055)			1,507	1,507
Fabric Fund			6,486	6,486
General Purposes Fund			6,433	6,433
The CBF Church of England Deposit Account		45		45
TOTAL	0	45	14,421	14,471

The *NOTES TO THE FINANCIAL STATEMENTS* on Page 11 form part of these financial statements.

**Approved by St John's Parochial Church Council on 21 March 2022
and signed on its behalf by:**

.....Chairman..... Treasurer

(The Revd. Peter Goodridge)

(Michael Schofield)

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES OF THE PAROCHIAL CHURCH COUNCIL (PCC)

The Financial Statements have been prepared in accordance with the Church Accounting Regulations 2006 using the accruals basis and comply with the Charities Act 2011 (SORP 2010).

Funds

The General Purpose Fund represents funds of the PCC that are not subject to any special restrictions regarding their use and are available for application to the general purposes of the PCC. These include funds designated for a particular purpose by the PCC.

The accounts include monetary transactions, assets and liabilities for which the PCC can be held responsible. They do not include the accounts of other Church groups that owe an affiliation to another body, nor those that are informal gatherings of Church members.

Statement of Assets and Liabilities

The following assets are recognised but not valued in the Statement of Assets and Liabilities:

- Moveable church furnishings held by the churchwardens on special trust for the PCC and which require a faculty for disposal.
- Land and buildings held on behalf by the PCC.
- Other fixtures and fittings where the PCC is free to dispose of such assets without faculty and where the original cost exceeded £1,000.

2. ENDOWMENT FUNDS

The following are capital funds and the PCC may only use the income generated from these investments:

▪ Martyrs Memorial & Church of England Trust Fund

This fund represents the proceeds of the sale of the old Church Hall in School Road in 1988, after deduction of expenses incurred following the re-ordering at the West end of the church in 1993 when the Church Room, Balcony, Kitchen and Toilet were built. The balance to be retained as capital with the PCC able to use the investment income for general purposes or for the maintenance of the fabric. At one time part of this income was reinvested but the current financial situation no longer allows this.

A special exception was made in 2000 when the PCC was granted permission to temporarily withdraw £10,000 capital from the Fund due to the urgent need to carry out repairs to the chancel roof. Thanks to fund raising and the provision of grants the capital was repaid in 2001.

A further exception was made in 2017 when the PCC was granted permission to withdraw £25,000 capital from the Fund due to the urgent need to carry out repairs to the chancel roof.

A further exception was made in 2020 when the PCC voted to withdraw a further £25,000 capital from the Fund due to Coronavirus Pandemic.

▪ Diocesan Trust Fund

This fund comprises money given to St John's with specific instructions that it be retained as capital with the PCC able to use the investment income for general ecclesiastical purposes or for the maintenance of the fabric of the church. There was no further investment in The Church of England Central Board of Finance Investment Fund during 2021.

▪ Fabric Fund Trust Fund

In 2020 St John's was left a legacy of £389,902 and, whilst The PCC are not entitled to the Capital for 88 years, the income the investment generates is restricted for the upkeep of the Church Fabric. The interest is paid directly into the Fabric Fund.

CONNECTED CHARITIES

- **The Friends of St John's Church - Elmswell (*Registered Charity No. 1083116*)**

The organisation raises funds for the upkeep of the church building. The PCC Fabric Fund for 2018 shows an income of £2,000 from The Friends of St John's Church – Elmswell. There was no income from The Friends in 2019 or 2020. The accounts are not included in the PCC's financial report as they are a registered charity in their own right and make their own return to the Charities Commission.

- **Elmswell Church Land Charity (*Registered Charity No. 255055*)**

A charity set up in 1898 for the maintenance of the fabric of the Parish Church of Elmswell, inclusive of the tower, but exclusive of the chancel.

3. PAYMENTS TO TRUSTEES

Any payments made to Trustees (PCC Members) solely relate to reimbursement of expenses incurred in respect of the administration of St John's Church PCC.

4. The FABRIC FUND includes a balance of £107 in respect of the Handbells Account.

**Independent Examiner's report to:
The Parochial Church Council ("PCC") of St John the Divine Church, Elmswell.**

I report on my examination of the accounts for the year ended 31 December 2021.

Responsibilities and basis of report

The members of the PCC are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act'). I report in respect of my examination of the accounts 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 as required by section 130 of the Act; or
2. the accounts do not accord with those records.

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.

Signed:



Name: Michael R Smith

Address: Bay Tree House, The Street, Badwell Ash. IP31 3DG

Date: 30 MARCH 2022