

# **Holy Trinity Church, Frome**

## **End of Year Financial Statements**

**31 December 2021**

## • FINANCIAL REVIEW

This report covers the financial year and calendar year 2021. This year will again be remembered for the impact of the COVID-19 pandemic, as was 2020, which continued to affect every single aspect of Holy Trinity's significant spectrum of activities from Praise and Worship, Toddlers and through to Finances. While the Government's assistance schemes again helped our Staff costs, particularly the Children and Youth Fund, and the Bridge Fund with assistance to small businesses, the General Fund suffered even more significantly than in 2020 from reduced offerings.

Total receipts on the ordinary unrestricted fund, which represent the General Fund only, were £116,679 and are detailed in the Financial Statements. For direct comparison purpose with year (2019) the unrestricted General Fund income was £164,346. Hence a reduction on income, 2021 cf 2019 of £47,667. Total expenditure in the year from such income amounted to £137,182. The largest item was our Parish Share of £97,554 which was paid to the Diocese of Bath and Wells to enable it to provide the parish with clergy and support services. The net result for these funds was a deficit of £20,503 compared with a surfeit of £23,626 in 2019 and surfeit of £25,615 in 2018. Government assistance to these costs in 2021 was £1,778 from Staff Furlough schemes.

Designated Funds total receipts were £37,802 and expenditure was £53,163 resulting in a deficit of £15,361. These figures cover all designated Funds held by Holy Trinity. The funds mostly affected are the Hall; lack of rental income, the Nurse; little income just expenditure, the Bridge; income affected by Covid. However, it must be realised that when Andrew and Elizabeth Alden were appointed to be Young Adults Ministry representatives in Frome and surrounding villages then Holy Trinity was asked to hold a Fund for their work. This Fund, YAM can be seen as having a 2021 income of £8,338 and expenditure of £51. This Fund is in the process of being handed to the Deanery for management and accounting. These figures are not included in the Designated Funds amounts noted above, but are included in the detailed accounts.

Restricted Funds, which are; Children & Youth, Debt Centre, Fabric and the Redevelopment Funds had an income of £51,190 and an expenditure of £37,761 resulting in a surfeit of £13,428. This surfeit is substantially due to Government Staff Furlough schemes which amounted to £9,920 into the Children and Youth and Debt Centre Funds

The PCC has continued its long-standing policy of giving (tithes) 10% of general income to mission which for 2021 has included support for ministry in Bitola, North Macedonia and our association with the fledgling evangelical church there through TEN, however charitable giving in 2021 has not reached that %age being at £8,791 compared with giving at £100,466.

Following the PCC decision to support the C & Y Fund by an amount of £350 per month from the General Fund, which commenced in October 2019 this fund has enjoyed an excess of income over expenditure, even more so with the Governments Staff Furlough scheme. Accordingly, it was decided to temporarily cease this support. Toddlers of course ceased to operate through substantial periods of 2021 and has consequently not provided Toddler's contribution of the usual £1,000 towards the C & Y fund.

The Fabric Fund has a negative balance of £6,432, this negative balance is slowly being reduced as income is realised from investment allocated only to Fabric, through 2021 this income amounted to £692

The Redevelopment (restricted) Fund was also resourced by a loan from The Diocese for £100,000 which is due for repayment over 10 years (2017-2027) repayments made to the end of this report period total £50,000. The redevelopment Fund stands at a negative £37,153 at the year-end which takes account of the outstanding £50,000 loan liability. Giving to the redevelopment fund has reduced as previously reported, however, following a lump sum given in 2021, we are now able to service the Diocesan Loan this year, 2022, but this will be a challenge to service from this fund, from 2023 onward.

The Bridge account had an income of £23,717 mostly due to a Government grant of £17,669. The Bridge expenditure was £27,633 almost entirely due to fixed costs, Rent and Maintenance, the PCC has decided to carry out significant maintenance at The Bridge through 2020 and into 2021, this maintenance cost was £19,064 during 2021. The Bridge management, led by John and Wendy Rootes have continued work when able to do so under the COVID-19 restrictions.

The Hall Fund income has significantly suffered due to COVID-19 restrictions resulting in a deficit of £5,393, while the Hall Hire Income runs the direct Hall expenses, as previously noted in my annual reports, the

General Church suffers cost for Administration and other aspects that are paid from our General Fund. The Hall is normally contra charged by the General Fund a sum to cover these appropriate costs.

### **Charitable Status**

Holy Trinity Church is registered with the Charity Commission as The Parochial Church Council of the Ecclesiastical Parish of Holy Trinity, Frome. Registered number 1129366.

### **Reserves Policy**

It is PCC policy to maintain a balance on unrestricted funds which covers three months of Parish Share payments to cover cash flow problems near the year end and to cope with unforeseen situations. Some funds are invested in CBF deposit funds. However, it can be realised from these accounts that the Church finances, having suffered due to COVID-19 comply with this policy, however, moving forward at the current level of Income and Expenditure this will be challenging within the next 15-18 months. The Diocese offered financial support to parishes suffering financially due to COVID-19 however Holy Trinity both decided not to apply for this support and indeed would almost certainly not have satisfied the qualifying criteria.

### **Outlook and Budget**

We will have to service the Diocesan Loan, for the TT-TL project, at a repayment rate of £10,000 per year for the next 5 years. We currently have no plan or pledges to cover this, however this fund is in credit and can currently service the next 1 + years.

The Children and Youth workers Fund is now significantly more secure following Government Staff Furlough schemes. The Toddler's fund is recovering as Toddler's activities have re-commenced.

Members should be aware that the Children and Youth and Debt Centre are separate funds, as is Redevelopment, and if not specifically noted and supported by your giving then they enjoy no other income, furthermore these are Restricted Funds and monies can only be spent on their defined purposes except in extreme circumstances.

The Church members' giving has been significantly affected by COVID-19 restrictions. It may be realised from these accounts that offerings on the plate each week as cash, totaled £26,925 in 2019 but only £7,281 in 2021, a reduction of £19,644, in addition standing orders and other regular giving reduced by £10,722. This also reduced Gift Aid reclaims by an amount of £6,369. These reductions total £36,735 being a significant reduction which affects the overall church activities and the reserves held in savings. Our Parish Share for 2021 was based upon reporting to the diocese completed in April 2020 covering the church attendance for the previous year, 2019 (pre-Pandemic). The Diocese decided this year, 2022 our Parish Share should remain substantially the same as 2021; while the financial outlook for 2022 remains acceptable, due to our reserves in the General Fund being £46,051 we look forward to church returning to normal and regular worshipping members numbers returning to pre COVID-19 level but more importantly the associated income returning. Current habits of not carrying cash and use of Card Payments have persuaded the PCC to install a Card Donation system which hopefully will help in recovering the lost income "on the plate"

As an aside a Legacy to a Registered Charity, such as Holy Trinity, can be a very efficient way to reduce Inheritance Tax rates, and provide funding to the charity, the legacy is therefore significantly greater than the drawdown on inherited assets, due to the remaining taxable inheritance being taxed at a reduced rate. If anyone is interested in this matter please talk with me.

18 January 2022

Chris Round,

Treasurer, HTC

On Behalf of the Parochial Church Council

Approved at PCC meeting held on 26 January 2022, conditional on Independent Examiner's report being unqualified.

**Statement of Financial Activities**  
**For the period from 01 January 2021 to 31 December 2021**

	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total funds	Prior year total funds
<b>Incoming resources</b>						
Incoming resources from generated funds						
Voluntary income	111,964	15,998	40,578	—	168,540	180,232
Activities for generating funds	1,879	10,196	—	—	12,075	9,127
Investment income	167	—	692	—	859	1,057
Incoming resources from charitable activities	891	—	—	—	891	951
Other incoming resources	1,777	19,946	9,920	—	31,644	24,463
<b>Total income</b>	<b>116,679</b>	<b>46,140</b>	<b>51,190</b>	<b>—</b>	<b>214,010</b>	<b>215,831</b>
<b>Resources used</b>						
Costs of generating funds						
Costs of generating voluntary income	—	—	346	—	346	699
Fundraising trading: cost of goods sold and other costs	—	731	—	—	731	661
Charitable activities	136,882	52,483	37,714	—	227,080	213,994
Other resources used	—	—	—	—	—	—
<b>Total expenditure</b>	<b>136,882</b>	<b>53,214</b>	<b>38,061</b>	<b>—</b>	<b>228,158</b>	<b>215,354</b>
<b>Net income / (expenditure) resources before transfer</b>	<b>(20,203)</b>	<b>(7,073)</b>	<b>13,128</b>	<b>—</b>	<b>(14,147)</b>	<b>477</b>
<b>Transfers</b>						
Gross transfers between funds - in	34	1,920	—	—	1,954	34,974
Gross transfers between funds - out	(300)	(1,654)	—	—	(1,954)	(34,974)
<b>Other recognised gains / losses</b>						
Gains / losses on investment assets	—	—	—	3,974	3,974	1,684
Gains on revaluation, fixed assets, charity's own use	—	—	—	—	—	—
<b>Net movement in funds</b>	<b>(20,469)</b>	<b>(6,807)</b>	<b>13,128</b>	<b>3,974</b>	<b>(10,172)</b>	<b>2,161</b>
<b>Reconciliation of funds</b>						
<b>Total funds brought forward</b>	<b>66,820</b>	<b>32,106</b>	<b>8,776</b>	<b>27,898</b>	<b>135,601</b>	<b>133,440</b>
<b>Total funds carried forward</b>	<b>46,351</b>	<b>25,298</b>	<b>21,905</b>	<b>31,873</b>	<b>125,428</b>	<b>135,601</b>
<b>Represented by</b>						
Unrestricted						
General fund	46,351	—	—	—	46,351	66,820
Designated						
Church Hall Revenue Fund	—	(9,173)	—	—	(9,173)	(3,780)
Fin Assistance to self empl	—	788	—	—	788	2,813
Parish Nurse	—	10,730	—	—	10,730	15,742
Parish Weekend away	—	—	—	—	—	34
The Bridge	—	6,915	—	—	6,915	10,532
Toddlers Fund	—	1,700	—	—	1,700	763
Young Adult Ministry	—	14,337	—	—	14,337	6,000
Restricted						
Children & Youth Worker Fund	—	—	40,805	—	40,805	30,643
Debt Counselling	—	—	24,685	—	24,685	33,140
Fabric Fund	—	—	(6,432)	—	(6,432)	(7,124)
Redevelopment Fund	—	—	(37,153)	—	(37,153)	(47,883)
Endowment						
Investments	—	—	—	31,873	31,873	27,898

**Balance sheet (Summary)**  
**As at: 31 December 2021**

	As at 31/12/2021	As at 31/12/2020
	£	£
<b>Fixed assets</b>		
Tangible assets	1,302	1,532
Investments	31,873	27,898
	<u>33,175</u>	<u>29,430</u>
<b>Current assets</b>		
Debtors	7,295	6,464
Investments	13,817	13,810
Cash at bank and in hand	121,138	145,895
	<u>142,252</u>	<u>166,170</u>
<b>Net current assets less current liabilities</b>	<u><b>142,252</b></u>	<u><b>166,170</b></u>
<b>Total assets less current liabilities</b>	<u><b>175,428</b></u>	<u><b>195,601</b></u>
<b>Liabilities</b>		
Creditors: Amounts falling due after more than one year	50,000	60,000
<b>Total net assets less liabilities</b>	<u><b>125,428</b></u>	<u><b>135,601</b></u>
<b>Represented by</b>		
<b>Unrestricted</b>		
Unrestricted - General fund	46,351	66,820
<b>Designated</b>		
Designated - Fin Assistance to self empl	788	2,813
Designated - Parish Nurse	10,730	15,742
Designated - Parish Weekend away	—	34
Designated - Young Adult Ministry	14,337	6,000
Designated - Church Hall Revenue Fund	(9,173)	(3,780)
Designated - The Bridge	6,915	10,532
Designated - Toddlers Fund	1,700	763
<b>Restricted</b>		
Restricted - Debt Counselling	24,685	33,140
Restricted - Fabric Fund	(6,432)	(7,124)
Restricted - Redevelopment Fund	(37,153)	(47,883)
Restricted - Children & Youth Worker Fund	40,805	30,643
<b>Endowment</b>		
Endowment - Investments	31,873	27,898
<b>Funds of the church</b>	<u><b>125,428</b></u>	<u><b>135,601</b></u>

**Statement of Assets and Liabilities (by code)**  
**As at: 31 December 2021**

Class and nominal code	General	Designated	Restricted	Endowment	Total	Last year
<b>Fixed assets - Investments</b>						
A1005 : Investments	—	—	—	31,873.10	31,873.10	27,898.29
<b>Total</b>	—	—	—	31,873.10	31,873.10	27,898.29
<b>Fixed assets - Tangible assets</b>						
A1003 : Office	1,302.83	—	—	—	1,302.83	1,532.31
<b>Total</b>	1,302.83	—	—	—	1,302.83	1,532.31
<b>Current assets - Cash at bank and in hand</b>						
B3040 : The Bridge Current Account	579.61	5,492.61	—	—	6,072.22	9,902.08
B3041 : The Bridge Cash	—	186.70	—	—	186.70	317.49
C3011 : Children & Youth Worker Fund	(136.06)	41.13	13,725.94	—	13,631.01	10,112.63
D3050 : Redevelopment Fund	5,351.14	—	1,400.80	—	6,751.94	7,749.33
G3010 : General Current Account	13,995.84	(2,675.86)	54,336.67	—	65,656.65	91,527.60
G3014 : General Cash Imprest	—	—	—	—	—	81.50
G3016 : Parish Weekend	—	—	—	—	—	34.00
H3020 : Hall Current Account	8,307.72	20,532.59	—	—	28,840.31	26,170.73
<b>Total</b>	28,098.25	23,577.17	69,463.41	—	121,138.83	145,895.36
<b>Current assets - Debtors</b>						
Z05 : Accounts Receivable	4,114.47	1,721.25	1,460.00	—	7,295.72	6,464.67
<b>Total</b>	4,114.47	1,721.25	1,460.00	—	7,295.72	6,464.67
<b>Current assets - Investments</b>						
F3060 : Fabric CBF Deposit	—	—	929.75	—	929.75	929.27
G3011 : General CBF Deposit	12,836.03	—	51.98	—	12,888.01	12,881.31
<b>Total</b>	12,836.03	—	981.73	—	13,817.76	13,810.58
<b>Liabilities - Creditors: Amounts falling due after more than one year</b>						
ZZZ11 : Loan	—	—	50,000.00	—	50,000.00	60,000.00
<b>Total</b>	—	—	50,000.00	—	50,000.00	60,000.00
<b>Net total assets</b>	46,351.58	25,298.42	21,905.14	31,873.10	125,428.24	135,601.21
<b>Represented by</b>						

**Fund movement by type**  
**Selected period: 01 January 2021 to 31 December 2021**

Fund and type	Fund balances brought forward	Incoming Resources	Outgoing Resources	Transfers	Gains and Losses	Journal Entries	Fund balances carried forward
<b>Unrestricted</b>							
General - General fund	66,820	116,679	136,882	(266)	—	—	46,351
<b>Sub-totals</b>	<b>66,820</b>	<b>116,679</b>	<b>136,882</b>	<b>(266)</b>	<b>—</b>	<b>—</b>	<b>46,351</b>
<b>Designated</b>							
Covid - Fin Assistance to self empl	2,813	975	3,000	—	—	—	788
DEBTCOUN - Debt Counselling	—	—	—	—	—	—	—
Nurse - Parish Nurse	15,742	5,866	10,878	—	—	—	10,730
Weekend - Parish Weekend away	34	34	34	(34)	—	—	—
YAM - Young Adult Ministry	6,000	8,388	51	—	—	—	14,337
Hall - Church Hall Revenue Fund	(3,780)	6,762	10,535	(1,620)	—	—	(9,173)
Bridge - The Bridge	10,532	23,717	27,633	300	—	—	6,915
Toddlers - Toddlers Fund	763	396	1,080	1,620	—	—	1,700
<b>Sub-totals</b>	<b>32,106</b>	<b>46,140</b>	<b>53,214</b>	<b>266</b>	<b>—</b>	<b>—</b>	<b>25,298</b>
<b>Restricted</b>							
DEBTCOUN - Debt Counselling	33,140	5,437	13,892	—	—	—	24,685
Fabric - Fabric Fund	(7,124)	691	—	—	—	—	(6,432)
Redevelop - Redevelopment Fund	(47,883)	11,081	351	—	—	—	(37,153)
C&youth - Children & Youth Worker Fund	30,643	33,980	23,817	—	—	—	40,805
<b>Sub-totals</b>	<b>8,776</b>	<b>51,190</b>	<b>38,061</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>21,905</b>
<b>Endowment</b>							
Coif - Investments	27,898	—	—	—	3,974	—	31,873
<b>Sub-totals</b>	<b>27,898</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>3,974</b>	<b>—</b>	<b>31,873</b>
<b>Totals</b>	<b>135,601</b>	<b>214,010</b>	<b>228,158</b>	<b>—</b>	<b>3,974</b>	<b>—</b>	<b>125,428</b>

**Analysis of income and expenditure**  
**Selected period: 01 January 2021 to 31 December 2021**

	Unrestricted	Designated	Restricted	Endowment	This year	Total Last year
<b>Incoming resources</b>						
<i><b>Incoming resources from generated funds</b></i>						
D0030 - Change	7,281	—	89	—	7,371	10,125
D0031 - Donations	18,241	12,225	10,777	—	41,244	41,766
D0032 - Grants & Legacies	—	—	—	—	—	—
D0040 - Sundry	227	34	—	—	261	518
D0041 - Events	294	—	—	—	294	—
D0042 - Fabric	—	—	—	—	—	—
D0043 - Books	531	—	—	—	531	89
D0044 - Toddlers	—	154	—	—	154	879
P0010 - Standing Orders	65,498	1,705	24,882	—	92,086	99,818
P0011 - Envelopes	5,317	—	—	—	5,317	5,403
P0020 - Inland Revenue Refund	14,571	1,878	4,828	—	21,279	21,630
P0021 - Vat: Listed places of Worship Scheme	—	—	—	—	—	—
B0060 - Photocopying	5	—	—	—	5	115
B0061 - Windows	—	—	—	—	—	—
B0062 - Catering	—	—	—	—	—	798
B0063 - Sales not used	—	—	—	—	—	—
B0064 - Sales not used 2	—	—	—	—	—	—
B0065 - Sales not used 3	—	—	—	—	—	—
B0066 - sales not used 4	—	—	—	—	—	—
B0067 - Rent	1,323	588	—	—	1,911	1,516
B0068 - Bridge Sales	—	2,845	—	—	2,845	2,490
H0070 - Hall Hire	551	6,762	—	—	7,313	4,206
C0050 - Current Interest	38	—	0	—	38	252
I0051 - 1/2T Int	129	—	—	—	129	126
I0052 - 3T Int	—	—	691	—	691	678
<i><b>Incoming resources from generated funds Totals</b></i>	114,010	26,194	41,270	—	181,475	190,417
<i><b>Incoming resources from charitable activities</b></i>						
F0080 - Fees	891	—	—	—	891	951
<i><b>Incoming resources from charitable activities Totals</b></i>	891	—	—	—	891	951
<i><b>Other incoming resources</b></i>						
D0033 - Redev Fabric Congregational Loan	—	—	—	—	—	—
P0023 - HMRC Job Ret Sch Covid 19	1,777	19,946	9,920	—	31,644	24,463
<i><b>Other incoming resources Totals</b></i>	1,777	19,946	9,920	—	31,644	24,463
<b>Incoming resources Grand totals</b>	116,679	46,140	51,190	—	214,010	215,831



	Unrestricted	Designated	Restricted	Endowment	This year	Last year
<b>Resources used</b>						
<b>Costs of generating funds</b>						
A1011 - Fund Raising Expenses	—	—	—	—	—	—
INT - Interest Paid	—	—	346	—	346	699
B1062 - Bridge Purchases	—	731	—	—	731	661
B1063 - Purchase not used	—	—	—	—	—	—
B1064 - Purchases not used 2	—	—	—	—	—	—
B1065 - Purchases not used 3	—	—	—	—	—	—
B1066 - Purchases not used 4	—	—	—	—	—	—
<b>Costs of generating funds Totals</b>	—	731	346	—	1,077	1,360
<b>Charitable activities</b>						
A0010 - Preliminaries	—	—	—	—	—	—
B1067 - Rent	92	6,971	—	—	7,063	5,313
B1068 - Rates & water Rates	146	199	—	—	345	578
C1010 - Church Overseas	3,750	—	—	—	3,750	5,625
C1011 - Relief & Development	2,500	—	—	—	2,500	—
C1020 - Home Missions	1,100	—	—	—	1,100	2,005
C1021 - Secular Charities	210	—	—	—	210	—
D1050 - Parish Share	97,553	—	—	—	97,553	99,834
E1040 - Outreach	2,098	4,976	3,600	—	10,674	9,383
E1041 - Discipleship	—	—	—	—	—	—
F1030 - Depreciation 01	—	—	—	—	—	—
H1060 - Cleaner	3,211	2,335	—	—	5,546	3,962
R1090 - Insurance	890	890	—	—	1,780	1,770
R1091 - Cleaning	382	—	—	—	382	162
R1092 - Administrator	6,123	4,261	—	—	10,385	10,927
R1093 - Maintenance	3,711	19,940	—	—	23,652	5,956
R1094 - Stationery	502	—	—	—	502	429
R1095 - Telephone	717	557	—	—	1,275	940
R1096 - Equipment	—	—	—	—	—	847
R1097 - Sundries	4,431	312	100	—	4,843	4,159
R1098 - Petty Cash	400	—	—	—	400	100
R1099 - Catering	—	—	—	—	—	—
S1080 - Music	—	—	—	—	—	—
S1081 - Heat & Light	3,330	1,717	—	—	5,047	5,922
S1082 - Books	—	—	—	—	—	—
S1083 - Services	1,346	—	—	—	1,346	428
S1084 - Events	60	—	—	—	60	—
S1085 - Clergy	343	—	—	—	343	—
S1086 - Bank Charges	726	6	34	—	767	342
Y1001 - Fabric	—	—	—	—	—	834
Y1070 - Wages	2,742	10,019	33,696	—	46,459	46,284
Y1071 - Expenses	280	296	283	—	859	3,757
Z99999 - Depreciation	229	—	—	—	229	4,426
<b>Charitable activities Totals</b>	136,882	52,483	37,714	—	227,080	213,994
<b>Other resources used</b>						
A1012 - Architects Fees	—	—	—	—	—	—
A1013 - Co-ordinator Fees	—	—	—	—	—	—
A1014 - Design costs	—	—	—	—	—	—
A1015 - Building and Construction Costs	—	—	—	—	—	—
A1016 - Furnishings and equipment	—	—	—	—	—	—
<b>Other resources used Totals</b>	—	—	—	—	—	—
<b>Resources used Grand totals</b>	136,882	53,214	38,061	—	228,158	215,354

# Notes to the financial statements

For the year ended 31 December 2021

## ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with applicable accounting standards and the SORP 2015 SOFA.

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at market value. The financial statements 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.

### Funds

*Endowment funds* are funds, the capital of which must be maintained; only income arising from investment of the endowment may be used either as restricted or unrestricted funds depending upon the purpose for which the endowment was established.

*Restricted funds* represent (a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest, and (b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund. The PCC does not usually invest separately for each fund. Where there is no separate investment, interest is apportioned to individual funds on an average balance basis.

*Designated funds* have been set up for the designated object as indicated by their title, these funds will be disbursed only for that object purpose.

*Unrestricted funds* are general funds which can be used for PCC ordinary purposes.

### Incoming resources

Planned giving, collections and donations are recognized when received. Tax refunds are recognized when the incoming resource to which they relate is received. Grants and legacies are accounted for when the PCC is legally entitled to the amounts due. Dividends are accounted for when receivable, interest is accrued. All other income is recognised when it is receivable. All incoming resources are accounted for gross.

### Resources expended

Grants and donations are accounted for when paid over or when awarded, if that award creates a binding or constructive obligation on the PCC. The diocesan parish share is accounted for when due. Amounts received specifically for mission are dealt with as restricted funds. All other expenditure is generally recognized when it is incurred and is accounted for gross.

### Fixed assets

Consecrated and benefice property is not included in the accounts in accordance with s.96(2) (a) of the Charities Act 1993. Movable church furnishings held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the church's inventory, (the Terrier) which can be inspected (at any reasonable time). For anything acquired prior to 2004 there is insufficient cost information available and therefore such assets are not valued in the financial statements. Furthermore all matters pertaining to the Redevelopment Works are not valued in the financial statements and are not considered as assets to be depreciated or replaced.

Equipment used within the church premises is depreciated on a reducing balance basis, at 15% for furniture and fixtures, and 25% for office equipment. Individual items of £500 or less are written off when the asset is acquired, and assets that are considered to have exceeded a reasonable life expectancy are written off at that time.

Investments are valued at market value 31 December 2021

<b>2 CHARITABLE DONATIONS</b>	<b>2021</b>	<b>2020</b>
	£	£
FEBA – B&M Adams	2500	2500
C&N Moreton	2000	2500
Christian aid	300	300
REAP Africa	---	--
Bath One Good Friday Pageant	--	300
C & Y Fund	--	2800
Wycliffe	1000	1000
FACT	--	210
Grant to support training in Pioneer Ministry	---	--
Others	174	148
Hardship Fund Church/Bridge	507	1033
Neighbourhood Chaplains	50	300
Bitola, Macedonia, Church twinning	2000	2830
DEC Cyclone Idai appeal	---	1000
Friends of Somerset Churches	50	50
Bridge Teas		
A Rocha eco church	210	--
	<u>8791</u>	<u>12141</u>
<b>3 FIXED ASSET</b>		
<b>(a) Tangible</b>		
Actual / deemed cost at 1st Jan	38407	38407
Disposal	---	--
Additions at cost	---	---
At 31st December	<u>38407</u>	<u>38407</u>
Depreciation at 1st Jan	36874	32448
Withdrawn on disposal		
Charge for the year	<u>230</u>	<u>4426</u>
Depreciation at 31st December	<u>37104</u>	<u>36874</u>
<b>(b) Investments</b>		
Market value at 1st January	27898	26214
Purchases		
Disposals		
Revaluation	<u>3974</u>	<u>1684</u>
At 31st December	<u>31873</u>	<u>27898</u>

# **Holy Trinity Church, Frome**

## **End of Year Financial Statements**

**31 December 2021**

## • FINANCIAL REVIEW

This report covers the financial year and calendar year 2021. This year will again be remembered for the impact of the COVID-19 pandemic, as was 2020, which continued to affect every single aspect of Holy Trinity's significant spectrum of activities from Praise and Worship, Toddlers and through to Finances. While the Government's assistance schemes again helped our Staff costs, particularly the Children and Youth Fund, and the Bridge Fund with assistance to small businesses, the General Fund suffered even more significantly than in 2020 from reduced offerings.

Total receipts on the ordinary unrestricted fund, which represent the General Fund only, were £116,679 and are detailed in the Financial Statements. For direct comparison purpose with year (2019) the unrestricted General Fund income was £164,346. Hence a reduction on income, 2021 cf 2019 of £47,667. Total expenditure in the year from such income amounted to £137,182. The largest item was our Parish Share of £97,554 which was paid to the Diocese of Bath and Wells to enable it to provide the parish with clergy and support services. The net result for these funds was a deficit of £20,503 compared with a surfeit of £23,626 in 2019 and surfeit of £25,615 in 2018. Government assistance to these costs in 2021 was £1,778 from Staff Furlough schemes.

Designated Funds total receipts were £37,802 and expenditure was £53,163 resulting in a deficit of £15,361. These figures cover all designated Funds held by Holy Trinity. The funds mostly affected are the Hall; lack of rental income, the Nurse; little income just expenditure, the Bridge; income affected by Covid. However, it must be realised that when Andrew and Elizabeth Alden were appointed to be Young Adults Ministry representatives in Frome and surrounding villages then Holy Trinity was asked to hold a Fund for their work. This Fund, YAM can be seen as having a 2021 income of £8,338 and expenditure of £51. This Fund is in the process of being handed to the Deanery for management and accounting. These figures are not included in the Designated Funds amounts noted above, but are included in the detailed accounts.

Restricted Funds, which are; Children & Youth, Debt Centre, Fabric and the Redevelopment Funds had an income of £51,190 and an expenditure of £37,761 resulting in a surfeit of £13,428. This surfeit is substantially due to Government Staff Furlough schemes which amounted to £9,920 into the Children and Youth and Debt Centre Funds

The PCC has continued its long-standing policy of giving (tithes) 10% of general income to mission which for 2021 has included support for ministry in Bitola, North Macedonia and our association with the fledgling evangelical church there through TEN, however charitable giving in 2021 has not reached that %age being at £8,791 compared with giving at £100,466.

Following the PCC decision to support the C & Y Fund by an amount of £350 per month from the General Fund, which commenced in October 2019 this fund has enjoyed an excess of income over expenditure, even more so with the Governments Staff Furlough scheme. Accordingly, it was decided to temporarily cease this support. Toddlers of course ceased to operate through substantial periods of 2021 and has consequently not provided Toddler's contribution of the usual £1,000 towards the C & Y fund.

The Fabric Fund has a negative balance of £6,432, this negative balance is slowly being reduced as income is realised from investment allocated only to Fabric, through 2021 this income amounted to £692

The Redevelopment (restricted) Fund was also resourced by a loan from The Diocese for £100,000 which is due for repayment over 10 years (2017-2027) repayments made to the end of this report period total £50,000. The redevelopment Fund stands at a negative £37,153 at the year-end which takes account of the outstanding £50,000 loan liability. Giving to the redevelopment fund has reduced as previously reported, however, following a lump sum given in 2021, we are now able to service the Diocesan Loan this year, 2022, but this will be a challenge to service from this fund, from 2023 onward.

The Bridge account had an income of £23,717 mostly due to a Government grant of £17,669. The Bridge expenditure was £27,633 almost entirely due to fixed costs, Rent and Maintenance, the PCC has decided to carry out significant maintenance at The Bridge through 2020 and into 2021, this maintenance cost was £19,064 during 2021. The Bridge management, led by John and Wendy Rootes have continued work when able to do so under the COVID-19 restrictions.

The Hall Fund income has significantly suffered due to COVID-19 restrictions resulting in a deficit of £5,393, while the Hall Hire Income runs the direct Hall expenses, as previously noted in my annual reports, the

General Church suffers cost for Administration and other aspects that are paid from our General Fund. The Hall is normally contra charged by the General Fund a sum to cover these appropriate costs.

### **Charitable Status**

Holy Trinity Church is registered with the Charity Commission as The Parochial Church Council of the Ecclesiastical Parish of Holy Trinity, Frome. Registered number 1129366.

### **Reserves Policy**

It is PCC policy to maintain a balance on unrestricted funds which covers three months of Parish Share payments to cover cash flow problems near the year end and to cope with unforeseen situations. Some funds are invested in CBF deposit funds. However, it can be realised from these accounts that the Church finances, having suffered due to COVID-19 comply with this policy, however, moving forward at the current level of Income and Expenditure this will be challenging within the next 15-18 months. The Diocese offered financial support to parishes suffering financially due to COVID-19 however Holy Trinity both decided not to apply for this support and indeed would almost certainly not have satisfied the qualifying criteria.

### **Outlook and Budget**

We will have to service the Diocesan Loan, for the TT-TL project, at a repayment rate of £10,000 per year for the next 5 years. We currently have no plan or pledges to cover this, however this fund is in credit and can currently service the next 1 + years.

The Children and Youth workers Fund is now significantly more secure following Government Staff Furlough schemes. The Toddler's fund is recovering as Toddler's activities have re-commenced.

Members should be aware that the Children and Youth and Debt Centre are separate funds, as is Redevelopment, and if not specifically noted and supported by your giving then they enjoy no other income, furthermore these are Restricted Funds and monies can only be spent on their defined purposes except in extreme circumstances.

The Church members' giving has been significantly affected by COVID-19 restrictions. It may be realised from these accounts that offerings on the plate each week as cash, totaled £26,925 in 2019 but only £7,281 in 2021, a reduction of £19,644, in addition standing orders and other regular giving reduced by £10,722. This also reduced Gift Aid reclaims by an amount of £6,369. These reductions total £36,735 being a significant reduction which affects the overall church activities and the reserves held in savings. Our Parish Share for 2021 was based upon reporting to the diocese completed in April 2020 covering the church attendance for the previous year, 2019 (pre-Pandemic). The Diocese decided this year, 2022 our Parish Share should remain substantially the same as 2021; while the financial outlook for 2022 remains acceptable, due to our reserves in the General Fund being £46,051 we look forward to church returning to normal and regular worshipping members numbers returning to pre COVID-19 level but more importantly the associated income returning. Current habits of not carrying cash and use of Card Payments have persuaded the PCC to install a Card Donation system which hopefully will help in recovering the lost income "on the plate"

As an aside a Legacy to a Registered Charity, such as Holy Trinity, can be a very efficient way to reduce Inheritance Tax rates, and provide funding to the charity, the legacy is therefore significantly greater than the drawdown on inherited assets, due to the remaining taxable inheritance being taxed at a reduced rate. If anyone is interested in this matter please talk with me.

18 January 2022

Chris Round,

Treasurer, HTC

On Behalf of the Parochial Church Council

Approved at PCC meeting held on 26 January 2022, conditional on Independent Examiner's report being unqualified.

**Statement of Financial Activities**  
**For the period from 01 January 2021 to 31 December 2021**

	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total funds	Prior year total funds
<b>Incoming resources</b>						
Incoming resources from generated funds						
Voluntary income	111,964	15,998	40,578	—	168,540	180,232
Activities for generating funds	1,879	10,196	—	—	12,075	9,127
Investment income	167	—	692	—	859	1,057
Incoming resources from charitable activities	891	—	—	—	891	951
Other incoming resources	1,777	19,946	9,920	—	31,644	24,463
<b>Total income</b>	<b>116,679</b>	<b>46,140</b>	<b>51,190</b>	<b>—</b>	<b>214,010</b>	<b>215,831</b>
<b>Resources used</b>						
Costs of generating funds						
Costs of generating voluntary income	—	—	346	—	346	699
Fundraising trading: cost of goods sold and other costs	—	731	—	—	731	661
Charitable activities	136,882	52,483	37,714	—	227,080	213,994
Other resources used	—	—	—	—	—	—
<b>Total expenditure</b>	<b>136,882</b>	<b>53,214</b>	<b>38,061</b>	<b>—</b>	<b>228,158</b>	<b>215,354</b>
<b>Net income / (expenditure) resources before transfer</b>	<b>(20,203)</b>	<b>(7,073)</b>	<b>13,128</b>	<b>—</b>	<b>(14,147)</b>	<b>477</b>
<b>Transfers</b>						
Gross transfers between funds - in	34	1,920	—	—	1,954	34,974
Gross transfers between funds - out	(300)	(1,654)	—	—	(1,954)	(34,974)
<b>Other recognised gains / losses</b>						
Gains / losses on investment assets	—	—	—	3,974	3,974	1,684
Gains on revaluation, fixed assets, charity's own use	—	—	—	—	—	—
<b>Net movement in funds</b>	<b>(20,469)</b>	<b>(6,807)</b>	<b>13,128</b>	<b>3,974</b>	<b>(10,172)</b>	<b>2,161</b>
<b>Reconciliation of funds</b>						
<b>Total funds brought forward</b>	<b>66,820</b>	<b>32,106</b>	<b>8,776</b>	<b>27,898</b>	<b>135,601</b>	<b>133,440</b>
<b>Total funds carried forward</b>	<b>46,351</b>	<b>25,298</b>	<b>21,905</b>	<b>31,873</b>	<b>125,428</b>	<b>135,601</b>
<b>Represented by</b>						
Unrestricted						
General fund	46,351	—	—	—	46,351	66,820
Designated						
Church Hall Revenue Fund	—	(9,173)	—	—	(9,173)	(3,780)
Fin Assistance to self empl	—	788	—	—	788	2,813
Parish Nurse	—	10,730	—	—	10,730	15,742
Parish Weekend away	—	—	—	—	—	34
The Bridge	—	6,915	—	—	6,915	10,532
Toddlers Fund	—	1,700	—	—	1,700	763
Young Adult Ministry	—	14,337	—	—	14,337	6,000
Restricted						
Children & Youth Worker Fund	—	—	40,805	—	40,805	30,643
Debt Counselling	—	—	24,685	—	24,685	33,140
Fabric Fund	—	—	(6,432)	—	(6,432)	(7,124)
Redevelopment Fund	—	—	(37,153)	—	(37,153)	(47,883)
Endowment						
Investments	—	—	—	31,873	31,873	27,898

**Balance sheet (Summary)**  
**As at: 31 December 2021**

	As at 31/12/2021	As at 31/12/2020
	£	£
<b>Fixed assets</b>		
Tangible assets	1,302	1,532
Investments	31,873	27,898
	<u>33,175</u>	<u>29,430</u>
<b>Current assets</b>		
Debtors	7,295	6,464
Investments	13,817	13,810
Cash at bank and in hand	121,138	145,895
	<u>142,252</u>	<u>166,170</u>
<b>Net current assets less current liabilities</b>	<u><b>142,252</b></u>	<u><b>166,170</b></u>
<b>Total assets less current liabilities</b>	<u><b>175,428</b></u>	<u><b>195,601</b></u>
<b>Liabilities</b>		
Creditors: Amounts falling due after more than one year	50,000	60,000
<b>Total net assets less liabilities</b>	<u><b>125,428</b></u>	<u><b>135,601</b></u>
<b>Represented by</b>		
<b>Unrestricted</b>		
Unrestricted - General fund	46,351	66,820
<b>Designated</b>		
Designated - Fin Assistance to self empl	788	2,813
Designated - Parish Nurse	10,730	15,742
Designated - Parish Weekend away	—	34
Designated - Young Adult Ministry	14,337	6,000
Designated - Church Hall Revenue Fund	(9,173)	(3,780)
Designated - The Bridge	6,915	10,532
Designated - Toddlers Fund	1,700	763
<b>Restricted</b>		
Restricted - Debt Counselling	24,685	33,140
Restricted - Fabric Fund	(6,432)	(7,124)
Restricted - Redevelopment Fund	(37,153)	(47,883)
Restricted - Children & Youth Worker Fund	40,805	30,643
<b>Endowment</b>		
Endowment - Investments	31,873	27,898
<b>Funds of the church</b>	<u><b>125,428</b></u>	<u><b>135,601</b></u>



**Statement of Assets and Liabilities (by code)**  
**As at: 31 December 2021**

Class and nominal code	General	Designated	Restricted	Endowment	Total	Last year
<b>Fixed assets - Investments</b>						
A1005 : Investments	—	—	—	31,873.10	31,873.10	27,898.29
<b>Total</b>	—	—	—	31,873.10	31,873.10	27,898.29
<b>Fixed assets - Tangible assets</b>						
A1003 : Office	1,302.83	—	—	—	1,302.83	1,532.31
<b>Total</b>	1,302.83	—	—	—	1,302.83	1,532.31
<b>Current assets - Cash at bank and in hand</b>						
B3040 : The Bridge Current Account	579.61	5,492.61	—	—	6,072.22	9,902.08
B3041 : The Bridge Cash	—	186.70	—	—	186.70	317.49
C3011 : Children & Youth Worker Fund	(136.06)	41.13	13,725.94	—	13,631.01	10,112.63
D3050 : Redevelopment Fund	5,351.14	—	1,400.80	—	6,751.94	7,749.33
G3010 : General Current Account	13,995.84	(2,675.86)	54,336.67	—	65,656.65	91,527.60
G3014 : General Cash Imprest	—	—	—	—	—	81.50
G3016 : Parish Weekend	—	—	—	—	—	34.00
H3020 : Hall Current Account	8,307.72	20,532.59	—	—	28,840.31	26,170.73
<b>Total</b>	28,098.25	23,577.17	69,463.41	—	121,138.83	145,895.36
<b>Current assets - Debtors</b>						
Z05 : Accounts Receivable	4,114.47	1,721.25	1,460.00	—	7,295.72	6,464.67
<b>Total</b>	4,114.47	1,721.25	1,460.00	—	7,295.72	6,464.67
<b>Current assets - Investments</b>						
F3060 : Fabric CBF Deposit	—	—	929.75	—	929.75	929.27
G3011 : General CBF Deposit	12,836.03	—	51.98	—	12,888.01	12,881.31
<b>Total</b>	12,836.03	—	981.73	—	13,817.76	13,810.58
<b>Liabilities - Creditors: Amounts falling due after more than one year</b>						
ZZZ11 : Loan	—	—	50,000.00	—	50,000.00	60,000.00
<b>Total</b>	—	—	50,000.00	—	50,000.00	60,000.00
<b>Net total assets</b>	46,351.58	25,298.42	21,905.14	31,873.10	125,428.24	135,601.21
<b>Represented by</b>						

**Fund movement by type**  
**Selected period: 01 January 2021 to 31 December 2021**

Fund and type	Fund balances brought forward	Incoming Resources	Outgoing Resources	Transfers	Gains and Losses	Journal Entries	Fund balances carried forward
<b>Unrestricted</b>							
General - General fund	66,820	116,679	136,882	(266)	—	—	46,351
<b>Sub-totals</b>	<b>66,820</b>	<b>116,679</b>	<b>136,882</b>	<b>(266)</b>	<b>—</b>	<b>—</b>	<b>46,351</b>
<b>Designated</b>							
Covid - Fin Assistance to self empl	2,813	975	3,000	—	—	—	788
DEBTCOUN - Debt Counselling	—	—	—	—	—	—	—
Nurse - Parish Nurse	15,742	5,866	10,878	—	—	—	10,730
Weekend - Parish Weekend away	34	34	34	(34)	—	—	—
YAM - Young Adult Ministry	6,000	8,388	51	—	—	—	14,337
Hall - Church Hall Revenue Fund	(3,780)	6,762	10,535	(1,620)	—	—	(9,173)
Bridge - The Bridge	10,532	23,717	27,633	300	—	—	6,915
Toddlers - Toddlers Fund	763	396	1,080	1,620	—	—	1,700
<b>Sub-totals</b>	<b>32,106</b>	<b>46,140</b>	<b>53,214</b>	<b>266</b>	<b>—</b>	<b>—</b>	<b>25,298</b>
<b>Restricted</b>							
DEBTCOUN - Debt Counselling	33,140	5,437	13,892	—	—	—	24,685
Fabric - Fabric Fund	(7,124)	691	—	—	—	—	(6,432)
Redevelop - Redevelopment Fund	(47,883)	11,081	351	—	—	—	(37,153)
C&youth - Children & Youth Worker Fund	30,643	33,980	23,817	—	—	—	40,805
<b>Sub-totals</b>	<b>8,776</b>	<b>51,190</b>	<b>38,061</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>21,905</b>
<b>Endowment</b>							
Coif - Investments	27,898	—	—	—	3,974	—	31,873
<b>Sub-totals</b>	<b>27,898</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>3,974</b>	<b>—</b>	<b>31,873</b>
<b>Totals</b>	<b>135,601</b>	<b>214,010</b>	<b>228,158</b>	<b>—</b>	<b>3,974</b>	<b>—</b>	<b>125,428</b>

**Analysis of income and expenditure**  
**Selected period: 01 January 2021 to 31 December 2021**

	Unrestricted	Designated	Restricted	Endowment	This year	Total Last year
<b>Incoming resources</b>						
<i><b>Incoming resources from generated funds</b></i>						
D0030 - Change	7,281	—	89	—	7,371	10,125
D0031 - Donations	18,241	12,225	10,777	—	41,244	41,766
D0032 - Grants & Legacies	—	—	—	—	—	—
D0040 - Sundry	227	34	—	—	261	518
D0041 - Events	294	—	—	—	294	—
D0042 - Fabric	—	—	—	—	—	—
D0043 - Books	531	—	—	—	531	89
D0044 - Toddlers	—	154	—	—	154	879
P0010 - Standing Orders	65,498	1,705	24,882	—	92,086	99,818
P0011 - Envelopes	5,317	—	—	—	5,317	5,403
P0020 - Inland Revenue Refund	14,571	1,878	4,828	—	21,279	21,630
P0021 - Vat: Listed places of Worship Scheme	—	—	—	—	—	—
B0060 - Photocopying	5	—	—	—	5	115
B0061 - Windows	—	—	—	—	—	—
B0062 - Catering	—	—	—	—	—	798
B0063 - Sales not used	—	—	—	—	—	—
B0064 - Sales not used 2	—	—	—	—	—	—
B0065 - Sales not used 3	—	—	—	—	—	—
B0066 - sales not used 4	—	—	—	—	—	—
B0067 - Rent	1,323	588	—	—	1,911	1,516
B0068 - Bridge Sales	—	2,845	—	—	2,845	2,490
H0070 - Hall Hire	551	6,762	—	—	7,313	4,206
C0050 - Current Interest	38	—	0	—	38	252
I0051 - 1/2T Int	129	—	—	—	129	126
I0052 - 3T Int	—	—	691	—	691	678
<i><b>Incoming resources from generated funds Totals</b></i>	114,010	26,194	41,270	—	181,475	190,417
<i><b>Incoming resources from charitable activities</b></i>						
F0080 - Fees	891	—	—	—	891	951
<i><b>Incoming resources from charitable activities Totals</b></i>	891	—	—	—	891	951
<i><b>Other incoming resources</b></i>						
D0033 - Redev Fabric Congregational Loan	—	—	—	—	—	—
P0023 - HMRC Job Ret Sch Covid 19	1,777	19,946	9,920	—	31,644	24,463
<i><b>Other incoming resources Totals</b></i>	1,777	19,946	9,920	—	31,644	24,463
<b>Incoming resources Grand totals</b>	116,679	46,140	51,190	—	214,010	215,831

	Unrestricted	Designated	Restricted	Endowment	This year	Last year
<b>Resources used</b>						
<b>Costs of generating funds</b>						
A1011 - Fund Raising Expenses	—	—	—	—	—	—
INT - Interest Paid	—	—	346	—	346	699
B1062 - Bridge Purchases	—	731	—	—	731	661
B1063 - Purchase not used	—	—	—	—	—	—
B1064 - Purchases not used 2	—	—	—	—	—	—
B1065 - Purchases not used 3	—	—	—	—	—	—
B1066 - Purchases not used 4	—	—	—	—	—	—
<b>Costs of generating funds Totals</b>	—	731	346	—	1,077	1,360
<b>Charitable activities</b>						
A0010 - Preliminaries	—	—	—	—	—	—
B1067 - Rent	92	6,971	—	—	7,063	5,313
B1068 - Rates & water Rates	146	199	—	—	345	578
C1010 - Church Overseas	3,750	—	—	—	3,750	5,625
C1011 - Relief & Development	2,500	—	—	—	2,500	—
C1020 - Home Missions	1,100	—	—	—	1,100	2,005
C1021 - Secular Charities	210	—	—	—	210	—
D1050 - Parish Share	97,553	—	—	—	97,553	99,834
E1040 - Outreach	2,098	4,976	3,600	—	10,674	9,383
E1041 - Discipleship	—	—	—	—	—	—
F1030 - Depreciation 01	—	—	—	—	—	—
H1060 - Cleaner	3,211	2,335	—	—	5,546	3,962
R1090 - Insurance	890	890	—	—	1,780	1,770
R1091 - Cleaning	382	—	—	—	382	162
R1092 - Administrator	6,123	4,261	—	—	10,385	10,927
R1093 - Maintenance	3,711	19,940	—	—	23,652	5,956
R1094 - Stationery	502	—	—	—	502	429
R1095 - Telephone	717	557	—	—	1,275	940
R1096 - Equipment	—	—	—	—	—	847
R1097 - Sundries	4,431	312	100	—	4,843	4,159
R1098 - Petty Cash	400	—	—	—	400	100
R1099 - Catering	—	—	—	—	—	—
S1080 - Music	—	—	—	—	—	—
S1081 - Heat & Light	3,330	1,717	—	—	5,047	5,922
S1082 - Books	—	—	—	—	—	—
S1083 - Services	1,346	—	—	—	1,346	428
S1084 - Events	60	—	—	—	60	—
S1085 - Clergy	343	—	—	—	343	—
S1086 - Bank Charges	726	6	34	—	767	342
Y1001 - Fabric	—	—	—	—	—	834
Y1070 - Wages	2,742	10,019	33,696	—	46,459	46,284
Y1071 - Expenses	280	296	283	—	859	3,757
Z99999 - Depreciation	229	—	—	—	229	4,426
<b>Charitable activities Totals</b>	136,882	52,483	37,714	—	227,080	213,994
<b>Other resources used</b>						
A1012 - Architects Fees	—	—	—	—	—	—
A1013 - Co-ordinator Fees	—	—	—	—	—	—
A1014 - Design costs	—	—	—	—	—	—
A1015 - Building and Construction Costs	—	—	—	—	—	—
A1016 - Furnishings and equipment	—	—	—	—	—	—
<b>Other resources used Totals</b>	—	—	—	—	—	—
<b>Resources used Grand totals</b>	136,882	53,214	38,061	—	228,158	215,354

# Notes to the financial statements

For the year ended 31 December 2021

## ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 together with applicable accounting standards and the SORP 2015 SOFA.

The financial statements have been prepared under the historical cost convention except for the valuation of investment assets, which are shown at market value. The financial statements 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.

### Funds

*Endowment funds* are funds, the capital of which must be maintained; only income arising from investment of the endowment may be used either as restricted or unrestricted funds depending upon the purpose for which the endowment was established.

*Restricted funds* represent (a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest, and (b) donations or grants received for a specific object or invited by the PCC for a specific object. The funds may only be expended on the specific object for which they were given. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund. The PCC does not usually invest separately for each fund. Where there is no separate investment, interest is apportioned to individual funds on an average balance basis.

*Designated funds* have been set up for the designated object as indicated by their title, these funds will be disbursed only for that object purpose.

*Unrestricted funds* are general funds which can be used for PCC ordinary purposes.

### Incoming resources

Planned giving, collections and donations are recognized when received. Tax refunds are recognized when the incoming resource to which they relate is received. Grants and legacies are accounted for when the PCC is legally entitled to the amounts due. Dividends are accounted for when receivable, interest is accrued. All other income is recognised when it is receivable. All incoming resources are accounted for gross.

### Resources expended

Grants and donations are accounted for when paid over or when awarded, if that award creates a binding or constructive obligation on the PCC. The diocesan parish share is accounted for when due. Amounts received specifically for mission are dealt with as restricted funds. All other expenditure is generally recognized when it is incurred and is accounted for gross.

### Fixed assets

Consecrated and benefice property is not included in the accounts in accordance with s.96(2) (a) of the Charities Act 1993. Movable church furnishings held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the church's inventory, (the Terrier) which can be inspected (at any reasonable time). For anything acquired prior to 2004 there is insufficient cost information available and therefore such assets are not valued in the financial statements. Furthermore all matters pertaining to the Redevelopment Works are not valued in the financial statements and are not considered as assets to be depreciated or replaced.

Equipment used within the church premises is depreciated on a reducing balance basis, at 15% for furniture and fixtures, and 25% for office equipment. Individual items of £500 or less are written off when the asset is acquired, and assets that are considered to have exceeded a reasonable life expectancy are written off at that time.

Investments are valued at market value 31 December 2021

<b>2 CHARITABLE DONATIONS</b>	<b>2021</b>	<b>2020</b>
	£	£
FEBA – B&M Adams	2500	2500
C&N Moreton	2000	2500
Christian aid	300	300
REAP Africa	---	--
Bath One Good Friday Pageant	--	300
C & Y Fund	--	2800
Wycliffe	1000	1000
FACT	--	210
Grant to support training in Pioneer Ministry	---	--
Others	174	148
Hardship Fund Church/Bridge	507	1033
Neighbourhood Chaplains	50	300
Bitola, Macedonia, Church twinning	2000	2830
DEC Cyclone Idai appeal	---	1000
Friends of Somerset Churches	50	50
Bridge Teas		
A Rocha eco church	210	--
	<u>8791</u>	<u>12141</u>
<b>3 FIXED ASSET</b>		
<b>(a) Tangible</b>		
Actual / deemed cost at 1st Jan	38407	38407
Disposal	---	--
Additions at cost	---	---
At 31st December	<u>38407</u>	<u>38407</u>
Depreciation at 1st Jan	36874	32448
Withdrawn on disposal		
Charge for the year	<u>230</u>	<u>4426</u>
Depreciation at 31st December	<u>37104</u>	<u>36874</u>
<b>(b) Investments</b>		
Market value at 1st January	27898	26214
Purchases		
Disposals		
Revaluation	<u>3974</u>	<u>1684</u>
At 31st December	<u>31873</u>	<u>27898</u>

**Independent examiners' report to the members of the Parochial Church Council of Holy Trinity Church, Frome**

I report on the accounts of the church for the year ended 31 December 2021, which are set out on pages 1 to 11

*Respective responsibilities of trustees and examiner*

The members of the PCC, as the charity's trustees, are responsible for the preparation of the accounts. 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 accounts (under section 145 of the 2011 Act);
- to follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 145(5) of the 2011 Act); and
- to state whether particular matters have come to my attention.


*Basis of independent examiners' report*

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of 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, 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 s130 of the 2011 Act; and
  - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Acthave 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.



**Nigel Harris BA CTA ATT**

Accountant & Chartered Tax Adviser

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Shepton Mallet  
Somerset BA4 5QE

25 February 2022