

CHARITY REGISTRATION NUMBER: 1134081

Bath Abbey Parochial Church Council

Financial Statements

31 December 2021

Bath Abbey Parochial Church Council

Financial Statements

Year ended 31 December 2021

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Bath Abbey Parochial Church Council

Report of the Trustees of the PCC

Year ended 31 December 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name The Parochial Church Council of the Ecclesiastical Parish of Bath Abbey with St James, Bath

Operating name Bath Abbey PCC

Charity registration number 1134081

Principal office	The Abbey Offices 9 Kingston Buildings Bath BA1 1LT	Auditors	Bishop Fleming LLP 10 Temple Back Bristol BS1 6FL	Bankers	NatWest 24-25 Stall Street Bath BA1 1QF
Solicitors	Clarke Willmott LLP 1 Georges Square, Bath Street Bristol, BS1 6BA		Stone King LLP Upper Borough Court Upper Borough Walls Bath BA1 1RG		

THE TRUSTEES

The following served as trustees of the charity during the year: -

Committee membership

The Reverend Guy Bridgewater	(Rector & Chairman)	Ex officio member of all committees
The Reverend Stephen Girling		Ex officio member of all committees
The Reverend Evelyn Lee-Barber		Ex officio member of all committees
The Reverend Chantal Mason		Ex officio member of all committees
The Reverend Cath Candish	(Curate)	Ex officio member of all committees
Dr J Playfair	(Churchwarden)	Ex officio member of all, Mission
Mrs R Amphlett	(Churchwarden)	Ex officio member of all committees
Mrs M Henderson	(Lay Vice-Chair)	Standing, Personnel
Mr R Carver	(Treasurer)	Standing, Finance, Footprint
Mr J Key-Pugh		Standing, Deanery, Mission, Footprint, Buildings
Mr A Bragg		Buildings, Footprint, Fundraising, Finance
Mr D Smith	(Parish Safeguarding Officer)	
Mr P Jones		
Mr T Westbrook		Finance, Deanery, Mission, Footprint
Mrs P Shuttleworth		
Mrs C Skinner		Deanery, Personnel
Mrs D Cardy		
Mr J Barnes		
Mrs E Berrisford		
Mrs P Chamberlain		
Mr D Babb		Deanery
Mrs J Skellett		
Mr P Burge		Finance
Mr B Cooper		
Mr R Charlesworth		Finance
Mr T Sheppard	(appointed May 2021)	
Mrs P Fox	(appointed May 2021)	
Mr P Blackmore	(appointed May 2021)	
Dr P Collecott	(appointed May 2021)	

Secretary His Honour Andrew Rutherford

Electoral Roll officer Mrs C Bragg

Executive Director Mr F Mowat

Bath Abbey Parochial Church Council

Report of the Trustees of the PCC (*continued*)

Year ended 31 December 2021

The members of The Parochial Church Council of the Ecclesiastical Parish of Bath Abbey with St James, Bath (the “PCC”) present their report and the financial statements of the charity (the “Abbey”) for the year ended 31 December 2021.

The financial statements comply with the Abbey’s governing document (the Parochial Church Councils (Powers) Measure 1956 as amended and the Church Representation Rules 2020) and the Charities Act 2011 and have been prepared in accordance with:

- the accounting policies set out in the notes to the accounts;
- the requirements of Church Accounting Regulations (2006);
- the Statement of Recommended Practice on Accounting and Reporting by Charities (SORP) applicable to Parochial Church Councils within the Church of England;
- the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014 (FRS 102); and
- the Charities (Accounts and Reports) Regulations 2015

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution of the PCC

The PCC is a corporate body established by the Church of England and operates under the Parochial Church Council (Powers) Measure 1956 as amended and the Church Representation Rules 2020. The PCC was registered with the Charity Commission with effect from 4th February 2010.

Appointment, induction and training of trustees of the PCC

The members of the PCC are elected in accordance with the Church Representation Rules 2020 at the Annual Parochial Church Meeting, which is generally held at the end of May, and are the charity trustees of the Abbey in accordance with section 177 of the Charities Act 2011. Occasionally members of the PCC may be co-opted for a period of one year. Members of the clergy and churchwardens are ex-officio members of the PCC.

Help and familiarisation is available to members of the PCC through discussions with the Rector and Churchwardens about the role and responsibilities of a PCC member. In addition, the Treasurer provides training in understanding PCC accounts where necessary.

Organisation of the PCC

The PCC generally meets monthly except during August and December. Members of the PCC are usually involved in two 'Away Days' each year when Parish Strategy is discussed.

All of the members of the PCC give of their time freely and no member received remuneration as a result in the year.

In order to discharge its' duties, the PCC appoints a number of committees which meet on a regular basis. The current PCC committees are: Standing, Finance, Footprint Project Board, Mission Support Group and Personnel.

The PCC also employs staff to carry out various functions. The PCC takes this opportunity to thank the employees of the Abbey for the fine manner in which they perform their duties throughout the year in support of the Abbey's aim to witness to the Christian faith and always to provide a warm and welcoming environment at the Abbey.

Delegation of day-to-day Responsibilities

The PCC considers that the “Abbey Leadership Team” comprises the key management personnel of the Abbey and that they are in charge of running and operating the Abbey on a day-to-day basis. The Abbey Leadership Team meets fortnightly and consists of The Rector, Abbey Missioner, The Abbey Pastor, both Church Wardens, the Director of Music, the Executive Director, Facilities Manager (previously the Operations Manager), Head of Visitor Experience, Head of Finance and Footprint Project Director.

Related Parties – Associated Charities

There are five associated charities, namely:

- Bath Abbey Charities (reg. no. 241902) whose object is the relief of hardship and distress to residents of Bath, both individually and generally;
- Charity for the Upkeep and Maintenance of the Abbey Cemetery (reg. no. 243684), which is responsible for the maintenance of Bath Abbey Cemetery;
- Friends of Bath Abbey (reg. no. 205082) whose object is to assist the PCC to care for, adorn and preserve for posterity the fabric of the Abbey building and its goods and ornaments; and
- Bath Abbey Music Society (reg. no. 1123118) whose object is to promote music in Bath Abbey by providing financial support for the choirs and other musical activities and equipment.
- St James Memorial Hall Trust (reg. no. 202747) whose object is to further the religious and other charitable work of the Church of England in the Parish of Bath Abbey with St James.

Their activities are not included in these financial statements.

The PCC has a wholly owned trading subsidiary, Bath Abbey Limited (company number 07815696) and its activities are included in these financial statements.

Bath Abbey Parochial Church Council

Report of the Trustees of the PCC (*continued*)

Year ended 31 December 2021

OBJECTIVES AND ACTIVITIES OF THE PCC

The PCC have considered and had regard to the Charity Commission's guidance on public benefit. The PCC co-operates with the Rector in promoting in the parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. The PCC sees the Abbey's mission as witnessing steadfastly to the Christian faith and proclaiming the gospel through prayer and preaching, through service to the community of Bath and to visitors to the city, through service to those in need beyond the City of Bath and through careful stewardship of the Abbey's heritage of excellence in its worship and in its fabric. The Abbey also contributes to the spiritual and musical education of young people in the local area by inviting them to take part in the Easter Experience in the Abbey and through the Schools Singing Programme.

Volunteers play a vital role in the life of the Abbey. During the week, and on Sundays, volunteers welcome visitors and congregations, serve in the shop, arrange flowers, assist with services, work with children and young people and ring the Abbey's bells. Teams of volunteers count, record and oversee the banking of the Abbey's various cash income streams. More than 250 people are involved as volunteers in the life of the Abbey in usual times, and many (though not all) gradually returned, together with some new recruits, as the COVID-19 pandemic and its restrictions began to ease their grip. The PCC thanks all these individuals for their valuable work which is carried out in the very best tradition of 'volunteering' at the Abbey.

ACHIEVEMENTS AND PERFORMANCE OF THE PCC

The Abbey fulfils a number of roles as:

- A worshipping and caring Christian community;
- A missionary congregation "living and telling the good news of Jesus" with Bath and its visitors;
- A visitor attraction and heritage treasure enjoyed by half a million people a year;
- A focal point for civic events such as Mayor-making and Remembrance services;
- A place where the city of Bath can come together, such as for concerts, exhibitions, and graduation ceremonies.
- An oasis for private prayer.

Balancing and prioritising these sometimes conflicting roles can be difficult to navigate - particularly given the double disruption of both our Footprint Project and the COVID-19 pandemic, which continued to impact everything that happened in 2021.

Our welcome to visitors, as well as to city events, was hit very hard for the first half of this year, as in 2020. In addition, maintaining genuine contact with the Abbey's diverse regular communities, not least with our congregation members and volunteers, has also been a real challenge – especially with those not online, or not confident with zoom meetings and the like.

Meanwhile the build phase of the Footprint Project was finally completed in time for a major Celebration Service in October 2021. By the end of the year, we are pleased to report that:

- The works to the Abbey Floor and underfloor heating completed in February 2021;
- Our Abbey Offices and the Song School and Corridor in Kingston Buildings were handed back to the Abbey in March 2021, with choir and office staff moving back in April 2021;
- The new Learning Centre was ready in time for September 2021 - and the launch of our new Schools learning syllabus in time for the new school year, as well as Abbey church activities for young people;
- The new Abbey Shop was fitted out and opened in November 2021;
- December 2021 saw an immensely popular hosting of "The Museum of the Moon" exhibition, as well as a full complement of Christmas services and concerts;
- New Sound system and live-streaming facilities were installed;
- Snagging on all the above was begun; while the fit out of the Discovery Centre for visitors has been delayed into 2022, when it aims to be commissioned in the second half of the year.

Looking back over the last 3 years have been an incredibly challenging period of change and upheaval, probably the most change that the Abbey has experienced in our lifetime.

Bath Abbey Parochial Church Council

Report of the Trustees of the PCC (*continued*)

Year ended 31 December 2021

ACHIEVEMENTS AND PERFORMANCE OF THE PCC *continued*

The PCC is particularly pleased and proud of the following achievements through 2021:

- Maintaining Abbey church life despite pandemic restrictions: pastoral care e.g. through contact groups, ministers and pastoral care team; daily thoughts for the day and anthems of the day; online services, prayer meetings and study groups;
- As it seems against all odds, completing the year showing a small surplus in both our general Abbey operating and Footprint cost centres – due to a series of generous grants and donations, and much prayer and hard work;
- Continuing implementation of the Abbey financial survival plan (see Financial Review section for details);
- Embracing change - welcoming a wide range of events with new facilities (inc seating & staging), zoom meetings, the livestreaming of services, working from home, repeatedly adjusting opening hours, schedule and practical arrangements for services, etc;
- Staying connected to the Abbey communities and keeping everyone informed - regular newsletters, zoom briefings & socials, phone calls with congregation, volunteers, staff, PCC, choirs, donors & stakeholders etc;
- Strong leadership and financial management through one of the most difficult years in living memory.

We would like to take this opportunity to thank the following people and organisations for helping us get through 2021:

- Our wonderful staff (past and present), volunteers, PCC members, churchwardens and clergy for their flexibility, commitment and support over the last 3 years of construction;
- Recruitment and induction of new staff, including new a Visitor Experience team as tours and visitors returned; and the Revd. Cath Candish who was ordained Deacon in September 2021 to serve her curacy with us
- Revd. Roger Driver and our colleagues at St Michaels Without whose partnership and generous support in city centre mission we continue to highly value
- The National Lottery Heritage Fund Team and our bankers NatWest for their unwavering support through the year;
- Bishops Peter (who retired May 2021) & Ruth and The Diocese of Bath & Wells Board of Finance team (past and present) for their flexibility and support throughout the year;
- For Emerys and our team of Footprint professional consultants, particularly Synergy & FCBS for their resilience and commitment to the Footprint Project.

Bath Abbey Parochial Church Council

Report of the Trustees of the PCC (*continued*)

Year ended 31 December 2021

PCC Plans for Future Periods

Back in early 2020 the Abbey unveiled its Mission Action Plan which set our priorities over the following 5 years, pursuing our vision by focusing in the following areas:

Thanksgiving	Worshipping and praying
Telling	Proclaiming the Gospel
Teaching	Growing as followers of Jesus
Tending	Caring as a church family
Transforming	Pursuing justice and peace in society
Treasuring	Sustaining and renewing creation

The PCC carried forward into 2021 (and beyond into 2022) the goals set under each of those headings, as follows:

Thanksgiving	DEEPEN ABBEY PRAYER LIFE: Prayer meetings renewed (e.g. first Friday and last Saturday each month); Prayer Stations and new Prayer Room established & resources; Prayer Ministry Team commissioned; Prayer training courses run, groups & resources promoted; etc.
Telling	PREPARE NEW CONNECTIONS BETWEEN GOSPEL & ABBEY HERITAGE. Develop post Footprint tours/trails/stewarding, shop, art installations, school visits, Discovery Centre, museum, suite of new leaflets & guidebook, concerts (& Bath Abbey Music Festival), etc.
Teaching	OFFER FRESH LEARNING OPPORTUNITIES. Host a series of city lectures & debates on topical/ethical/theological issues; occasional teaching sermon series; progress all-age learning at 9:30 service; develop school & family learning programme.
Tending	REVIEW OUR PASTORAL CARE and MINISTRY WITH CHILDREN & YOUNG PEOPLE, Facilitated by Abbey Pastor and Youth & Families Minister (with Volunteer Officer etc.); set goals for next period
Transforming	STRENGTHEN OUR CITY MISSION. Facilitated by Abbey Missioner (& Mission Support Group, etc.); set goals for partnering & showcasing with secular, inter-faith & church initiatives; identify links to build with local needs, issues & interests.
Treasuring	COMPLETE CURRENT FOOTPRINT PHASE. Complete our planned reordering; Meet our financial challenges (by fundraising, stewardship and visitor donations); conduct & implement ongoing eco-audit.

Certain of these priorities have been impacted by / delayed by COVID-19 and so will be carried forward into 2022.

Electoral Roll and average weekly attendance

The number of persons on the electoral roll as at 31 December 2021 was 447, compared with 456 at the end of the previous year. This was largely due to the process which happens every 6 years, whereby all names are removed from the roll and everyone has to reapply. The average weekly attendances at services, including visitors, during the year was 321 (2020 – 135).

Bath Abbey Parochial Church Council

Report of the Trustees of the PCC (*continued*)

Year ended 31 December 2021

FINANCIAL REVIEW

2021 represented a second year dominated by the global COVID-19 pandemic. We were closed / in lockdown for the first 5 months of the year and did not re-open until 17 May 2021 (and we did not fully reopen until July 2021).

The COVID-19 pandemic impacted on the Abbey in many ways:

- We were closed to visitors and had no visitor/shop or tour income for 5 months of the year;
- COVID-anxiety led to low footfall in the City and the cancellation of 2021 Christmas market;
- COVID- anxiety led to some volunteers delaying their return to the Abbey and so staff costs increased to cover;
- When we re-opened, our visitor services and shop capacity significantly fell due to social-distancing;
- The Footprint Project Completion date has been delayed by around 6 months;
- Additional disruption costs were incurred by the Footprint Project due to completion delays;
- Our ability to fundraise has been adversely impacted as philanthropists turned to support frontline services and competition for funds grew significantly;
- Donor sentiment has shifted from heritage to front line care services which has made fundraising more difficult;
- Overseas visitors to the Abbey are expected not to return until 2022/2023.

At the start of the pandemic we estimated that, as a result of the issues listed above, the Abbey was likely to cause us to incur an additional deficit of £1m for 2020 and 2021 and we already had a £1.1m cash shortfall with our Footprint Project.

Our focus / survival plan since March 2020 has been to:

- Tightly manage our cashflow;
- Optimise the furloughing of staff and the use of the UK Government Coronavirus Job Retention Scheme;
- Cut costs wherever possible. Reduce/decline discretionary spending. Progress our Footprint Project;
- Quantify and understand the impacts of COVID-19. Revise forecasts. Actively seek out financial support;
- Stay connected to local community, stakeholders, CoE, our people (PCC, Staff, Clergy, PCC) and the NLHF;
- Increase communications to key-stakeholders.

The implementation of this plan has been successful and we were successful in our application for a Culture Recovery Fund Continuity Support Grant of £246k, approved in December 2021.

The Diocese of Bath and Wells have also assisted us with a £300k term loan facility which we are in the process of repaying over 10 years.

As a result of the implementation of our survival plan and receipt of these grants and loan facility, we are emerging from the pandemic: having funded our operational trading deficit in 2020 and 2021; with sufficient funds to complete the Footprint Project; with enough cash to get us through 2022 and beyond and; with a £300k loan facility which is being repaid as per our agreement with the Diocese.

As we enter 2022, we are seeing visitors return, the shop has opened and looks wonderful and our tours are up and running again. We will see the return of concerts, graduations and new events in 2022 and bookings are strong. We have gone through 3 years of considerable upheaval and change and now we are all starting to feel a renewed energy, hope and excitement about the future.

In addition, the Bath & Wells Diocesan Board of Finance kindly made available a Financial Support package comprising of:

- £400k unsecured loan. We have drawn down £300k as at 31.12.2021;
- £180k reduction in 2020 Parish Share;
- A re-classification of our 2021 Parish Share.

The Rector and the Clergy team launched a Stewardship Campaign through the year which led to Planned Giving increasing by 13%.

The Abbey Leadership Team also carried out a re-organisation of staff in October which regrettably led to 4 staff redundancies.

The net effect of implementing the Abbey's survival plan, was that we achieved an operational deficit which was less than 50% of the forecast deficit.

Bath Abbey Parochial Church Council

Report of the Trustees of the PCC (*continued*)

Year ended 31 December 2021

FINANCIAL REVIEW *continued*

With regards to the Abbey's Footprint Project which is providing additional and enhanced space and facilities, despite the pandemic, progress has been good and the end of the project is in sight with completion now expected by October 2022. Due to successful fundraising through the pandemic, and despite delays and cost-over-runs we are pleased to report that the Abbey has sufficient funds to complete the project without needing to borrow.

The NLHF committed to refunding a proportion of eligible costs of the Footprint Project up to a total of £10.725 million. In accounting terms that is a commitment which is "more than likely" to result in the arrival of the money, so it is shown as an asset, almost like something you already have or money in your bank account. This promised but future money, a refund of a proportion of costs yet to be incurred, is shown as a Restricted Fund (the "Footprint HLF Fund" in Note 25). Showing this future money in this way could make it appear that we have more money than we actually do. However, it is a requirement of the accounting standards that we show it in this way.

We are most grateful for all donations (and legacies), received from individuals, charitable trusts and foundations whether towards the cost of Footprint or the more general work of the Abbey.

The Abbey's cash position at the bank has clearly been weakened due to the impact of COVID-19 incurred through 2020, however throughout the year we were able to meet all our obligations as they fell due.

In accordance with FRS 102 and the Charities SORP (FRS 102) The PCC members of Bath Abbey have liaised with the Executive Director and undertaken a review of the financial viability of Bath Abbey and an assessment of its ability to trade as a going concern, both currently and for at least 12 months after the accounts have been audited. As part of our assessment we have taken into account the following matters:

- Detailed income and expenditure budget for 2021 together with details of the assumptions that sit behind the figures;
- Long range budgets for the period 2022 – 2026;
- The significant grants that have been made available to the Abbey in 2020 and 2021;
- The financial support package that the Bath & Wells Diocesan Board of Finance have made available to the Abbey in 2020 and 2021;
- The loan facility that Nat West Bank Plc has made available to the Abbey;
- The UK Governments COVID-19 Roadmap to Recovery.

The above budgets, grants and financial support packages have enabled the PCC members of Bath Abbey to conclude that Bath Abbey is a going concern and that there are no material uncertainties relating to its going concern status.

Fixed Assets

The current value of the Abbey's freehold properties is believed to be considerably in excess of the book value of £137,598; the PCC does not consider that a revaluation is necessary at present but is keeping the situation under regular review.

Reserves Policy

Bath Abbey requires unrestricted funds to carry out its mission and to maintain its buildings.

The required level of reserves has been determined following a review of Bath Abbey's annual budget, its longer-term budget and the Abbey's risk register. This review concluded that Bath Abbey should hold a minimum of £800k to meet working capital, seasonality and risk to planned income, which equates to 5 months of Bath Abbey's planned expenditure for 2022.

The reserves policy, which was approved by PCC in February 2022 (and which will be reviewed annually), accordingly calls for liquid general funds (unrestricted and undesignated, not committed to fixed assets) of between 5 (min) and 9 (max) months of planned expenditure.

As mentioned previously the Covid pandemic has had an impact on Bath Abbey's finances. The Abbey is currently holding just over 1 month of liquid general funds (£200k). This position highlights the importance of the £300k loan provided by Bath & Wells diocese. Whilst this loan is repayable on demand (otherwise repayable over 10 years), the support from Bath & Wells diocese does enable the Abbey to operate as if it were holding 3 months of reserves. Even this level remains short of the minimum, and trustees recognise the need to re-build reserves in future years.

At the year-end, funds available to cover major repair costs which are held in the restricted Fabric and Maintenance fund amount to £82,721 (2020 - £120,323). In addition, there were general unrestricted funds of £360,407 (2020 - £246,645) available to meet unforeseen fluctuations in income or revenue expenditure.

Bath Abbey Parochial Church Council

Report of the Trustees of the PCC (*continued*)

Year ended 31 December 2021

Investment Policy

Whilst Bath Abbey does not hold significant long-term funds, it is nevertheless important that Bath Abbey adopts a cautious, prudent and ethical approach to investments and deposits. Cash deposits (£1.13m), which remain inflated by funds for the completion of Footprint, should be covered by the FCSC guarantee scheme, or if in excess of £85,000, should be deposited with an institution which holds a credit rating of at least single A or equivalent.

The one long term endowment fund which Bath Abbey does hold (£157k) is invested in the CBF Church of England Investment Fund, actively managed by CCLA. This is a diversified portfolio seeking a long-term total return comprising growth in capital and income. The CCLA fund is compliant with the policies of the Church of England's Ethical Investment Advisory Group.

The Head of Finance monitors the cash position, cash flow projections and reports to the Finance Committee at each meeting. An annual review of compliance with Bath Abbey's Investment Policy is presented to the PCC for the assurance of the trustees.

Pay Policy

The Abbey is committed to paying all staff at least the "real living wage".

The pay of senior staff is reviewed annually.

Staff pay is normally increased in line with RPI and/or the increase adopted by the Diocese. In 2021 we did not increase staff pay in line with RPI due to the financial impacts of the COVID-19 pandemic on the Abbey

The PCC expects the Abbey Leadership Team to benchmark pay from time to time against pay levels in other similar organisations.

Principal Risks and Uncertainties

The PCC has reviewed the risks facing the Abbey and its trading company and considers the most significant to be those shown below, together with the actions taken to mitigate them.

1.	Financial: The Abbey has less than 2 months unrestricted reserves and is currently relying on a £300k loan from the Diocese to support its cashflow. Our desire is to hold reserves equivalent to 5 months of planned expenditure. Ongoing viability is potentially threatened.	<p>The Abbey Leadership Team have designed and implemented a survival action plan which has been successfully implemented in 2021. The Abbey has been provided with a support package from the Diocese together with significant grants.</p> <p>The Abbey have been successful in being awarded a £246k grant which will bolster our unrestricted reserves. Cash has been received in Q1 2022.</p> <p>Cashflow projections indicate that we have enough cash to get us through 2022, 2023 and beyond.</p> <p>Regarding Footprint finances, we have been successful in our fundraising efforts and have a surplus cash position when taking into account known and anticipated expenditure. Our bankers have also agreed to make available a £500k standby loan if needed.</p>
2.	Financial Performance. Visitor Income was behind budget in 2021. This is our biggest income stream. Visitor Income needs to meet our 2022 budget otherwise this threatens our viability.	<p>Visitor numbers and visitor income trends are improving each month and we now have regular coaching sessions with our Visitor Services team to help improve the Average Visitor Donation. In 2021 social distancing impacted adversely on our visitor numbers and the Bath Christmas market was cancelled. In 2022 we are pleased to report that both social distancing is no longer required, and the Christmas market is returning to Bath.</p>
3.	Safeguarding: The Church can be a target for wrongdoers trying to take advantage of the vulnerable or children.	<p>At Bath Abbey we implement safer recruitment, we have clear policies and procedures regarding safeguarding, and we ensure that the appropriate Disclosure & Barring Service checks are carried out and that Safeguarding training takes place on a timely basis. Safeguarding is also a standing item on our regular Personnel and PCC discussions.</p> <p>We are vigilant re the new spaces, ensuring that they are inaccessible, limited key control, intruder alarms and daily sweeps/ regular checks are made by staff.</p>
4.	Over-reliance on a single income stream.	<p>Visitors to the Abbey generate income via donations, tour fees or shop sales. This income represents over 70% of the total income of the Abbey. We have over the years tried to reduce our reliance on this income stream.</p> <p>In 2021, we have started to diversify by starting filming income and book signing income. We have a long way to go and will produce a wider / more comprehensive plan in 2022.</p>
5.	Abbey congregation and volunteer age profile. Nationally CoE congregations are aged (average age 61) and declining.	<p>The average age of the Abbey's congregation is approximately in line with the national average for a church, being quite elderly.</p> <p>We have employed a Youth and Families Chaplain to help grow our youth and families connections and are developing plans for what we will do in the new building post Footprint. Slowly but surely the youth community is growing.</p> <p>Completion of the Footprint project in 2022 will enable us progress Ministry and Mission initiatives and will make the Abbey a busy church/venue. Live streaming of services started in 2020 which we will continue post pandemic as a new online congregation is developing.</p>

Bath Abbey Parochial Church Council

Report of the Trustees of the PCC (*continued*)

Year ended 31 December 2021

Fundraising

Bath Abbey does not charge an entrance fee to visitors. Instead, our welcoming team of staff and volunteers suggest to visitors that they may want to make a donation as they enter, with a suggested donation of £5. Following the re-opening of the Abbey after lockdown, in May, we employed a new welcoming team and delivered training through the second half of the year. Since re-opening, we welcomed over 230k visitors in the 6 months. Whilst our visitor numbers and visitor income were down due to the pandemic, we are pleased to report that we have seen a 10% increase in our Average Visitor Donations in 2021 despite having a very inexperienced team.

Collections are received in many of the services that are held in the Abbey. However, the pandemic has prevented us from holding gathered services for half of the year and when we have been permitted to do so, social distancing has limited our capacity. This has adversely impacted on Collections in 2021. At various times through the year, sermons have been delivered on “stewardship” encouraging people to think about how they should use their money, time and talents to support the Abbey’s Mission Action Plan. These stewardship sermons have led to an 11% increase in Planned Giving donations from our congregation which compares favourably to a national average decline reported by the Church of England.

The Abbey manages its own fundraising activities and whilst it does sometimes employ outside consultants to help with that, it does not engage external professional fundraisers. The PCC employs an experienced fundraiser principally (to date) to raise the funds necessary for the Footprint project and their work has focused on seeking grants from trusts and foundations, as opposed to seeking direct contributions from individuals. The results of the fundraiser and the Fundraising Committee are reported regularly to the Footprint Project Board, Finance Committee and the PCC along with details of planned activities. Sadly, our fundraiser was absent for the whole of 2021 due to ill health.

The PCC is aware of the role of the fundraising regulator, but currently the PCC has not signed up to be bound by any voluntary scheme for regulating fundraising, although this is kept under review.

The Abbey takes all complaints seriously and that would certainly include any relating to fundraising. During the year no such complaints were received. The Abbey aims to achieve best practice in the way it communicates with parishioners, donors and other supporters, taking care over the tone of its communication and the accuracy of the data it holds, to minimise any unfair pressure on the people it contacts. The Abbey strives to protect any data it holds, never sells or swaps it with other organisations and ensures that the communication preferences of individuals and organisations can be changed at any time. The Abbey also knows many of the people written to and would of course apply any knowledge about recipients in its decision making.

STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES

The members of the PCC, as the charity trustees, are responsible for preparing the PCC’s Trustees’ Annual Report and the financial statements in accordance with applicable law and regulations and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the members of the PCC to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Abbey and of the incoming resources and application of resources of the Abbey for that period. In preparing these financial statements, the members of the PCC are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Abbey will continue in operation.

The members of the PCC are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Abbey and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Abbey’s constitutional documents. They are also responsible for safeguarding the assets of the Abbey and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Trustees

The Reverend Canon Guy Bridgewater
Rector of Bath Abbey

Date: 4 May 2022.....

Bath Abbey Parochial Church Council

Independent Auditor's Report to the Members of Bath Abbey Parochial Church Council

Year ended 31 December 2021

OPINION

We have audited the financial statements of Bath Abbey Parochial Church Council (the 'Charity') and its subsidiary (the 'Group') for the year ended 31 December 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the Charity's affairs as at 31 December 2021 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group or Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the members with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The members are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Year ended 31 December 2021

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Group and Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Annual Report.

We have nothing to report in respect of the following matters in relation to which we to report to you if, in our opinion:

- the Charity has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the Charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit; or

RESPONSIBILITIES OF MEMBERS

As explained more fully in the member's responsibilities statement, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the Group's and the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the Group or the Charity or to cease operations, or have no realistic alternative but to do so.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Identifying and assessing potential risks related to irregularities

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We have considered the nature of the sector, control environment and financial performance;
- We have considered the results of enquiries with management and members in relation to their own identification and assessment of the risk of irregularities within the entity; and
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation.
- For any matters identified we have obtained and reviewed the Group's documentation of their policies and procedures relating to:
 - identifying, evaluating, and complying with laws and regulations whether they were aware of any instances of non-compliance;
 - detecting and responding to the risk of fraud and whether they have knowledge of actual, suspected, or alleged fraud; and
 - the internal controls established to mitigate the risks of fraud or non-compliance with laws and regulations.
- we have considered the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

Year ended 31 December 2021

Identifying and assessing potential risks related to irregularities *continued*

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to revenue recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained understanding of the legal and regulatory frameworks that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011, Charity SORP 2019, FRS 102 and the terms and conditions attaching to material grants received by the Charity.

In addition, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group's ability to operate or avoid a material penalty. These included data protection regulations, health and safety regulations and employment legislation.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing board meeting minutes;
- Enquiring of management in relation to actual and potential claims or litigations;
- Performing detailed transactional testing in relation to the recognition of revenue, specifically grants, with a particular focus around year-end cut off; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgments made in accounting estimates are indicative of potential bias; and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business.

We also communicated identified laws and regulations and potential fraud risks to all members of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

Due to the Covid-19 pandemic the engagement team performed remote audit testing using online portals to share documentation securely and video calls to make enquiries. This has not had any detrimental impact on our ability to identify and respond to risks.

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in financial statements or non-compliance with regulation, will be detected by us. The risk increases the further removed compliance with a law and regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one off error, as this may involve intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Bath Abbey Parochial Church Council

Independent Auditor's Report to the Members of Bath Abbey Parochial Church Council *(continued)*

Year ended 31 December 2021

USE OF OUR REPORT

This report is made solely to the members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the members, as a body, for our audit work, for this report, or for the opinions we have formed.

David Butler FCA DChA (Senior Statutory Auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Date:.....

Bath Abbey Parochial Church Council

Consolidated Statement of Financial Activities

Year ended 31 December 2021

		2021				2020
	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £	Total funds £
Income and endowments						
Donations and legacies	3	978,447	1,388,560	–	2,367,007	2,511,334
Other trading activities	4	317,985	–	–	317,985	109,122
Investment income	5	219	3,985	–	4,204	9,507
Total income		<u>1,296,651</u>	<u>1,392,545</u>	<u>–</u>	<u>2,689,196</u>	<u>2,629,963</u>
Expenditure						
Expenditure on raising funds:						
Costs of raising donations and legacies	6	(184,881)	(1,110)	–	(185,991)	(118,627)
Costs of other trading activities	7	(223,461)	–	–	(223,461)	(217,537)
Expenditure on charitable activities	8,9	(803,637)	(3,919,345)	–	(4,722,982)	(5,767,972)
Taxation	11	–	–	–	–	(290)
Total expenditure		<u>(1,211,979)</u>	<u>(3,920,455)</u>	<u>–</u>	<u>(5,132,434)</u>	<u>(6,104,426)</u>
Net gains on investments	12	–	–	19,653	19,653	475
Net income/(expenditure)		<u>84,672</u>	<u>(2,527,910)</u>	<u>19,653</u>	<u>(2,423,585)</u>	<u>(3,473,988)</u>
Transfers between funds		8,933	(8,933)	–	–	–
Net movement in funds		<u>93,605</u>	<u>(2,536,843)</u>	<u>19,653</u>	<u>(2,423,585)</u>	<u>(3,473,988)</u>
Reconciliation of funds						
Total funds brought forward		350,426	5,551,370	137,376	6,039,172	9,513,160
Total funds carried forward		<u>444,031</u>	<u>3,014,527</u>	<u>157,029</u>	<u>3,615,587</u>	<u>6,039,172</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 19 to 41 form part of these financial statements.

Bath Abbey Parochial Church Council

Consolidated Statement of Financial Position

31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	17	3,970	7,939
Tangible fixed assets	18a	2,241,863	2,220,698
Investments	19a	157,029	137,376
		<u>2,402,862</u>	<u>2,366,013</u>
Current assets			
Stocks	20a	59,829	68,384
Debtors	21a	600,608	3,005,204
Cash at bank and in hand		1,132,789	1,432,259
		<u>1,793,226</u>	<u>4,505,847</u>
Creditors: amounts falling due within one year	22a	<u>(580,501)</u>	<u>(832,688)</u>
Net current assets		<u>1,212,725</u>	<u>3,673,159</u>
Total assets less current liabilities		<u>3,615,587</u>	<u>6,039,172</u>
Net assets		<u>3,615,587</u>	<u>6,039,172</u>
Funds of the charity			
Endowment funds		157,029	137,376
Restricted funds		3,014,527	5,551,370
Unrestricted funds		444,031	350,426
Total charity funds	24	<u>3,615,587</u>	<u>6,039,172</u>

These financial statements were approved by the board of trustees and authorised for issue on 4 May 2022, and are signed on behalf of the board by:

The Reverend Canon Guy Bridgewater
Rector of Bath Abbey

Mr R Carver
Treasurer

The notes on pages 19 to 41 form part of these financial statements.

Bath Abbey Parochial Church Council

Charity Statement of Financial Position

31 December 2021

		2021		2020
	Note	£	£	£
Fixed assets				
Intangible assets	17		3,970	7,939
Tangible fixed assets	18b		2,241,863	2,220,698
Investments	19a		157,030	137,377
			2,402,863	2,366,014
Current assets				
Debtors	21b	687,622		3,086,834
Cash at bank and in hand		1,084,566		1,403,880
		1,772,188		4,490,714
Creditors: amounts falling due within one year	22b	(561,439)		(819,531)
Net current assets			1,210,749	3,671,183
Total assets less current liabilities			3,613,612	6,037,197
Net assets			3,613,612	6,037,197
Funds of the charity				
Endowment funds			157,029	137,376
Restricted funds			3,014,527	5,551,370
Unrestricted funds			442,056	348,451
Total charity funds	24		3,613,612	6,037,197

These financial statements were approved by the board of trustees and authorised for issue on 4 May 2022, and are signed on behalf of the board by:

The Reverend Canon Guy Bridgewater
Rector of Bath Abbey

Mr R Carver
Treasurer

The notes on pages 19 to 41 form part of these financial statements.

Bath Abbey Parochial Church Council

Consolidated Statement of Cash Flows

Year ended 31 December 2021

	2021	2020
	£	£
Cash flows from operating activities		
Net expenditure	(2,423,585)	(3,473,988)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	35,749	26,158
Amortisation of intangible assets	3,969	3,969
Net gains on investments	(19,653)	(475)
Other interest receivable and similar income	(4,204)	(9,507)
Interest payable and similar charges	12,830	5,186
Taxation	–	290
<i>Changes in:</i>		
Stocks	8,555	(9,962)
Trade and other debtors	2,404,596	2,168,382
Trade and other creditors	(352,187)	(52,350)
Cash generated from operations	(333,930)	(1,342,297)
Interest paid	(12,830)	(5,186)
Interest received	4,204	9,507
Tax received/(paid)	-	(11,937)
Net cash used in operating activities	(342,556)	(1,349,913)
Cash flows from investing activities		
Purchase of tangible assets	(56,914)	(1,605)
Proceeds from sale of other investments	-	98,216
Net cash (used in)/from investing activities	(56,914)	96,611
Cash flows from financing activities		
Loan from Diocese of Bath and Wells	100,000	200,000
Net cash provided by financing activities	100,000	200,000
Net (decrease)/increase in cash and cash equivalents	(299,470)	(1,053,302)
Cash and cash equivalents at beginning of year	1,432,259	2,485,561
Cash and cash equivalents at end of year	1,132,789	1,432,259

The notes on pages 19 to 41 form part of these financial statements.

Bath Abbey Parochial Church Council

Accounting Policies

Year ended 31 December 2021

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investment assets measured at fair value through income or expenditure and are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

The financial statements have been prepared to give a "true and fair" view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a "true and fair view". This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The consolidated accounts include the trading activities, assets and liabilities of the subsidiary company.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Going concern

In accordance with FRS 102 and the Charities SORP (FRS 102) the PCC members of Bath Abbey have liaised with the Executive Director and undertaken a review of the financial viability of Bath Abbey and an assessment of its ability to trade as a going concern, both currently and for at least 12 months after the accounts have been audited. As part of our assessment we have taken into account the following matters:

Detailed income and expenditure budget for 2022 together with details of the assumptions that sit behind the figures;

Long range budgets for the period 2022 - 2026;

The significant grants that have been made available to the Abbey;

The long term financial support package that the Bath & Wells Diocesan Board of Finance have made available to the Abbey;

The loan facility that Nat West Bank Plc has made available to the Abbey;

Current trends regarding visitor income and costs, since reopening after lockdown and since the requirement for social distancing was removed.

The above budgets, grants and financial support packages have enabled the PCC members of Bath Abbey to conclude that Bath Abbey is a going concern and that there are no material uncertainties relating to its going concern status.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period.

Current tax is recognised on taxable income or expenditure for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Bath Abbey Parochial Church Council

Accounting Policies (*continued*)

Year ended 31 December 2021

Fund accounting

The accounts include all transactions, assets and liabilities for which the PCC is responsible in law.

Unrestricted funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for application to the general purposes of the PCC. Funds designated for a particular purpose by the PCC are also unrestricted.

Restricted funds are those monies given to the PCC for specific purposes and can only be applied in respect of those purposes.

Endowment funds represent capital donations to the PCC and only the income arising from the funds may be applied, the capital remaining intact.

Income

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

Donations and grants

Planned giving is recognised only when received.

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

Grants and legacies are accounted for as soon as the PCC is notified of its legal entitlement, the amount can be reliably measured and it is probable that the amount will be received.

The NLHF grant amounted initially to £10,725,300 and was recognised when the grant offer was finalised and permission was granted to commence the work. This grant was increased by £534,000 and was recognised when the increase was finalised in January 2021. There is a 5.2% retention on the total grant, release of which is subject to completing the project to a satisfactory standard under the terms of the grant and raising the remaining funds. 94.8% of the grant sum has therefore been recognised and the sum of £259,536 not yet received as at 31 December 2021 is accrued in these accounts.

Income tax recoverable on gift aid donations is recognised when the donation is received.

Income from other activities

Sales of books and other items sold in the shop are recognised at point of sale.

Fees arising from the use of the Abbey and its other properties are recognised when the fee is due.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred.

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC. The diocesan parish share is accounted for when payable.

Staff costs are the major expenditure of the charity and are apportioned to activities based upon the time spent on those activities. The majority of other costs can be directly allocated to each of the charity's activities as set out in note 8. The costs of providing central office support such as finance, Human Resources, reception desk are treated specifically as support costs and are detailed in note 10.

Bath Abbey Parochial Church Council

Accounting Policies (*continued*)

Year ended 31 December 2021

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Website development	-	Over 3 years straight line
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

All fixed assets costing £1,000 or more are capitalised and are initially recorded at cost. They are reviewed for impairment at intervals no greater than one year.

Work to maintain the Abbey (including floor repairs) is expensed in-year whilst work outside, together with any expenditure on fixtures and fittings, is capitalised. The Footprint project covers both work inside the Abbey and outside, so analysis was undertaken to ascertain the expected proportions of the cost of work inside and outside, together with any associated fees. Work undertaken by Footprint has then been capitalised according to those proportions but capped by the expected market value for the outside property.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	- 50 years
Footprint project in progress	- nil until completion
Fixtures, fittings and equipment	- 3 to 5 years, with the exception of
Diptychs	- not depreciated
Glockenspiel	- 20 years
Sound, screen and staging	- 3 to 10 years
Pianos	- 50 years

Depreciation on the Footprint project expenditure will not commence until completion of the project. Chairs have been purchased as part of Footprint and they are being depreciated over 5 years.

Investments

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Bath Abbey Parochial Church Council

Accounting Policies *(continued)*

Year ended 31 December 2021

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell, after making due allowance for obsolete and slow moving items. Cost includes all costs of purchase and other costs incurred in bringing the stock to its present location and condition.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Defined contribution plans

The charity operates two defined contribution pension schemes for employees. The assets of the schemes are held separately from those of the charity. The annual contributions are recognised as an expense in the period in which the related service is provided.

Bath Abbey Parochial Church Council

Notes to the Financial Statements

Year ended 31 December 2021

1. General information

The charity is a registered charity in England and Wales under the name "The Parochial Church Council of the Ecclesiastical Parish of Bath Abbey with St James, Bath" and is unincorporated. The address of the principal office is 9 Kingston Buildings, Bath, BA1 1LT.

2. Statement of compliance

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Practice.

3. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Visitors to the Abbey	406,260	—	406,260
Planned giving	176,798	—	176,798
Collections	25,886	—	25,886
Donations - general	31,230	25,870	57,100
Donations - music	4,836	43,925	48,761
Donations - Footprint	—	577,543	577,543
Mission Support Pentecost appeal	—	13,895	13,895
Legacies			
Legacies	2,000	—	2,000
Grants			
Listed Places of Worship	—	220,995	220,995
Archbishop's Council grant unclaimed	—	(9,842)	(9,842)
Culture Recovery Fund for Heritage	246,000	—	246,000
Coronavirus Job Retention Scheme	83,737	25,930	109,667
Heritage Lottery Fund	—	480,694	480,694
BANES grant	1,500	—	1,500
National Archive grant	—	9,550	9,550
Other grants	200	—	200
	<u>978,447</u>	<u>1,388,560</u>	<u>2,367,007</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Visitors to the Abbey	252,120	—	252,120
Planned giving	181,094	—	181,094
Collections	25,522	—	25,522
Donations - general	17,018	35,837	52,855
Donations - music	4,921	2,903	7,824
Donations - flowers	—	85	85
Donations - Friends of Bath Abbey	—	130,000	130,000
Donations - Footprint	—	616,172	616,172
Mission Support Pentecost appeal	—	18,774	18,774
Legacies			
Legacies	12,000	—	12,000
Grants			
Listed Places of Worship	—	307,790	307,790
Archbishop's Council grant	—	458,200	458,200
Heritage Emergency Fund	—	155,800	155,800
Culture Recovery Fund for Heritage	—	91,600	91,600
Coronavirus Job Retention Scheme	187,288	14,210	201,498
	<u>679,963</u>	<u>1,831,371</u>	<u>2,511,334</u>

Bath Abbey Parochial Church Council

Notes to the Financial Statements (*continued*)

Year ended 31 December 2021

4. Other trading activities

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Shop sales	158,957	158,957	73,487	73,487
Tower tours	97,993	97,993	19,305	19,305
Abbey hire and other fees	61,035	61,035	16,330	16,330
	<u>317,985</u>	<u>317,985</u>	<u>109,122</u>	<u>109,122</u>

5. Investment income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Other interest receivable	<u>219</u>	<u>3,985</u>	<u>4,204</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Other interest receivable	<u>7,576</u>	<u>1,931</u>	<u>9,507</u>

6. Costs of raising donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Visitors to the Abbey	<u>184,881</u>	<u>1,110</u>	<u>185,991</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Visitors to the Abbey	<u>68,269</u>	<u>50,358</u>	<u>118,627</u>

Bath Abbey Parochial Church Council

Notes to the Financial Statements (continued)

Year ended 31 December 2021

7. Costs of other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Shop	140,768	–	140,768
Tower tours	27,861	–	27,861
Abbey hire and other fees	27,194	–	27,194
Singing for Schools	22,620	–	22,620
Melody Makers	5,018	–	5,018
	<u>223,461</u>	<u>–</u>	<u>223,461</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Shop	121,645	750	122,395
Tower tours	45,813	–	45,813
Abbey hire and other fees	22,501	–	22,501
Singing for Schools	15,442	7,227	22,669
Melody Makers	4,159	–	4,159
	<u>209,560</u>	<u>7,977</u>	<u>217,537</u>

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Parish Share	–	–	–
Mission Support	9,998	13,900	23,898
Operating costs	213,228	30,636	243,864
Music costs	140,712	9,697	150,409
Work of the Ministry	58,253	24,890	83,143
Fabric Maintenance	42,275	11,136	53,411
Archives	12,592	7,100	19,692
Footprint project	–	1,513,480	1,513,480
Footprint delivery phase funded by HLF	–	2,291,740	2,291,740
Support costs	326,579	16,766	343,345
	<u>803,637</u>	<u>3,919,345</u>	<u>4,722,982</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Parish Share	186,115	–	186,115
Mission Support	34,190	18,654	52,844
Operating costs	255,505	12,448	267,953
Music costs	125,156	1,684	126,840
Work of the Ministry	35,831	39,127	74,958
Fabric Maintenance	7,710	26,871	34,581
Depreciation	8,170	2,515	10,685
Footprint project	19,009	1,930,798	1,949,807
Footprint delivery phase funded by HLF	–	2,678,134	2,678,134
Support costs	330,567	55,488	386,055
	<u>1,002,253</u>	<u>4,765,719</u>	<u>5,767,972</u>

Bath Abbey Parochial Church Council

Notes to the Financial Statements (continued)

Year ended 31 December 2021

9. Expenditure on charitable activities by activity type

	Charitable giving £	Work of the Abbey £	Support costs £	Total funds 2021 £	Total funds 2020 £
Parish Share	—	—	—	—	186,115
Mission Support	23,898	—	—	23,898	52,844
Operating costs	—	243,864	330,215	574,079	641,228
Music costs	—	150,409	—	150,409	126,840
Work of the Ministry	—	83,143	—	83,143	74,958
Fabric Maintenance	—	53,411	—	53,411	34,581
Archives	—	19,692	—	19,692	—
Depreciation	—	—	—	—	10,685
Footprint project	—	1,513,480	—	1,513,480	1,949,807
Footprint delivery phase funded by HLF	—	2,291,740	—	2,291,740	2,678,134
Governance costs	—	—	13,130	13,130	12,780
	<u>23,898</u>	<u>4,355,739</u>	<u>343,345</u>	<u>4,722,982</u>	<u>5,767,972</u>

10. Analysis of support costs

	Work of the Abbey £	Total 2021 £	Total 2020 £
Staff costs	211,428	211,428	235,956
Finance costs	12,830	12,830	5,186
Governance costs	13,130	13,130	12,780
Depreciation	24,851	24,851	6,011
Legal and professional	8,556	8,556	18,776
Office running expenses	47,966	47,966	45,687
Other costs	24,584	24,584	61,659
	<u>343,345</u>	<u>343,345</u>	<u>386,055</u>

11. Taxation

Major components of tax expense

	2021 £	2020 £
Current tax:		
UK current tax income	—	(11,647)
Adjustments in respect of prior periods	—	11,937
Total current tax	<u>—</u>	<u>290</u>

12. Net gains on investments

	Unrestricted Funds £	Endowment Funds £	Total Funds 2021 £
Unrealised gains on investment assets	<u>—</u>	<u>19,653</u>	<u>19,653</u>
	Unrestricted Funds £	Endowment Funds £	Total Funds 2020 £
Unrealised gains/(realised losses) on investment assets	<u>(8,365)</u>	<u>8,840</u>	<u>475</u>

Bath Abbey Parochial Church Council**Notes to the Financial Statements (continued)****Year ended 31 December 2021****13. Net expenditure**

Net expenditure is stated after charging:

	2021	2020
	£	£
Amortisation of intangible assets	3,969	3,969
Depreciation of tangible fixed assets	35,749	26,158
Operating lease rentals	37,366	58,241
	<u>76,084</u>	<u>88,378</u>

14. Auditors remuneration

	2021	2020
	£	£
Fees payable for the audit of the financial statements	7,380	7,200
Fees payable to the charity's auditor and its associates for other services:		
Audit of the financial statements of associates	2,450	2,400
	<u>9,830</u>	<u>9,600</u>

15. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	877,711	916,457
Social security costs	64,596	68,180
Employer contributions to pension plans	24,187	22,587
Other employee benefits	4,629	6,168
	<u>971,123</u>	<u>1,013,392</u>

Coronavirus Job Retention Scheme grants of £109,667 (2020 - £201,498) were received during 2021 to reduce the above staff costs.

Included in the above staff costs are costs of £31,153.36 relating to accrued holidays being carried over to future years. Choir Lay-Clerks were issued with permanent contracts in November 2020 so are also included in the staff costs as they are all now salaried.

There are hourly paid employees whose working hours are so varied that an average full time equivalent calculation would not be appropriate or useful. In respect of such employees, total hours worked on enterprise activities were 9,489 (2020 - 3,848), an increase in hours where paid staff covered some roles previously covered by volunteers.

The average head count of employees during the year was 59 (2020: 81). The average number of full-time equivalent employees during the year is analysed as follows:

	2021	2020
	No.	No.
Enterprise activities	5.2	5.4
Operations	5.0	4.0
Office and administration	5.3	6.2
Music	3.9	2.3
Footprint	4.8	5.4
	<u>24.2</u>	<u>23.3</u>

Bath Abbey Parochial Church Council**Notes to the Financial Statements (continued)****Year ended 31 December 2021****15. Staff costs (continued)**

The number of employees whose remuneration for the year fell within the following bands, were:

	2021	2020
	No.	No.
£70,000 to £79,999	<u>1</u>	<u>1</u>

Key Management Personnel

The PCC considers that the "Abbey Leadership Team" comprises the key management personnel of the Abbey and that they are in charge of running and operating the Abbey on a day to day basis. The Abbey Leadership Team meets fortnightly and consists of: The Rector, Abbey Missioner, The Abbey Pastor, both Church Wardens, the Director of Music, the Executive Director, Facilities Manager, Head of Visitor Experience, Head of Finance and Footprint Director (funded by NHLF).

The total remuneration of Key Management Personnel was £276,727 (2020: £260,973).

16. Trustee remuneration and expenses

No remuneration or reimbursement of expenses (2020 - nil) has been made to the Members of the PCC in their capacity as Members.

17. Intangible assets**The group and the charity**

	Website development £
Cost	
At 1 January 2021 and 31 December 2021	<u>11,908</u>
Amortisation	
At 1 January 2021	3,969
Charge for the year	<u>3,969</u>
At 31 December 2021	<u>7,938</u>
Carrying amount	
At 31 December 2021	<u>3,970</u>
At 31 December 2020	<u>7,939</u>

Bath Abbey Parochial Church Council

Notes to the Financial Statements (*continued*)

Year ended 31 December 2021

18a. Tangible fixed assets
The group

	Freehold property and leasehold additions £	Footprint project in progress £	Sound, screens and staging £	Equipment £	Piano £	Total £
Cost						
At 1 Jan 2021	219,136	2,012,522	261,872	164,462	70,464	2,728,456
Additions	—	10,768	43,581	2,565	—	56,914
At 31 Dec 2021	219,136	2,023,290	305,453	167,027	70,464	2,785,370
Depreciation						
At 1 Jan 2021	76,918	13,431	260,035	133,774	23,600	507,758
Charge for the year	4,620	14,867	7,859	7,033	1,370	35,749
At 31 Dec 2021	81,538	28,298	267,894	140,807	24,970	543,507
Carrying amount						
At 31 Dec 2021	137,598	1,994,992	37,559	26,220	45,494	2,241,863
At 31 Dec 2020	142,218	1,999,091	1,837	30,688	46,864	2,220,698

18b. Tangible fixed assets
The charity

	Freehold property and leasehold additions £	Footprint project in progress £	Sound, screens and staging £	Equipment £	Piano £	Total £
Cost						
At 1 Jan 2021	219,136	2,012,522	261,872	157,897	70,464	2,721,891
Additions	—	10,768	43,581	2,565	—	56,914
At 31 Dec 2021	219,136	2,023,290	305,453	160,462	70,464	2,778,805
Depreciation						
At 1 Jan 2021	76,918	13,431	260,035	127,209	23,600	501,193
Charge for the year	4,620	14,867	7,859	7,033	1,370	35,749
At 31 Dec 2021	81,538	28,298	267,894	134,242	24,970	536,942
Carrying amount						
At 31 Dec 2021	137,598	1,994,992	37,559	26,220	45,494	2,241,863
At 31 Dec 2020	142,218	1,999,091	1,837	30,688	46,864	2,220,698

Bath Abbey Parochial Church Council**Notes to the Financial Statements (continued)****Year ended 31 December 2021****19a. Investments****The group and the charity**

	Listed investments £
Cost or valuation	
At 1 January 2021	137,376
Additions	—
Fair value movements	19,653
At 31 December 2021	157,029
Impairment	
At 1 January 2021 and 31 December 2021	
Carrying amount	
At 31 December 2021	157,029
At 31 December 2020	137,376

All investments shown above are held at valuation.

Unquoted investment

In addition to the above investments, the charity held one £1 ordinary share in its wholly owned subsidiary company, at a cost of £1.

19b. Subsidiary undertaking

The charity owns the whole of the issued share capital of Bath Abbey Limited, a company registered in England. Its principal activity is the operation of the shop at Bath Abbey and the organisation of concerts and other events at the Abbey and a summary of its results and balance sheet is provided below:

	Year ended 31 Dec 2021 £	Year ended 31 Dec 2020 £
Profit and loss account		
Turnover	203,703	102,026
Cost of sales	(84,532)	(41,273)
Gross profit	119,171	60,753
Administrative expenses	(92,821)	(122,056)
Operating profit/(loss) before taxation	26,350	(61,303)
Tax on (loss)	-	(290)
Operating (loss)/profit	26,350	(61,593)
Distribution to Bath Abbey PCC	(26,350)	62,512
Result for the financial year	-	919
Balance sheet		
Assets	122,863	117,506
Liabilities	(120,887)	(115,530)
Retained surplus	1,976	1,976

Bath Abbey Parochial Church Council

Notes to the Financial Statements (*continued*)

Year ended 31 December 2021

20a. Stocks

The group

	2021 £	2020 £
Finished goods and goods for resale	<u>59,829</u>	<u>68,384</u>

20b. Stocks

The charity

	2021 £	2020 £
Finished goods and goods for resale	<u>-</u>	<u>-</u>

21a. Debtors

The group

	2021 £	2020 £
Trade debtors	17,599	9,903
Prepayments and accrued income	36,746	44,374
Corporation tax repayable	-	11,647
Gift Aid recoverable	10,652	14,186
HLF grants receivable	259,536	2,387,179
Other debtors	276,075	537,915
	<u>600,608</u>	<u>3,005,204</u>

21b. Debtors

The charity

	2021 £	2020 £
Trade debtors	6,367	1,264
Amounts owed by group undertakings	92,060	101,375
Prepayments and accrued income	36,309	44,238
Gift Aid recoverable	10,652	14,186
HLF grants receivable	259,536	2,387,179
Other debtors	282,698	538,592
	<u>687,622</u>	<u>3,086,834</u>

22a. Creditors: amounts falling due within one year

The group

	2021 £	2020 £
Trade creditors	73,846	500,183
Accruals and deferred income	180,726	104,178
Social security and other taxes	20,107	19,003
Wages control account	5,235	5,397
Loan from Diocese of Bath and Wells	300,000	200,000
Other creditors	587	3,927
	<u>580,501</u>	<u>832,688</u>

Bath Abbey Parochial Church Council

Notes to the Financial Statements (continued)

Year ended 31 December 2021

22b. Creditors: amounts falling due within one year The charity

	2021 £	2020 £
Trade creditors	68,671	496,498
Accruals and deferred income	167,000	94,706
Social security and other taxes	20,107	19,003
Wages control account	5,235	5,397
Loan from Diocese of Bath and Wells	300,000	200,000
Other creditors	426	3,927
	561,439	819,531

23. Pensions and other post retirement benefits

The amount recognised in expenditure as an expense in relation to defined contribution plans was £24,187 (2020:£22,587).

24. Analysis of charitable funds

Unrestricted funds The group

	At 1 Jan 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Dec 2021 £
General funds	246,645	1,296,561	(1,200,481)	17,682	—	360,407
Fabric and general purposes fund	—	—	—	—	—	—
Footprint HLF disruption fund	—	—	—	—	—	—
Footprint development fund	63,572	90	—	—	—	63,662
Legacies fund	13,480	—	—	—	—	13,480
Sabbatical fund	4,980	—	(1,500)	—	—	3,480
Mission Support travel	3,000	—	—	—	—	3,000
Mission Support	18,749	—	(9,998)	(8,749)	—	2
	350,426	1,296,651	(1,211,979)	8,933	—	444,031

	At 1 Jan 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Dec 2020 £
General funds	232,898	792,982	(1,227,173)	456,303	(8,365)	246,645
Fabric and general purposes fund	439,575	1,230	—	(440,805)	—	—
Footprint HLF disruption fund	25,498	—	—	(25,498)	—	—
Footprint development fund	80,132	2,449	(19,009)	—	—	63,572
Legacies fund	13,480	—	—	—	—	13,480
Sabbatical fund	4,980	—	—	—	—	4,980
Mission Support travel	3,000	—	—	—	—	3,000
Mission Support	42,939	—	(34,190)	10,000	—	18,749
	842,502	796,661	(1,280,372)	—	(8,365)	350,426

Bath Abbey Parochial Church Council

Notes to the Financial Statements (continued)

Year ended 31 December 2021

24. Analysis of charitable funds (continued)

Unrestricted funds

The charity

	At 1 Jan 2021	Income	Expenditure	Transfers	Gains and losses	At 31 Dec 2021
	£	£	£	£	£	£
General funds	244,670	1,137,208	(1,041,128)	17,682	–	358,432
Fabric and general purposes fund	–	–	–	–	–	–
Footprint HLF disruption fund	–	–	–	–	–	–
Footprint development fund	63,572	90	–	–	–	63,662
Legacies fund	13,480	–	–	–	–	13,480
Sabbatical fund	4,980	–	(1,500)	–	–	3,480
Mission Support travel	3,000	–	–	–	–	3,000
Mission Support	18,749	–	(9,998)	(8,749)	–	2
	<u>348,451</u>	<u>1,137,298</u>	<u>(1,052,626)</u>	<u>8,933</u>	<u>–</u>	<u>442,056</u>

	At 1 Jan 2020	Income	Expenditure	Transfers	Gains and losses	At 31 Dec 2020
	£	£	£	£	£	£
General funds	231,842	650,194	(1,085,304)	456,303	(8,365)	244,670
Fabric and general purposes fund	439,575	1,230	–	(440,805)	–	–
Footprint HLF disruption fund	25,498	–	–	(25,498)	–	–
Footprint development fund	80,132	2,449	(19,009)	–	–	63,572
Legacies fund	13,480	–	–	–	–	13,480
Sabbatical fund	4,980	–	–	–	–	4,980
Mission Support travel	3,000	–	–	–	–	3,000
Mission Support	42,939	–	(34,190)	10,000	–	18,749
	<u>841,446</u>	<u>653,873</u>	<u>(1,138,503)</u>	<u>–</u>	<u>(8,365)</u>	<u>348,451</u>

The Footprint Project is Bath Abbey's major development programme which aims to meet the worshipping needs of Bath Abbey's community in this age and for years to come, and to develop the facilities to support and enhance the Abbey's service to the city.

The Fabric and general purposes fund is monies set aside specifically for such expenditure.

The Footprint HLF fund is HLF grants receivable towards the disruption costs of the Footprint development. The grant was fully utilised in 2020 and so the remaining fund balance was released to general funds in that year.

The Footprint development fund (formerly the Abbey Church House building and development fund) is the money received from the sale of the Abbey Church House lease and these funds are now being used towards the cost of the Footprint development programme.

The Legacies fund has been set up for legacy income where the trustees wish to specifically identify subsequent expenditure.

The Sabbatical fund is monies set aside to provide for clergy sabbatical expenses.

The Mission Support travel fund is monies set aside by the Mission Support committee to contribute towards the travel costs incurred when visiting mission partners overseas.

The Mission Support fund is to support charitable causes at home and abroad. During 2021 the PCC agreed to undesignate the balance held at 1 January 2020 of £18,749, however £10,000 was allocated to the fund in 2021 of which £9,998 was donated in the year.

Bath Abbey Parochial Church Council

Notes to the Financial Statements (continued)

Year ended 31 December 2021

24. Analysis of charitable funds (continued)

Restricted funds

The group and the charity

	At 1 Jan 2021 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Dec 2021 £
Small restricted funds including Special						
Collections closed	35,701	37,765	(37,650)	—	—	35,816
Music fund	11,785	47,910	(5,994)	—	—	53,701
Rector's Discretionary fund	—	2,000	(1,140)	—	—	860
Fabric maintenance fund	120,323	—	(37,602)	—	—	82,721
Fabric projects legacy fund	5,000	—	—	—	—	5,000
National Archive fund	—	9,550	(7,100)	1,000	—	3,450
National Lottery Heritage Emergency Fund	28,062	—	(3,347)	(19,701)	—	5,014
Culture Recovery Fund for Heritage	56,399	—	(21,863)	—	—	34,536
Archbishop's Council Fund	424,123	(9,842)	(414,281)	—	—	—
Footprint HLF revenue fund	1,852,054	506,624	(2,002,112)	—	—	356,566
Footprint revenue fund	958,484	798,538	(1,372,192)	(1,000)	—	383,830
Footprint HLF asset fund	1,188,045	—	(14,867)	10,768	—	1,183,946
Footprint asset fund	811,046	—	—	—	—	811,046
Piano fund (asset)	43,309	—	(1,370)	—	—	41,939
Fabric projects capital fund (asset)	7,039	—	(937)	—	—	6,102
Diptychs fund (asset)	10,000	—	—	—	—	10,000
	<u>5,551,370</u>	<u>1,392,545</u>	<u>(3,920,455)</u>	<u>(8,933)</u>	<u>—</u>	<u>3,014,527</u>

Bath Abbey Parochial Church Council

Notes to the Financial Statements (continued)

Year ended 31 December 2021

24. Analysis of charitable funds (continued)

Restricted funds

The group and the charity

	At 1 Jan 2020 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 Dec 2020 £
Small restricted funds including Special Collections closed	38,052	54,696	(57,047)	—	—	35,701
Music fund	14,178	4,834	(7,227)	—	—	11,785
Fabric maintenance fund	139,079	—	(18,756)	—	—	120,323
Fabric projects legacy fund	5,000	—	—	—	—	5,000
National Lottery Heritage Emergency Fund	—	155,800	(127,738)	—	—	28,062
Culture Recovery Fund for Heritage	—	91,600	(35,201)	—	—	56,399
Archbishop's Council Fund	—	458,200	(34,077)	—	—	424,123
Coronavirus Job Retention Scheme	—	14,210	(14,210)	—	—	—
Footprint HLF revenue fund	4,516,757	—	(2,664,703)	—	—	1,852,054
Footprint revenue fund	1,753,671	1,053,962	(1,849,149)	—	—	958,484
Footprint HLF asset fund	1,201,476	—	(13,431)	—	—	1,188,045
Footprint asset fund	811,046	—	—	—	—	811,046
Piano fund (asset)	44,679	—	(1,370)	—	—	43,309
Fabric projects capital fund (asset)	8,184	—	(1,145)	—	—	7,039
Diptychs fund (asset)	10,000	—	—	—	—	10,000
	<u>8,542,122</u>	<u>1,833,302</u>	<u>(4,824,054)</u>	<u>—</u>	<u>—</u>	<u>5,551,370</u>

The Special collections and Various small restricted funds consists of smaller restricted donations.

The Music fund is monies received specifically towards funding the costs of the Music department. Included in the funds held at the year end is a £35,000 donation received in the year which is to be utilised specifically towards the future costs of the organ refurbishment.

The Rector's Discretionary Fund is to be spent assisting members of the Abbey Community experiencing times of hardship.

The Fabric maintenance fund is money received from Bath Abbey Trust specifically to meet the costs of Fabric maintenance of Bath Abbey.

The Fabric projects legacy fund is a legacy specifically received towards Abbey maintenance projects.

The National Archive fund is funding for a research project using newspaper archives to provide volunteer training, a web site, and evaluation.

National Lottery Heritage Emergency Fund - in 2020 Bath Abbey were awarded a £155.8k grant from this fund. These monies have been spent in 2020 and 2021 on specific costs detailed in our application. During 2021 however, it was identified that costs of £19,701 incurred in 2020 and which had been funded by this grant had not been charged to the fund but had been treated as unrestricted expenditure. This has been corrected in 2021 by transferring the costs out of general funds and into this National Lottery Heritage Emergency Fund.

Bath Abbey Parochial Church Council

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

24. Analysis of charitable funds *(continued)*

Culture Recovery Fund for Heritage - in July 2020, the Department for Culture, Media and Sports launched a £90m Culture Recovery Fund for Heritage. The aim of this fund was to help museums and heritage attractions to fund expenditure which was required to enable the organisation recover and reopen following lockdown. Bath Abbey were awarded a grant of £91.6k of which £57,063 had been spent by 31 December 2021.

Archbishop's Council Fund - this is the Culture Recovery Fund for Major Works which is administered by the Church of England and is available to fund major works that were due to be completed by 31st March 2021 which required funding where the specific church had had its reserves depleted due to COVID-19. Bath Abbey was awarded a grant of £458.2k for works in the Roman Great Drain (specifically the installation of an underground maintenance platform, the de-silting of the great drain and the installation of heat exchangers, energy blades, pipes and electrical and mechanical connections to the plantroom). The full amount of the grant was not claimed because the cost of the works were £9,842 less than budgeted.

The Footprint HLF fund is the balance of grants received on an invoice basis plus future grants payable as recognised under the SORP.

The Footprint fund is monies received specifically to fund the Footprint development programme.

The Piano fund and the Fabric projects capital fund are both monies received which have been utilised to purchase specific capital assets.

The Diptychs were purchased using donated funds where the donors placed restrictions on their disposal.

Endowment funds

The group and the charity

	At 1 Jan 2021	Income	Expenditure	Transfers	Gains and losses	At 31 Dec 2021
	£	£	£	£	£	£
Music	<u>137,376</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>19,653</u>	<u>157,029</u>

	At 1 Jan 2020	Income	Expenditure	Transfers	Gains and losses	At 31 Dec 2020
	£	£	£	£	£	£
Music	<u>128,536</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>8,840</u>	<u>137,376</u>

Bath Abbey Parochial Church Council

Notes to the Financial Statements (continued)

Year ended 31 December 2021

25a. Analysis of net assets between funds
The group

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £
Intangible assets	3,970	—	—	3,970
Tangible fixed assets	155,812	2,086,051	—	2,241,863
Investments	—	—	157,029	157,029
Current assets	284,249	928,476	—	1,212,725
Net assets	444,031	3,014,527	157,029	3,615,587

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £
Intangible assets	7,939	—	—	7,939
Tangible fixed assets	167,788	2,052,910	—	2,220,698
Investments	—	—	137,376	137,376
Current assets	174,699	3,498,460	—	3,673,159
Creditors greater than 1 year	—	—	—	—
Net assets	350,426	5,551,370	137,376	6,039,172

25b. Analysis of net assets between funds
The charity

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £
Intangible assets	3,970	—	—	3,970
Tangible fixed assets	155,812	2,086,051	—	2,241,863
Investments	1	—	157,029	157,030
Current assets	282,273	928,476	—	1,210,749
Net assets	442,056	3,014,527	157,029	3,613,612

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £
Intangible assets	7,939	—	—	7,939
Tangible fixed assets	167,788	2,052,910	—	2,220,698
Investments	1	—	137,376	137,377
Current assets	172,723	3,498,460	—	3,671,183
Creditors greater than 1 year	—	—	—	—
Net assets	348,451	5,551,370	137,376	6,037,197

26. Analysis of changes in net debt

	At 1 Jan 2021 £	Cash flows £	At 31 Dec 2021 £
Cash at bank and in hand	1,432,259	(299,470)	1,132,789

Bath Abbey Parochial Church Council

Notes to the Financial Statements (*continued*)

Year ended 31 December 2021

27. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than 1 year	21,973	21,109
Later than 1 year and not later than 5 years	147,640	61,550
Later than 5 years	84,000	98,000
	<u>253,613</u>	<u>180,659</u>

28. Contingencies

At the balance sheet date the charity is exposed to possible additional costs that have been claimed in respect of the Footprint project. The timing and financial effect is considered uncertain and impractical to measure at the time of the approval of the financial statements.

29. Related parties

Mrs Pam Chamberlain is a director of EV Naish Ltd and Wallgate Ltd. Neither companies had any dealings with Bath Abbey or connected company/charities during 2021.

Mrs Mary Henderson is a Governor of Cheltenham Ladies College, a director of Allied Schools Agency, Vice-Chairman of Bath-Aix Twinning Association and committee member of Paragon Singers. None of these organisations had dealings with Bath Abbey or its connected charities/company during 2021.

Mr Phil Burge is Treasurer of the Bath Geological Society. This organisation did not have any dealings with Bath Abbey or its connected charities/company during 2021

Mr Peter Collecott is a director of Baronsdown Consult Ltd. This organisation did not have any dealings with Bath Abbey or its connected charities/company during 2021

Mr Michael Hammer is a director of ROCsalt Ltd and Stichting Greanpeace Council. None of these organisations had dealings with Bath Abbey or its connected charities/company during 2021.

Mrs Rose Amphlett and Mr Andrew Bragg are a committee members of the Friends of Bath Abbey - please see Jeremy Key-Pugh for Friends of Bath Abbey transaction details with Bath Abbey in 2021.

Mr Jeremy Key-Pugh is a Trustee & Honorary Secretary of The Friends of Bath Abbey. During 2021 The Friends of Bath Abbey made donations of £2,400 to Bath Abbey towards the cost of the fundraising video.

Dr James Playfair is a Trustee of a charity called Reaching The Unreached UK which is a beneficiary organisation of charitable giving from the Abbey. In 2021 £3,150 (2020 £4,447) was donated to this charity.

Mr Derek Smith is a partner in an architect firm called Then Now When. This organisation did not have any dealings with Bath Abbey or its connected charities/company during 2021. Additionally Mr Derek Smith is the Abbeys Parish Safeguarding Officer and throughout 2021 he made payment of fees for DBS clearances amounting to £1,451 and claimed reimbursement of the same amounts from Bath Abbey.

Mr Tim Rutherford is a designated member of Stone King LLP. Tim is on the management board of Stone King LLP, however he does not have a controlling interest or more than one-fifth voting power. During 2021 Bath Abbey used the services of Stone King LLP to help us with various HR matters and a sum of £2,016 was paid to this firm. Tim Rutherford was not personally involved in these matters / did not provide the Abbey with any legal advice/guidance.

Bath Abbey Parochial Church Council

Notes to the Financial Statements (*continued*)

Year ended 31 December 2021

29. Related parties (*continued*)

Mr Tim Westbrook is a member of the senior management group of KSI Education Ltd. During 2021 there were no transactions between Bath Abbey or its connected charities / company and KSI Education Ltd.

Mrs Elizabeth Berrisford is Chair and Trustee of a choir called The Handful which occasionally sing at the Abbey (unpaid). The choir had no dealings with the Abbey during 2021.

Mr David Grendon`s spouse is Mrs Louise Grendon and is a consultant solicitor for a firm known as Keystone Law. During 2020 Bath Abbey this organisation did not have any dealings with Bath Abbey or its connected company/charities.

Mr Huw Williams is the Director of Music at Bath Abbey. He is also Conductor of Cantemus Chamber Choir, During 2021 no financial transactions took place between this organisation and Bath Abbey or its charities / company.

Bath Abbey Parochial Church Council

Notes to the Financial Statements (*continued*)

Year ended 31 December 2021

Mission Support payments summary 2021

Work of the Abbey ...

... through raising money for charitable giving

Pentecost Appeal costs	24
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Total Work of the Abbey	24
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Charitable giving

Individuals - Mission Links Partners abroad

Grants to enable mission work in Sri Lanka	1,250
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1,250

Institutions

Bath Youth for Christ	2,356
Combe Down PCC Holy Trinity	2,356
Focus Christian Counselling	2,356
Genesis Trust	2,356
Genesis Trust - Pentecost Appeal	3,100
Reaching the Unreached - Pentecost Appeal	3,150
Tear Fund - Pentecost Appeal	3,200
Wycliffe Bible Translators - Pentecost Appeal	3,200
3 further grants of £1,000 or less	574

22,648

Total Charitable giving	23,898
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Supporting ...

Christian faith based youth organisation
 Christians Against Poverty Debt Centre
 people in need of counselling
 outreach work in Bath
 outreach work in Bath
 working amongst orphans and poor villagers in
 Tamil Nadu
 to counter poverty and injustice throughout the
 world
 Christian mission abroad
 ... to similar organisations

Total Mission Links expenditure

23,922

Bath Abbey Parochial Church Council

Notes to the Financial Statements (*continued*)

Year ended 31 December 2021

Mission Support payments summary 2020

Charitable giving

Individuals - Mission Support Partners abroad

Grants to enable mission work in Zambia - Pentecost Appeal 3,927

3,927

Institutions

Supporting ...

St Barnabas Church	2,000	parish support
Genesis Trust	8,000	outreach work in Bath
Focus Christian Counselling	8,000	people in need of counselling
Bath Youth for Christ	5,000	Christian faith based youth organisation
Developing Health and Independence	5,000	outreach work in Bath
Christians Against Poverty Depot Centre (CAPD)	5,000	support with debt counselling and relief
Wycliffe Bible Translators - Pentecost Appeal	3,427	Christian mission abroad working amongst orphans and poor villagers in Tamil Nadu
Reaching the Unreached - Pentecost Appeal	4,447	to the beleagued church in Israel/Palestine
Sabeel - Pentecost Appeal	3,427	outreach work in Bath
Genesis Trust - Pentecost Appeal	3,427	... to similar organisations
6 further grants of £1,000 or less	<u>1,190</u>	

48,917

Total Mission Support expenditure

52,844

Bath Abbey Parochial Church Council

Management Information

Year ended 31 December 2021

The following pages do not form part of the financial statements.

Bath Abbey Parochial Church Council

Detailed Statement of Financial Activities

Year ended 31 December 2021

	2021	2020
	£	£
Income and endowments		
Donations and legacies		
Visitors to the Abbey	406,260	252,120
Planned giving	176,798	181,094
Collections	25,886	25,522
Donations - general	57,100	52,855
Donations - music	48,761	7,824
Donations - flowers	–	85
Donations - Friends of Bath Abbey	–	130,000
Donations - Footprint	577,543	616,172
Mission Support Pentecost appeal	13,895	18,774
Legacies	2,000	12,000
Listed Places of Worship	220,995	307,790
Archbishop's Council grant unclaimed	(9,842)	458,200
Heritage Emergency Fund	–	155,800
Culture Recovery Fund for Heritage	246,000	91,600
Coronavirus Job Retention Scheme	109,667	201,498
Heritage Lottery Fund	480,694	–
BANES grant	1,500	–
National Archive grant	9,550	–
Other grants	200	–
	<u>2,367,007</u>	<u>2,511,334</u>
 Other trading activities		
Shop sales	158,957	73,487
Tower tours	97,993	19,305
Abbey hire and other fees	61,035	16,330
	<u>317,985</u>	<u>109,122</u>
 Investment income		
Other interest receivable	4,204	9,507
	<u>4,204</u>	<u>9,507</u>
 Total income	<u><u>2,689,196</u></u>	<u><u>2,629,963</u></u>

Bath Abbey Parochial Church Council**Detailed Statement of Financial Activities** *(continued)***Year ended 31 December 2021**

	2021 £	2020 £
Expenditure		
Costs of raising donations and legacies	(185,991)	(118,627)
	<u> </u>	<u> </u>
Costs of other trading activities	(223,461)	(217,537)
	<u> </u>	<u> </u>
Expenditure on charitable activities	(4,722,982)	(5,767,972)
	<u> </u>	<u> </u>
Taxation	—	(290)
	<u> </u>	<u> </u>
Total expenditure	(5,132,434)	(6,104,426)
	<u> </u>	<u> </u>
Net gains on investments		
Unrealised gains on investment assets	19,653	475
	<u> </u>	<u> </u>
Net expenditure	(2,423,585)	(3,473,988)
	<u> </u>	<u> </u>

Bath Abbey Parochial Church Council

Notes to the Detailed Statement of Financial Activities

Year ended 31 December 2021

	2021	2020
	£	£
Costs of raising donations and legacies		
Visitors to the Abbey		
Wages and salaries	(139,560)	(98,431)
Other costs	(46,431)	(20,196)
	<u>(185,991)</u>	<u>(118,627)</u>
 Costs of other trading activities		
Shop		
Purchases	(73,587)	(37,627)
Wages and salaries	(58,093)	(78,175)
Other costs	(9,088)	(6,593)
	<u>(140,768)</u>	<u>(122,395)</u>
 Tower tours		
Wages and salaries	(23,951)	(45,126)
Other costs	(3,910)	(687)
	<u>(27,861)</u>	<u>(45,813)</u>
 Abbey hire and other fees		
Wages and salaries	(11,259)	(16,447)
Other costs	(15,935)	(6,054)
	<u>(27,194)</u>	<u>(22,501)</u>
 Singing for Schools		
Wages and salaries	(22,289)	(21,005)
Other costs	(331)	(1,664)
	<u>(22,620)</u>	<u>(22,669)</u>
 Melody Makers		
Wages and salaries	(3,701)	(4,099)
Other costs	(1,317)	(60)
	<u>(5,018)</u>	<u>(4,159)</u>
 Costs of other trading activities	<u>(223,461)</u>	<u>(217,537)</u>

Bath Abbey Parochial Church Council

Notes to the Detailed Statement of Financial Activities (*continued*)

Year ended 31 December 2021

	2021	2020
	£	£
Expenditure on charitable activities		
Parish Share		
Parish Share	—	(186,115)
Mission Support		
Mission Support	(23,898)	(52,844)
Operating costs		
Wages and salaries	(141,518)	(159,316)
Insurance	(41,245)	(46,471)
Other establishment costs	(61,101)	(58,505)
Vergers	—	(3,661)
	<u>(243,864)</u>	<u>(267,953)</u>
Support costs		
Wages and salaries	(211,428)	(235,956)
Legal & professional	(8,556)	(18,776)
Office expenses	(47,966)	(45,687)
Depreciation	(24,851)	(6,011)
Bank charges and interest	(12,830)	(5,186)
Other support costs	(24,584)	(61,659)
	<u>(330,215)</u>	<u>(373,275)</u>
Music costs		
Wages and salaries	(111,992)	(103,875)
Other music costs	(38,417)	(22,965)
	<u>(150,409)</u>	<u>(126,840)</u>
Work of the Ministry		
Wages and salaries	(45,620)	(50,176)
Mission and Evangelism	(1,770)	(4,244)
Clergy	(9,720)	(5,629)
Youth	(2,772)	(835)
Worship and pastoral care	(18,676)	(6,703)
Communications	(4,585)	(7,371)
	<u>(83,143)</u>	<u>(74,958)</u>
Fabric Maintenance		
Repairs and maintenance	(53,411)	(34,581)
Archives		
Wages and salaries	(10,302)	—
Professional fees	(8,749)	—
Other archive costs	(641)	—
	<u>(19,692)</u>	<u>—</u>

Bath Abbey Parochial Church Council**Notes to the Detailed Statement of Financial Activities (continued)****Year ended 31 December 2021**

	2021	2020
	£	£
Depreciation	—	(10,685)
Footprint project		
Wages and salaries	(137,220)	(141,875)
Footprint other costs	(1,375,655)	(1,807,333)
Fundraising costs	(605)	(599)
	<u>(1,513,480)</u>	<u>(1,949,807)</u>
Footprint delivery phase funded by HLF		
Wages and salaries	(54,782)	(58,909)
Depreciation	(14,866)	(13,431)
Delivery expenditure	(2,222,092)	(2,605,794)
	<u>(2,291,740)</u>	<u>(2,678,134)</u>
Governance costs		
Governance costs - accountancy fees	(3,300)	(3,180)
Governance costs - audit fees	(9,830)	(9,600)
	<u>(13,130)</u>	<u>(12,780)</u>
Expenditure on charitable activities	<u><u>(4,722,982)</u></u>	<u><u>(5,767,972)</u></u>