

B.H.CHRISTIAN WORKERS' TRUST
(A Charitable Company Limited by Guarantee)

Trustees Report and Financial Statements

For the Year ended 31 December 2021

Unaudited
(but Independently Examined)

Company Number 7657532

Charity Number 1142493

Report and Financial Statements for the Year Ended 31 December 2021

Contents

Page:	1	Officials and Statutory Information
	2	Report of the Trustees
	5	Statement of Trustees' Responsibilities
	6	Independent Examiner's Report
	7	Statement of Financial Activities
	8	Balance Sheet
	9	Cash Flows
	10	Notes to the Accounts

Directors / Trustees:

The Trustees who have acted throughout the year and to the date of this report are:-

Appointed:

Mr J. E. Puttock (Chairman & Company Secretary)

Mrs J. K. Champ

Mr T. Cristin

Mr D. E. Bawtree (appointed 4th November 2021)

Ex-officio:

The Reverend Canon P. R. Moon *Vicar, Bishop Hannington Church (retired 6th February 2022).*

Nominated

Mrs L R Bubloz *Bishop Hannington Church, PCC Nominee*

Mrs N Fry *Bishop Hannington Church, Churchwarden Nominee (resigned 10th February 2022).*

Treasurer:

Mr I. J. R. Crosthwaite.

Registered office:

Bishop Hannington Church Office, Nevill Avenue, Hove, E Sussex, BN3 7NH.

Company No:

7657532

Charity No:

1142493

Independent Examiner:

Mr G M Anderson,

64, Buckingham Road, Shoreham by Sea, BN43 5UD

Principal Bankers:

CAF Bank Limited, 25 Kings Hill Avenue, West Malling, Kent ME19 4TA.

Report of the Trustees for the Year Ended 31 December 2021

The Trustees (who are also the Company directors) present their annual report together with the financial statements for the year ended 31 December 2021.

Structure, Governance and Management

The Trust is a charitable company limited by guarantee registered in England & Wales. The Company is the successor body to the original charity founded in February 1988 and commenced its activities on 1 January 2012. It is registered with the Charity Commission for England and Wales.

The number of Trustees shall be not less than three and not more than eight. Trustees are appointed for a period of five years and are eligible for re-appointment. The current Trustees are due to retire as follows: Jane Champ on 31 May 2022, John Puttock on 31 May 2023, Luella Bubloz and Trevor Cristin on 16 June 2024, and Don Bawtree on 4 November 2026. The Trustees shall consist of a) a person nominated by the Parochial Church Council of Bishop Hannington Memorial Church, Hove, ("BH"), (Luella Bubloz), b) a person nominated by the Churchwardens of the Parish of BH, (was Naomi Fry), c) the Vicar, Priest in charge or the incumbent of any new benefice which includes the whole or part of the present benefice, (was Phil Moon), and d) person(s) nominated by an existing member. Phil Moon retired as the Vicar of BH on 6th February 2022, so he also retired as a Trustee. All Trustees must be on the electoral roll of BH and subscribe to the Statement of Faith in the schedule of the Memorandum and Articles of Association.

The Company is limited by guarantee and hence no shares have been issued. Each Trustee is also a member of the Company and there are no other members. In the event of the Company being wound up or otherwise dissolved, the liability of the members by way of guarantee is limited under Clauses 6 and 7 of the Memorandum of Association to an amount not exceeding £1 each.

During this reporting period two Trustees, Phil Moon and Don Bawtree, had separate beneficial interests in the Company. These were by way of separate arm's length rental agreements to enable the Company to provide housing for two of its employees. The Company wishes to express its gratitude to Phil and Anna Moon, and Don and Judith Bawtree for their generosity in offering their properties to the Company on such beneficial terms. See Note 11 for more detail.

The Chairman and the Treasurer handle the day-to-day administration of the Company. The Trustees met three times during the year to review the Company's activities, financial statements and issues relating to the employees. Management Accounts are circulated to the Trustees monthly and other reports are circulated to the Trustees as necessary between meetings.

Objects and Principal Activities for the Public Benefit

The objects of the Company, which are set out in the Articles of Association, are the advancement of the Christian faith by the raising of funds and the employment of Christian workers primarily within the Parish of BH. The majority of the gifts to the Company are provided by the members of BH. The Company also provides accommodation for one of its Christian ministers and also holds property to generate income.

All of the employees are engaged as part of the staff at BH and its sister churches, Holy Cross and Goldstone within the parish. In their various roles they all support the objects of the Company. All employees have an annual appraisal to review their work. The only change this year saw the retirement of the part time church office assistant.

The Company owns three properties. 40 Meadway Crescent is let at below market rent and subject to certain special terms as agreed at the time of transfer to the Company but nevertheless provides a very welcome source of income. 86 Elm Drive is used for the advancement of the Christian Religion by providing premises for Books Alive, a Christian Bookshop, and 47 Nevill Avenue provides accommodation for the Curate of BH and his family.

Report of the Trustees for the Year Ended 31 December 2021 (continued)

Achievements and Performance for the Public Benefit

The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the Company's aims and objectives and in planning its future activities. The charitable activities during the year have been similar to those in prior years and primarily relate to the assistance provided to the staff of BH and its sister churches in supporting the ministry, administration and other support services. The activities of BH and its Parish, as part of the Church of England, are available to all those of whatever background who wish to attend and participate in its services and activities.

Policy on Reserves and Powers of Investment

Although the Memorandum of Articles and Association give the Trustees unrestricted powers of investment, no such investments are currently held. As already indicated above, the Trustees have exercised their powers to own property, both to house Christian workers and to provide income to the Trust.

Financial Review

Our income during 2020 was £239,863 (2020 £226,997 excluding the donation of the income producing property at 40, Meadway Crescent). That is £12,866 up on last year which is very encouraging particularly considering all of the turmoil that Covid-19 has caused. This total income was boosted by some very generous personal donations and a full year's rent from 40 Meadway Crescent.

Also it is very encouraging to see that the regular giving has been maintained through these uncertain times. Gift-aid enabled the Company to reclaim £14,011 (2020 £13,378). This is up on last year due to the very generous cash donations and is a very valuable additional source of income.

The annual rental income from the two original properties totalled £31,720 (2020 £31,000) plus of course the £9,600 (2020 £8,000) received for the full year's ownership of 40 Meadway Crescent. The rent paid by Books Alive was reviewed towards the end of 2019 such that effective from January 2020 it increased from £12,000pa to £12,250pa with further increases of £250 each year for the next four years. The Company increased the rent on 47 Nevill Avenue by 2.5% from January 2021 and the same increase is agreed for 2022.

Total expenditure at £233,771 (2020 £265,142) was down £31,371. We spent £26,312 less on our owned properties this year following the very heavy expenditure last year. We also terminated our rental obligations on 85 Holmes Avenue. As our annual turnover has dropped back below £250,000, we do not need to appoint an approved independent examiner so we can save £1,410 of fees here. Due to the extra stress on all of our staff as a consequence of the pandemic, we offered each of them personal professional counselling services. The majority took advantage of that offer. The Company made a surplus for the year of £6,092 (2020 a deficit of £38,145 excluding the improvement in Endowment Funds) compared to a budgeted deficit of £18,682, which is an excellent result.

The unrestricted net current assets at the year-end stand at £82,552 (2020 £76,460). The Trustees are forecasting deficits over the next three years totalling £65,500, so the Company needs to increase its regular income otherwise these reserves will be depleted very quickly. Although there was a surplus this year, the Company is usually too reliant on its reserves, and donations, which are very unpredictable. This is not an ideal situation. There is a great need to pray for new donors to increase the regular giving in order to get nearer to matching the Company's forecast expenses.

Report of the Trustees for the Year Ended 31 December 2021 (continued)

Risk Management

The following have been identified by the Trustees as potential risks to the Company:

- Donated income and the balance of the reserves are insufficient to meet the employment costs. In the event of these circumstances the Trustees would initially review the possibility of the PCC making an additional grant to the Company, or finding other external funding such as launching an appeal. In the event that these sources were insufficient, consideration would have to be given to a reduction in the number of employees.
- A major fire, or other serious damage, to one of the properties owned by the Company. The buildings of all of the properties owned by the Company are fully insured.
- Lack of compliance with HMRC, Charity Commission and Companies House regulations. Legal advice and our independent examiners along with appropriate seminars for Trustees seek to ensure full compliance.
- An employee taking the Company to a tribunal in relation to a dispute. The Company seeks to follow good employment practices and to deal with any issue in a prompt and appropriate manner.

The Trustees receive a monthly copy of the management accounts and a full financial report at every meeting. The Company's accounts and records are scrutinised by the Independent Examiner annually.

Reserves Policy

The Trustees have considered the level of reserves that it would be prudent to maintain against potential loss of income and consider that £20,000 would be a prudent amount to be provided from the balance of the Unrestricted Fund plus a further £1,000 each year between the change of Curates to cover additional maintenance requirements to the Curate's house at 47 Nevill Avenue every four years.

Future Plans

Salaries will continue to be funded in the main from regular income to the Company and, as necessary, from the funds held in reserve. All staff will continue to work in association with BH and its sister churches and seek to advance the Christian faith.

Conclusion

The Trustees would like to express their appreciation to all who have so generously supported the work of the Company by their prayers and gifts, and to all the employees for their unstinting work in furthering the Company's objective of advancing the Christian faith. All of the staff should be especially congratulated on their extraordinary efforts again this year during the continuing difficulties caused by the Covid-19 pandemic. On behalf of all of the Trustees I should also like to thank Phil for his invaluable support over the last 17 years as a Trustee and to wish him and Anna a very happy, healthy and long retirement.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

By Order of the Board**SIGNED**

J E Puttock
Director

Date: 21 February 2022

Statement of Trustees' Responsibilities for the Year Ended 31 December 2021

The Trustees are responsible for preparing the annual report and the financial statements of the Trust in accordance with the Companies Act 2006 and for being satisfied that the financial statements give a true and fair view. The Trustees are also responsible for preparing the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees (who are also Directors of the Company) to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Company and of the income and expenditure of the Company for that year. In preparing these financial statements, the Trustees are required:

- To select suitable accounting policies and then apply them consistently;
- To make judgements and estimates that are reasonable and prudent; and
- To prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that show and explain the Company's transactions, disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Examiner's Report to the Members of B.H. Christian Workers' Trust

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

Respective responsibilities of Trustees and Examiner

The Charity's Trustees (who are also Directors of the Company for the purposes of Company Law) are responsible for the preparation of the accounts. The Charity's Trustees consider that an audit is not required for this year under section 144 (2) of the Charities Act 2011, ("the 2011 Act") and that an independent examination is needed.

Having satisfied myself that the Charity is not subject to audit under Company Law and is eligible for independent examination, it is my responsibility:

- to examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

My report is made solely to you as Trustees pursuant to the 2011 Act. My examination has been undertaken so that I might state to the Trustees those matters I am required to state in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Trustees for my examination, for my report, or for the statement I have made.


Basis of Independent Examiner's Report

My examination was carried out in accordance with General Directions given by the Charity Commission. 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 the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent 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:
 - (a) to keep accounting records in accordance with sections 386 of the Companies Act 2006; and
 - (b) to prepare accounts which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice; Accounting and Reporting by Charities, have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


Mr G M Anderson
64, Buckingham Road, Shoreham by Sea, BN43 5UD

1st March 2022

Statement of Financial Activities for the Year Ended 31 December 2021

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2021 £	Total 2020 £
<u>Income & Endowments</u>	1					
Donations and legacies	2	83,437	114,244	-	197,681	586,662
Rental income	3	41,320	-	-	41,320	39,000
Interest income		862	-	-	862	1,335
Total Income & Endowments		125,619	114,244	-	239,863	626,997
<u>Expenditure on Charitable Activities</u>						
Staff Costs	4	101,909	114,244	-	216,153	207,672
Property expenses	5	15,447	-	-	15,447	54,799
Training/sundry expenses	6	2,171	-	-	2,171	2,671
Total Expenditure		119,527	114,244	-	233,771	265,142
<u>Net Income before other recognised gains and losses</u>		6,092	-	-	6,092	361,855
<u>Gains/Losses on Revaluation of Fixed Assets</u>	7	-	-	286,500	286,500	-
Net Movement in Funds		6,092	-	286,500	292,592	361,855
Funds brought forward		76,460	-	1,178,500	1,254,960	893,105
<u>Total Funds Carried Forward</u>		82,552	-	1,465,000	1,547,552	1,254,960

All amounts relate to continuing activities.

All gains or losses recognised in the year are included in the Statement of Financial Activities.

The notes on pages 10 to 14 form part of these financial statements.

Balance Sheet at 31 December 2021

	Note	2021 £	2020 £
<u>Fixed Assets</u>			
Land and Buildings	7	1,465,000	1,178,500
Total Fixed Assets		1,465,000	1,178,500
<u>Current Assets</u>			
Debtors	8	1,094	905
Cash at Bank	9	85,831	80,777
Total Current Assets		86,925	81,682
<u>Liabilities</u>			
Creditors falling due within one year	10	4,373	5,222
Net Current Assets		82,552	76,460
Total Assets less Current Liabilities		1,547,552	1,254,960
<u>Represented by</u>			
Expendable Endowment Funds	13	1,465,000	1,178,500
General Funds	13	82,552	76,460
Restricted Funds	13	-	-
Total Funds		1,547,552	1,254,960

For the year ended 31 December 2021 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The Members have not required the Company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the Board and authorised for issue on 10th February 2022.

SIGNED..... **SIGNED**..... (Director)
JOHN PUTTOCK

SIGNED..... **SIGNED**..... (Treasurer)
IAN CROSTHWAITE

Statement of Cash Flows for the year ending 31 December 2021

	Total Funds 2021 £	Total Funds 2020 £
Cash flows from operating activities:		
Net cash provided by/ (used in) operating activities	(34,765)	(48,538)
Cash flows from investing activities:		
Interest income	862	1,335
Rental income	41,320	39,000
Investment property expenses	(2,363)	(28,675)
Purchase of property plant and equipment	-	-
Proceeds from sale of investments	-	-
Purchase of investments	-	-
Net cash provided by/ (used in) investing activities	39,819	11,660
Cash flows from financing activities:		
Repayments of borrowing	-	-
Cash inflows from new borrowing	-	-
Receipt of endowment	-	-
Net cash provided by/ (used in) financing activities	-	-
Change in cash and cash equivalents in the reporting period	5,054	(36,878)
Cash and cash equivalents at the beginning of the reporting period	80,777	117,655
Total cash and cash equivalents at the end of the year	85,831	80,777

Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Total Funds 2021 £	Total Funds 2020 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	6,092	(38,145)
Adjustments for:		
Depreciation charges	-	-
Property Expenses in Investing Activities	2,363	28,675
Interest Income Shown in Investing Activities	(862)	(1,335)
Rental Income Shown in Investing Activities	(41,320)	(39,000)
Loss/(profit) on the sale of fixed assets	-	-
(Increase)/decrease in stocks	-	-
(Increase)/decrease in debtors	(189)	102
Increase/(decrease) in creditors	(849)	1,165
Net cash provided by/ (used in) operating activities	(34,765)	(48,538)

Notes to the Accounts for the Year Ended 31 December 2021

Note 1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of these financial statements are as follows:

a) Basis of preparation;-

These financial statements have been prepared on the going concern basis in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (effective January 2015) ("FRS 102") and the Companies Act 2006. That basis is justified by the year end net current assets which are over four times the level of reserves deemed prudent by the Trustees. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Fund accounting;-

Funds held by the Company are either:-

Unrestricted funds	General funds which can be used for ordinary purposes, or
Restricted Funds	being either (a) income from trusts or endowments which may be expended only on those restricted objects provided in the terms of the trust or bequest; or (b) donations or grants received for a specific object. Any balance remaining unspent at the end of the year is carried forward as a balance on that restricted fund, or
Expendable Endowment Funds	These funds represent properties which the Company has the right to retain. Income arising from these investments may be used as unrestricted funds.

c) Income recognition policies

Items of income are recognised and included in the accounts when all of the following criteria are met:-

- the Company becomes entitled to the funds;
- any performance conditions attached to the item(s) of income have been met or are fully within the control of the Company;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

For legacies, entitlement is taken as the earlier of:

- the date on which the Company is aware that probate has been granted;
- the estate has been finalised and notification has been made by the executor(s) to the Company that a distribution will be made ; or
- when a distribution is received from the estate.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Company and the above criteria have not been met, then the legacy is treated as a contingent asset and only disclosed if material.

d) Interest receivable

Interest on funds held on deposit is included when paid by the bank.

Notes to the Accounts for the Year Ended 31 December 2021 (continued)

Note 1 Accounting Policies (continued)

e) Gift Aid

Income from tax reclaims is included at the same time as the gift to which it relates.

f) Expenditure

Expenditure is recognised as soon as there is a legal or constructive obligation committing the Company to make a payment.

g) Assets

Tangible fixed assets are for use by the Company. The three properties are held as mixed motive investments to further the work of the Company and to produce a fiscal return. They are stated at valuation subject to annual reviews.

Note 2 Voluntary Income

	Unrestricted Funds		Restricted Funds		Total	Total
	2021	2020	2021	2020	2021	2020
	£	£	£	£	£	£
Regular giving	55,751	55,696	-	-	55,751	55,696
Donations	13,675	10,880	1,000	1,000	14,675	11,880
From churches in the parish	-	-	113,244	105,708	113,244	105,708
Income Tax recoverable	14,011	13,378	-	-	14,011	13,378
	83,437	79,954	114,244	106,708	197,681	186,662

The aggregate value of giving by the Trustees was £3,018 (2020-£2,484) plus gift aid of £755 (2020-£621).

Note 3 Rental Income

	Unrestricted Funds		Restricted Funds		Total	Total
	2021	2020	2021	2020	2021	2020
	£	£	£	£	£	£
47 Nevill Avenue	19,220	18,750	-	-	19,220	18,750
86 Elm Drive	12,500	12,250	-	-	12,500	12,250
40 Meadway	9,600	8,000	-	-	9,600	8,000
Total	41,320	39,000	-	-	41,320	39,000

Note 4 Staff Costs

	Unrestricted Funds		Restricted Funds		Total	Total
	2021	2020	2021	2020	2021	2020
	£	£	£	£	£	£
Gross wages	90,373	90,524	101,384	94,040	191,757	184,564
National Insurance costs	4,889	4,204	5,431	5,442	10,320	9,646
Pension costs	6,383	5,991	6,657	6,540	13,040	12,531
Death in service insurance	264	245	772	686	1,036	931
Total	101,909	100,964	114,244	106,708	216,153	207,672

All staff are employed for the charitable activities of the Company. No costs are incurred relating to fundraising, administration or governance. At the year-end the Company had five employees who were full-time, and six were part-time all of whom had pension benefits. There was also one Voluntary Staff Worker ("VSW") who received fixed subsistence only. There were no employees with remuneration (including benefits) greater than £60,000 per annum. The average number of employees including the VSW in 2021 was 12 (2020-12).

Notes to the Accounts for the Year Ended 31 December 2021 (continued)

Note 4 Staff Costs (continued)

From 26th March 2020 the Company furloughed two of the part time employees whose roles involved cleaning the Centre at BH and the Youth & Community Centre in Holmes Avenue. While the Company paid those employees in full, including their employer pension contributions and Death in Service premiums, the Company initially received 80% of their basic wages from HMRC under this scheme. Those employees were subsequently put on the flexible furlough scheme which ended on 31st August 2021. The total sum recovered this year under these schemes was £2,465.76 (2020 £3,151.17), which reduced the restricted funds required from the PCC.

The Company is fully compliant with the workplace pension rules and regulations. All employees receive an employer's pension contribution of 7% of their gross income with the majority subscribing to the Company's workplace scheme provided by NEST (the National Employment Savings Trust). Currently there are no compulsory employee contributions.

Note 5 Property Expenses

	Unrestricted Funds		Restricted Funds		Total	Total
	2021	2020	2021	2020	2021	2020
	£	£	£	£	£	£
Rent of 7 Church Court	11,400	11,400	-	-	11,400	11,400
Rent of 85 Holmes Ave	1,684	14,724	-	-	1,684	14,724
Repairs/refurbishment to 47 Nevill Avenue	1,053	12,340	-	-	1,053	12,340
Repairs/refurbishment to 40 Meadway Crescent	1,310	16,335	-	-	1,310	16,335
Total	15,447	54,799	-	-	15,447	54,799

Note 6 Training and Sundry Expenses

	Unrestricted Funds		Restricted Funds		Total	Total
	2021	2020	2021	2020	2021	2020
	£	£	£	£	£	£
Professional indemnity insurance premium	660	638	-	-	660	638
Independent Examination	-	1,410	-	-	-	1,410
Property valuation	-	550	-	-	-	550
Sundries	-	13	-	-	-	13
Bank Charges	96	60	-	-	96	60
Medical support for staff	1,415	-	-	-	1,415	-
Total	2,171	2,671	-	-	2,171	2,671

Fees in respect of the Independent Examination this year are £nil (2020 £1,410) as the examination was provided pro bono.

Note 7 Fixed Assets at Valuation

	Freehold land & buildings	2021	2020
	£	£	£
At 1 January	1,178,500	1,178,500	778,500
Disposals	-	-	-
Additions	-	-	400,000
Revaluations	286,500	286,500	-
At 31 December	1,465,000	1,465,000	1,178,500

Notes to the Accounts for the Year Ended 31 December 2021 (continued)

Note 7 Fixed Assets at Valuation (continued)

	2021	2020
	£	£
86, Elm Drive, Hove, at valuation	220,000	220,000
47, Nevill Avenue, Hove, at valuation	720,000	558,500
40, Meadway Crescent, Hove at valuation	525,000	400,000
	1,465,000	1,178,500

Following substantial rises in residential property values in Hove over the last 12 to 18 months the Trustees, after reviewing market trends and information available on comparable properties, agreed the above increased values for both Nevill Avenue and Meadway. 86 Elm Drive was professionally valued in July 2019 at £220,000 by Sussex Surveyors LLP and the Trustees agreed to keep this value unchanged as it is a retail property.

Note 8 Debtors

The Debtor balance of £1,094 (2020-£905) relates to the gift-aid claim for December which was received, in full, from HMRC on 6th January 2022.

Note 9 Cash at Bank

The day-to-day cash balances are held at CAF Bank Ltd. The Company also has an instant access account with a balance of £7,000 (2020 £10,000) with Aldermore Bank PLC and a 95-day notice account with Redwood Bank Limited with a balance of £78,000 (2020 £70,000). All of these funds are fully covered by the Financial Services Compensation Scheme.

Note 10 Creditors.

	2021	2020
	£	£
Statutory deductions due to HMRC from the December payroll	4,275	3,472
Overtime and back dated pay adjustments	-	227
Employer Pension Contributions accrued in December	98	113
Independent Examination	-	1,410
Total	4,373	5,222

Note 11 Expenses or Other Payments

Effective from 1 May 2013, the Company entered into an Assured Shorthold Tenancy Agreement with one of its Trustees and his wife, the Reverend Canon P. R. and Dr. E. A. C. Moon, to rent their property at 85, Holmes Avenue, Hove. The rent was reviewed on each annual renewal and, effective from 1 May 2020, it was increased to £1,237.02 per month (2019-£1,206.85). The tenancy agreement was terminated on 12 February 2021 when the property was sold. The total paid during 2021 was £1,684.38 (2020-£14,723.56). That property was required to house one of the Company's employees and his wife.

Following the appointment of Don Bawtree as a Trustee on 4th November, we are obliged to disclose an existing Assured Shorthold Tenancy Agreement with his wife, Judith, to rent her property at Flat 7, Church Court, 130 Nevill Avenue, Hove. Since inception in 2017, the rent has been £950 per month and since Don's appointment the total rent paid in 2021 was £1,900. That property is also used to house one of the Company's employees.

The Company incurred no additional costs whatsoever for either property. The Company has the power to enter into these transactions under Section 6(d) (vi) of its Memorandum and Articles of Association.

The Trustees neither received nor waived any emoluments during the year (2020-£Nil).

Notes to the Accounts for the Year Ended 31 December 2021 (continued)

Note 12 Comparative Period SoFA.

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2020 £
<u>Income & Endowments</u>				
Donations and legacies	79,954	106,708	400,000	586,662
Rental income	39,000	-	-	39,000
Interest income	1,335	-	-	1,335
Total Income & Endowments	120,289	106,708	400,000	626,997
<u>Expenditure on Charitable Activities</u>				
Staff Costs	100,964	106,708	-	207,672
Property expenses	54,799	-	-	54,799
Training/sundry expenses	2,671	-	-	2,671
Total Expenditure	158,434	106,708	-	265,142
<u>Net Income before other recognised gains and losses</u>	(38,145)	-	400,000	361,855
<u>Gains/Losses on Revaluation of Fixed Assets</u>	-	-	-	-
Net Movement in Funds	(38,145)	-	400,000	361,855
Funds brought forward	114,605	-	778,500	893,105
<u>Total Funds Carried Forward</u>	76,460	-	1,178,500	1,254,960

Note 13 Analysis of Funds

Type	Fixed Assets £	Net Current Assets £	Total 2021 £
Expendable Endowment	952,000	-	952,000
Revaluation Reserve	513,000	-	513,000
Restricted	-	-	-
Unrestricted	-	82,552	82,552
Total	1,465,000	82,552	1,547,552

Expendable Endowment Funds represent the valuation of the two properties which the Company received from the previous unincorporated trust in 2012 (£552,000) plus the new property donated to the Company in 2020 (£400,000). The Revaluation Reserve is the increase in the value of the properties since being owned by the Company. The Company has the unrestricted right to retain these properties and the income arising from them may be used as unrestricted funds.

Restricted funds are received from BH's two sister churches, Goldstone and Holy Cross, to cover the employment costs of ministers and staff who work at those churches but are employed by the Company. Similarly, restricted funds are received from the PCC to reimburse the Company for the part time employees, the subsistence cost of the VSW, and the employment costs of one of the full time employees. Occasionally donations from other sources are received specifically to cover the employment costs of other named employees. All restricted funds received during the year were utilised in compliance with their purposes to support the work of those specified employees.