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Tim

9 May 2021

Annual Report and Financial Statements of the PCC

Year ended 31st December 2020

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1. Background: Holy Trinity, Hinckley

Holy Trinity is an Anglican evangelical church. We are conservative in theology, and aim to be open in style (see below).

The church was founded in 1838, and moved to its present location in 1910. It has a long-standing evangelical tradition. In 1934 St John's Church was planted out of Holy Trinity, and over the years it has grown to be a lively and viable church in its own right. In 1988 the parish was constituted as a Team Ministry made up of the two churches. The team was dissolved and in 2010 the two churches were established as independent parishes. Both churches, however, continue to enjoy close links of fellowship.

In early 2009 we planted a new work, now called Trinity Community Church (TCC), which became fully independent in 2013.

Since September 2013 Revd Simon Wearn has been our Rector.

Location

Hinckley has a local population of around 60,000. The parish is on the western side of the town.

Historically, Hinckley was noted as a centre of the hosiery industry, but almost all of that has now died out. There are many 'old Hinckley' people in the parish, and it is common to find three generations of the same family living close by each other. In addition, because of Hinckley's excellent road and rail links, it also houses a large number of commuters who work in cities in the Midlands.

We have a great desire to see many people in our town come to saving faith in Christ, and to be rooted and grounded in him.

Church family

We have described ourselves above as conservative evangelical in theology and open in style. This reflects the fact that members of the church family vary widely in their church background. Some are traditionally Anglican, others were converted at Holy Trinity, some have charismatic/Pentecostal roots and still others have a 'strict' Baptist background. We aim to foster an ethos in which different 'styles' of evangelicalism can unite around such core convictions as the gospel of salvation, the authority of Scripture, a positive church-family life, and the urgent need for evangelism.

Our agreed mission statement is: "Growing in Christ together - making him better known".

We have established five Values to govern our church life. These are:

- everyone transformed by Christ
- everyone growing in Christ
- everyone praying through Christ
- everyone serving Christ
- everyone witnessing to Christ.

Staff

The staff at Holy Trinity currently consists of the Rector, a curate, a part-time Administrator and a part-time cleaner.

2. Objectives

This section explains the framework under which the PCC has operated in the year and its intentions.

The primary object of the PCC is the promotion of the Gospel of our Lord Jesus Christ according to the doctrines and practices of the Church of England. The PCC (Powers) Measure 1956 states the PCC 'is to co-operate with the minister in promoting in the parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical'.

When planning our activities as a church, the Rector and the PCC have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion.

In their role as trustees the members of the PCC also have responsibility for the assets and maintenance of the church buildings on Trinity Vicarage Road, Hinckley.

Relationships with other Churches

Holy Trinity enjoys good relationships with other likeminded churches - in particular, Trinity Community Church, St John's and Hope Community Church. We are also involved in the work of the Midlands Gospel Partnership and the Midlands Ministry Training Course. Through Diocesan and Deanery structures, we maintain links with other Anglican churches in the Diocese of Leicester and the Deanery of Sparkenhoe West.

3. Review of the Year

This section of the report summarises the normal main activities of the church. Obviously, during 2020 many of these activities went online due to the Coronavirus Pandemic. When Churches were closed during lockdown, we changed to meeting online via Zoom and YouTube. Our pattern was to have an All-age Service or Recorded Video for families and a Live service for adults. As restrictions eased, we resumed in person services, whilst maintaining online provision, which have been a blessing.

Regular activities

The church runs numerous activities during the week, in particular:

- Sunday services - with adjustments since March
- Children's work on Sunday mornings - changed to All-age family worship since March
- Pop-In on a Tuesday morning (all are welcome for coffee, biscuits and a chat) - paused from March, but resumed later in the year over Zoom
- Bible studies, home groups and courses for those exploring Christianity and baptism - in a variety of formats, these have mostly met over Zoom since March.
- School assemblies - offering a monthly assembly to two local primary schools, initially in person, and then via YouTube
- Mothers' Union - though their events have been paused since March
- Scouts - moved online since March
- A (monthly) reflective service - continued on Zoom since March.

Church attendance

- At the date of the 2020 APCM there were 90 (2019: 87) on the electoral roll.
- Some 117 adults and children are regular attenders at our Sunday service and part of our worshipping community (whether in person or online).

Special activities

The church runs a number of events/courses, including:

- Christianity Explored courses (run once a year for enquirers), which ran in person from January to March (before lockdown)
- Children's Holiday Club (in 2019 about 45 children attended in our Church Centre for one week of the summer holiday; in 2020 we ran a four week programme online during August called WOW, sharing the Gospel in four Words and having fun along the way.)
- Seasonal events for families with small children - including an outdoor Christmas Trail and Carol Service.

Pastoral Care and Home Visiting

The church operates as a family, where everyone has a part to play in supporting those who are in need - for example providing meals for those who are sick and practical help for those for whom mobility is an issue. In addition there are a number of the church family, recognised as having a gift in this area, who have a particular responsibility for pastoral care of others. During the Pandemic, we have increased our practical and spiritual support for one another by shopping, phoning, writing and praying.

Community involvement

Being conscious of the practical needs of many in the area, we are proud to support Hinckley Area **Foodbank**.

The Hinckley Area **Foodbank** facility was set up by Hope Community Church in 2012. It is supported by local churches, some of which are also distribution points.

The Foodbank is now run by *Hinckley Christian Community Action*, a well organised, properly audited scheme supported by the Trussell Trust. The food donated to the Bank is distributed in exchange for food vouchers, which are issued after careful vetting by frontline care professionals such as doctors, health visitors, social workers, Citizens Advice Bureau, police and the council.

Hinckley Area *Foodbank* distribute about 1½ tons of food per month.

An increased number of our church family became actively involved in Foodbank during the pandemic, and we have been involved with Feed The Hungry, a local charity, to pack and distribute food parcels to families in need.

We normally hold free drinks stalls at the Christmas *Lights-On* in the town centre as a means of serving the people of Hinckley and promoting the Gospel - though this was not possible in 2020.

Trinity Centre

The Trinity Centre (church hall) is an important aspect of our involvement in the community. It is rented out to numerous local and community groups including *Achieve with Us* (a group for adults with special needs), *Weight Watchers*, *St John Ambulance*, a Karate club and community arts groups during the week. However, these activities were limited due to the Pandemic.

Scouts

The local Scout group have met in the Centre for many years, and they have met online for most of this year.

Deanery Synod

The Rector, Curate and two members of the PCC sit on the Deanery Synod. This provides the PCC with an important link between the parish and the wider structures of the church.

Further details can be found on our website: www.holytrinityhinckley.org

4. Our Vision

Looking forwards and outwards we want to be a church that is (1) growing in our faith, (2) serving one another and our community and (3) sharing the Gospel and grace of Jesus both locally and globally. These three aims come out of our vision review in 2017, with the focus of 'Building a Firm Foundation for our Mission and Ministry'. This provides direction to our church life, and our hopes to reach out further into our community.

Mission Partners

As a church we support five mission partners across the world who share the Christian Gospel and serve their communities. In addition we support two agencies (*Mission Aviation Fellowship* and *The Bible Society*) in their support of mission.

5. Financial Review 2020

The Income and Expenditure Account for the year shows a small deficit slightly better than Budget. This is remarkable, given the length of time that Coronavirus-restrictions have been in place and the associated difficulties in meeting together. Regular income from the Church Family was broadly comparable with the previous year but income from the Trinity Centre fell significantly due to its being closed for much of the year. This loss of income was largely offset by releasing £11,000, mostly from the Ministry and Fabric Funds, to the General Fund in support of the regular ministry of our church.

The Church Family were extremely generous to give some £15,000 towards the Church Gift Day and other one-off appeals. A large part of the Gift Day income has been set aside to refurbish our church hall kitchen; this reflects the fact that the hall is used during the week by community groups and we are keen to encourage and support this where possible. We are also grateful to Hinckley & Bosworth Council for the prospect of a grant towards this refurbishment.

Expenditure [e.g. gas and electricity] was slightly less than Budget, due to the church and hall being closed and staff on furlough receiving Government rebates. The Church Council recognises that we will incur significant expenditure, in the next few years, on the Church roof in particular. We give thanks to God that we still have some £14,000 set aside to fund future maintenance work.

Restricted Funds

Although our Children's Worker finished in 2017 we still have £17,068 set aside in the Children's Worker Restricted Fund. A small fund has also been set up for discretionary relief to help those in financial need.

Bank Balances and Reserves

Bank balances held by the church at 31st December 2020 (after accruals and prepayments) were £58,342, of which £18,948 is in our General Fund. As a registered charity, the PCC has a legal duty to set a reserves policy (money we should aim to keep in the bank to cover fluctuations in income and expenditure). The target figure we have set is worked out as two months' expenditure. In view of the exceptional fabric costs we have incurred PCC have, in the past, taken the decision to reduce this on a temporary basis.

Fixed Assets

The Trinity Centre is valued, for insurance purposes, at £575,500 and this is shown as an asset in the Accounts. The church building is maintained, but not owned, by the church.

World Mission Giving

We have made annual gifts (totalling some 10% of our giving-income), of £11,190 to our mission partners Ron and Betsy Manila, Sena and Jane Ounate-Lare (Crosslinks), Andrew and Helen Curry, Andrew Chard (formerly AIM and Wycliffe, now serving in Oxford), Mission Aviation Fellowship, the Bible Society and also Foodbank. (Details of these were published in the church Email newsletter).

Registered Charity

Holy Trinity is a registered charity and we therefore file an Annual Report and Accounts with the Charity Commission. The Accounts have been independently examined by Marzena Wright.

Trustees and Financial Management

PCC regularly reviews management accounts, including financial forecasts when necessary, which enables good financial control and long-term planning. The PCC has produced a Budget for 2021 against which we will monitor income and expenditure on a regular basis and which should keep us close to our revised target level of reserves.

6. Structure, Governance and Management

Holy Trinity Hinckley is part of the Diocese of Leicester within the Church of England.

The PCC is a body corporate established by the Church of England. It operates under the PCC Powers Measure 1956. Following changes to the law, the PCC registered as a charity with the Charity Commission on 17 June 2010. From this date the members of the PCC became charity trustees.

Members of the PCC are either elected by the Annual Parochial Church Meeting (APCM) or are ex-officio in accordance with the Church Representation Rules 2006. At Holy Trinity the membership of the PCC consists of the Rector, the Churchwardens and members elected by those in the congregation who are on the Electoral Role of the church. Everyone who attends our services regularly is encouraged to register on the Electoral Role.

The members of the PCC are responsible for making decisions on all matters of general concern and importance to the parish - including deciding how the funds of the PCC are to be spent.

The PCC recognises that there may be conflicts of interest arising in discussion at PCC meetings - for example in respect of salary or expense discussions - and staff members may be asked to leave the room in such circumstances.

The full PCC met regularly during the year, initially in person but via Zoom from April, with decision confirmed by email. Given its wide responsibilities the PCC has a sub-committee, for fabric matters, to spread the workload and report back to it.

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

Administrative Information

Members of the PCC who have served since the start of the financial year until the date of approval of these Financial Statements were:

Ex officio members of PCC:

Rector	Simon Wearn
Curate	Mark Cooper
Churchwardens	Ann King
	Simon Marshall

Deanery Synod Reps Rachel Marshall (until 11th October 2020)
Gill Priestley
Simon Marshall (from 11th October 2020)

Elected members of PCC and Trustees:

Rachel Marshall (until 11th October 2020)
Gill Priestley
Emma Prokipcuk
Les Rue
Alyona Oglesby
Richard Wright (from 7th April 2019 until 11th October 2020)

Incumbent

Revd Simon Wearn
Holy Trinity Vicarage
1, Cleveland Road
Hinckley, Leics, LE10 0AJ

Bankers

CAF Bank
25 Kings Hill Avenue
Kings Hill, West Malling
Kent ME19 4JQ

Barclays Bank
5 Market Place
Hinckley, Leics, LE10 1NH

Independent Examiner

Marzena Wright
Working Week Ltd
4 Field Farm, Main Street
Carlton, Warks, CV13 0BQ

7. Policies

Training

Since the PCC has ultimate responsibility for a wide range of issues affecting the church, including compliance with health & safety, disability discrimination legislation and safeguarding children and vulnerable adults, it is important that the PCC adopts appropriate training procedures.

The policies and procedures adopted for the induction and training of PCC members include meetings with experienced members of PCC and attending any relevant training courses such as those arranged by the Diocese. When this occurs, the PCC representative will report back to the PCC as a body, and disseminate any reading materials.

Risks

The PCC identifies the major risks to which it considers it is exposed and systems or procedures are established to manage those risks. The Safeguarding Policies for Children and Vulnerable Adults were reviewed and updated as necessary in 2020 and are reviewed each year. Appropriate insurance for buildings and both public and employee liability is in place and is reviewed each year on renewal.

Volunteers

The whole church is grateful to every member who works hard to make the church family the vibrant and loving community that it is. Alongside the paid staff at Holy Trinity, many members of the congregation are involved in voluntary work in all areas of the church's ministry, for example:

- Pastoral work such as visiting or keeping in contact with the sick and elderly
- Working with children on Sundays
- The annual Holiday Club
- Contributing to Sunday worship through music, leading services etc
- Repairing & maintaining the facilities
- Serving on the PCC,

in addition to active membership and leadership of home groups. It is not practical to value in monetary terms the contribution volunteers make to the life of the church.

Reserves policy

Reserves are defined as that part of the PCC's income funds that are freely available. These are shown by the *Unrestricted* funds in the Balance Sheet. This definition of reserves therefore excludes any restricted income funds, of which Holy Trinity has two [see Financial Review, above].

The PCC considers that £20,000 is an appropriate target level of free reserves sufficient to cover short term expenditure requirements (this equates to some two months' expenditure) to cover emergency situations that may arise.

Expenditure 'requirements' need to be balanced against ministry needs and the Policy is not an inflexible rule - more a guideline to a desired level. Church giving income is quite predictable - and fairly stable - but 2020 has shown that income from the church hall is

vulnerable. It is recognised, however, that holding significant bank balances on a permanent basis contravenes our Lord's command to be good stewards and serves as a deterrent to church members giving generously. This policy was formally approved at the PCC meeting on 2nd March 2020.

Plans for future periods

In December 2020 the PCC approved an income and expenditure Budget for 2021 with total income of £115,780 and expenditure of £123,021.

8. Notes to the Accounts

Accounting Policies

The financial statements have been prepared in accordance with the Church Accounting Regulations together with applicable accounting standards and the Charities SORP. They have been prepared under the Historical Cost Convention.

Expenses paid to Members of the PCC

During the year, other than expenses paid to clergy, no members of the PCC incurred, nor received reimbursement of, expenses.

Funds

General (unrestricted) funds represent the funds of the PCC that are not subject to any restrictions on their use and are available for the general purposes of the PCC. Funds *designated* for a particular purpose by the PCC are also unrestricted.

Restricted funds are those given to the church for a specific purpose and must be applied for that purpose only.

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

Incoming Resources

Income from collections, including planned giving receivable under Gift Aid, is recognised when received. Income tax recoverable on Gift Aid donations is recognised when the repayment is received.

Grants and legacies to the PCC are accounted for when received. Rental income from the letting of church premises is recognised when the income is received. Dividends and interest are accounted for when received.

Approximately 70% of income comes from regular giving by members of the church family (plus the associated Gift Aid) and, normally, some 20% of income is received from rental income from the Trinity Centre.

Resources Used

Grants and donations are accounted for when awarded, if that award creates a binding obligation on the PCC. The Parish Contribution is accounted for when paid.

Fixed Assets

Consecrated and beneficed property is excluded from the accounts by section 10 (2) (a) of the Charities Act 2011. No value is placed on movable church furnishings held by the Churchwardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be inalienable property (i.e. it can't be sold). All expenditure incurred during the year on consecrated or beneficed property buildings and movable church furnishings, whether maintenance or improvement, is written off.

Other Assets

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are not shown as debtors but are recognised when received. This negates the need for any provision for amounts that may prove uncollectible. Petty cash - usually expended on items such as postage stamps - is written off as incurred.

Investments

It is the policy of the PCC to invest funds with the CBF Church of England Deposit Fund. Social, environmental or ethical considerations are thereby taken into account. The PCC considers that to invest in the CBF Investment Fund - where the value of the fund can fall as well as rise - would not be an acceptable risk to take.

Taxation

The PCC is exempted from tax under s.505 ICTA 1988, as a registered charity (reference 1132601).

Church Workers Pension Fund (CWPF) FRS102 Wording - December 2020 Year End

Holy Trinity Church participates in the Pension Builder Scheme section of CWPF for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

The Pension Builder Scheme of the Church Workers Pension Fund is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes.

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

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

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

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

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent was carried out as at 31 December 2016. A valuation as at 31 December 2019 was under way as at 31 December 2020.

For the Pension Builder Classic section, the valuation revealed a deficit of £14.2m on the ongoing assumptions used. At the most recent annual review, the Board chose not to grant a discretionary bonus, which will have acted to improve the funding position. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £1.8m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, Holy Trinity Hinckley could become responsible for paying a share of that employer's pension liabilities.

Approved by the PCC on 8th February 2021.



Simon Wearn
Rector



Tim Oglesby
Treasurer

Independent examiner's report to the trustees of Holy Trinity, Hinckley

I report on the accounts of the PCC for the year ended 31 December 2020.

Respective responsibilities of trustee and examiner

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

It is my responsibility to state, on the basis of procedures specified in the General Directions given by the Charity Commissioners under section 43(7)(b) of the Act, whether particular matters have come to my attention.

It is my responsibility to:

- Examine the accounts under section 145 of the 2011 Act
- Follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act
- State whether particular matters have come to my attention

Basis of independent examiner's report

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

Independent examiner's Statement

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

- (1) which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Acthave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Marzena Wright
Working Week Ltd
4 Field Farm
Main Street
Carlton, Warks
CV13 0BQ

Holy Trinity Church
Statement of Financial Activities
For the period from 01 January 2020 to 31 December 2020

	Unrestricted funds	Restricted funds	Endowment funds	Total funds	Prior year total funds
<i>Incoming resources</i>					
Incoming resources from donors	105,431	1,750	—	107,181	87,557
Other voluntary incoming resources	2,798	—	—	2,798	9,432
Income from charitable and ancillary trading	17,833	—	—	17,833	31,771
Investment Income	106	—	—	106	186
Total income	126,169	1,750	—	127,919	128,948
<i>Resources used</i>					
Missionary and charitable giving	11,193	—	—	11,193	8,948
Activities directly related to the work of the church	100,130	—	—	100,130	100,771
Church Management and Administration	9,603	—	—	9,603	13,436
Total expenditure	120,927	—	—	120,927	123,156
Net income / (expenditure) resources before transfer	5,242	1,750	—	6,992	5,791
<i>Transfers</i>					
Gross transfers between funds - in	570	—	—	570	—
Gross transfers between funds - out	—	(570)	—	(570)	—
<i>Other recognised gains / losses</i>					
Net movement in funds	5,812	1,180	—	6,992	5,791
<i>Reconciliation of funds</i>					
Total funds brought forward	609,212	17,638	—	626,850	621,059
Total funds carried forward	615,024	18,818	—	633,842	626,850

There may be minor discrepancies in the totals if the pence are not being shown



Section A

Independent Examiner's Report

Report to the trustees/ members of	The PCC of The Ecclesiastical Parish Of Holy Trinity, Hinckley		
On accounts for the year ended	31 st December 2020	Charity no (if any)	1136428
Set out on pages	<div></div> <small>(remember to include the page numbers of additional sheets)</small>		

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended **31/ 12/ 2020**.

**Responsibilities and
basis of report**

As the charity trustees of the Trust, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

**Independent
examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention (other than that disclosed below *) in connection with the examination which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 130 of the Act or
- the accounts do not accord with the accounting records

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed:

Date:

09.04.2021

Name:

Marzena Wright

Working Week Ltd

Address:

2 West End

Barlestone

CV13 0EJ

Section B

Disclosure

Only complete if the examiner needs to highlight matters of concern (see CC32, Independent examination of charity accounts: directions and guidance for examiners).