

Holy Trinity with St Catherine's Long Melford  
Registered Charity Number: 1169680



**PCC Annual Accounts**

*For the Year 1<sup>st</sup> January – 31<sup>st</sup> December 2021*

## **Independent Examiner Report to the Parochial Church Council of Holy Trinity Church, with St Catherine's Long Melford**

I report on the accounts of the PCC for the year ended 31st December 2021 which are set out on pages 1 to 10.

### **Respective responsibility of the PCC (the Trustees), and Independent Examiner**

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

It is my responsibility to:

- a) Examine the accounts under section 145 of the 2011 Act;
- b) Follow the procedures laid down in the general direction given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- c) State whether particular matters have come to my attention.

### **Basis of Independent Examiners Report**

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the PCC 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 the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in a full 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 Statement**

In connection with my examination no matters have come to my attention:

1. which give me reasonable cause to believe that, in any material respect, the requirements
  - 1a. to keep accounting records in accordance with section 130 of the 2011 Act or
  - 1b. to prepare accounts which accord with these accounting records and comply with the accounting requirements of the 2011 Act

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.

Signed:



Neil J Pearson

Dated:

March 7, 2022

### **Address:**

87 High Street,  
Bildeston,  
Suffolk  
IP7 7ER

**Parochial Church Council of Holy Trinity with St Catherines Long Melford Suffolk**  
**Statement of financial activities for year ending 31st December 2021**

**INCOMING RESOURCES**

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £      2020 £	
<i>Incoming resources from donors</i>	2a	98,305	13,844	-	112,149	172,344
<i>Other Voluntary incoming resources</i>	2b	-	3,357	-	3,357	863
<i>to further the Council's objects</i>	2c	8,613	93	-	8,706	9,505
<i>to generate funds</i>	2d	12,820	1,513	-	14,333	8,459
<i>Income from Investment</i>	2e	60	69	-	129	1,049
<i>Other ordinary incoming resources</i>	2f	10,881	-	-	10,881	10,957
<b>TOTAL INCOMING RESOURCES</b>		<b>130,679</b>	<b>18,876</b>	<b>-</b>	<b>149,555</b>	<b>203,177</b>

**RESOURCES EXPENDED**

		Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £      2020 £	
<i>Activities directly relating to the work of the Church</i>	3a	114,377	11,163	-	125,540	172,205
<i>Church Management &amp; Administration</i>	3b	13,807	-	-	13,807	10,904
<i>Cost of generating funds</i>	3c	5,006	-	-	5,006	4,208
<i>Grants to other charities</i>	3d	-	3,821	-	3,821	1,078
<b>TOTAL RESOURCES EXPENDED</b>		<b>133,190</b>	<b>14,984</b>	<b>-</b>	<b>148,175</b>	<b>188,394</b>
<b>NET (OUTGOING)/INCOMING RESOURCES</b>		(2,511)	3,892	-	1,380	14,783
<b>Investment gains</b>	6	-	-	828	828	453
<b>Transfers between funds</b>		1,829	(1,829)	-	-	-
<b>Property appreciation</b>	5a	-	-	-	-	15,000
<b>Increase in capital items</b>	5b	7,400	-	-	7,400	310
<b>Capital items written off</b>	5b	(4,019)	-	-	(4,019)	-
<b>Depreciation</b>	5b	(1,403)	-	-	(1,403)	(3,107)
<b>Increase/(decrease) in shop stock</b>	5c	(614)	-	-	(614)	2,745
<b>NET MOVEMENT IN FUNDS</b>		<b>682</b>	<b>2,063</b>	<b>828</b>	<b>3,572</b>	<b>30,184</b>
<b>BALANCES BROUGHT FORWARD AT 1st JANUARY</b>		<b>526,036</b>	<b>132,634</b>	<b>7,178</b>	<b>665,848</b>	<b>635,664</b>
<b>BALANCES CARRIED FORWARD AT 31st DECEMBER</b>		<b>526,718</b>	<b>134,697</b>	<b>8,006</b>	<b>669,420</b>	<b>665,848</b>

**Parochial Church Council of Holy Trinity with St Catherines Long Melford Suffolk**  
**Balance sheet as at 31st December 2021**

	Note	2021 £	2020 £
<b>FIXED ASSETS</b>			
Tangible Fixed Assets	5a&b	366,609	364,631
Investment Assets	5d	8,007	7,178
		<u>374,616</u>	<u>371,809</u>
<b>CURRENT ASSETS</b>			
Shop Stock	5c	10,017	10,631
Short Term Deposits		248,275	248,145
Cash in Current Account		33,612	41,525
HMRC Debtors	7	11,701	14,871
Other Debtors		575	239
		<u>304,180</u>	<u>315,411</u>
<b>LIABILITIES</b>			
Creditors		(3,381)	(3,056)
Pre-paid income		(5,995)	(18,316)
		<u>(9,376)</u>	<u>(21,372)</u>
<b>NET CURRENT ASSETS</b>		<u>294,804</u>	<u>294,039</u>
<b>NET TOTAL ASSETS</b>		<u>669,420</u>	<u>665,848</u>
<b>FUNDS</b>			
	6		
Unrestricted		526,718	526,036
Restricted		134,697	132,634
Endowment		8,006	7,178
		<u>669,420</u>	<u>665,848</u>

Approved by the Parochial Church Council on ...14/3/22... And signed on its

behalf by *M Lawson* (M LAWSON, RECTOR)

**Chairman**

The notes to the financial statements on pages 3 to 10 form part of these accounts

# **Parochial Church Council of Holy Trinity with St. Catherine's Long Melford Suffolk**

## **Notes to the Financial Statements for year ending 31st December 2021**

### **1 ACCOUNTING POLICIES**

The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006 governing the individual accounts of PCCs, together with applicable accounting standards and the Statement of Required Practice, Accounting and Reporting by Charities (FRSSE SORP).

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

#### **Funds**

The unrestricted general fund represents the funds of the PCC that are not subject to any restriction regarding their use and are available for application on the general purposes of the PCC. If some of this fund is designated for a particular purpose of the PCC (e.g. children & youth work), it is also unrestricted. Details of all of the funds are given in section 6 of these notes to the accounts.

The accounts include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of Church groups that owe their main affiliation to another body or those that are informal gatherings of church members.

#### **Incoming Resources**

##### ***Voluntary Income and Capital Sources***

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

Planned giving is recognised only when received.

Income tax recoverable on Gift Aid donations is recognised when the original donation is recognised, which may be some time before the money is received from HMRC. There may be a difference between the totals initially estimated by the Cashier and finally established by the Planned Giving Officer and agreed by HMRC, and any such difference after closure of the accounts is then included in the accounts for the following year. Some Gift-Aid income is received directly from HMRC and some is received via the Parish Giving Scheme (PGS), who claim it from HMRC immediately and forward it to the PCC within days. The split of this Gift Aid income and its allocation between funds and other charities is described in section 7 of these notes to the accounts.

Grants and legacies to the PCC are accounted for only when received.

Income from online card donations and contactless card donations is accounted for net within incoming resources. Details of gross income and charges are given in section 11 of these notes to the accounts.

Funds raised by any fund-raising activity are accounted for gross, provided that information is available.

The sales from the Church Shop are all accounted for gross.

##### ***Other Income***

Rental income from the letting of church premises or church property is recognised when due and received, any payments received in advance are classified as pre-paid income.

##### ***Income from Investments***

Dividends are accounted for when due and payable. Interest entitlements are accounted for as they accrue. Tax recoverable on such income is recognised in the same Accounting year.

##### ***Gains and Losses on Investments***

Realised gains or losses are recognised when investments are sold. Unrealised gains or losses are accounted for on revaluation of investments at 31<sup>st</sup> December

## **Resources Expended**

### ***Activities directly relating to the work of the Church***

The Diocesan Parish Share is accounted for when paid.

All known liabilities for payments at 31<sup>st</sup> December are provided for in these accounts as an operational liability and are shown as Creditors in the Balance Sheet.

Any significant but unquantifiable liability is assessed as close as possible to the expected value and provisioned accordingly within accruals.

### ***Grants***

Grants and donations made to other charities by the PCC are accounted for when paid over or when awarded, if that award creates a binding obligation on the PCC. Any applicable Gift-Aid is credited at the time of the grant or donation and claimed in due course from HMRC

## **Fixed Assets**

### ***Consecrated Property and moveable Church Furnishings***

Consecrated and Benefice Property is not included in the accounts in accordance with sections 10(2)(a) and (c) of the Charities Act 2011. Heritage assets are not accounted for as they do not form part of the objects of the PCC.

Moveable Church Furnishings held by the Rector and Churchwardens on special trust for the PCC, and which require a faculty for disposal are accounted as inalienable property unless consecrated. They are listed in the Church Inventory which can be inspected at any reasonable time.

For inalienable property acquired prior to the Year 2000 there is insufficient cost information available and therefore such assets are not valued in the accounts. Large items acquired since 1 January 2000 have been capitalised and depreciated in the accounts together with other assets that are able to have been valued, over their currently anticipated useful economic life. Depreciation is usually calculated as 25% of the reducing balance per annum.

A re-valuation of all tangible assets within and around the Church buildings, to estimate their actual practical value, is carried out on occasions to ensure a realistic value for these assets.

All expenditure in the year on consecrated or beneficed buildings or on the repair of moveable church furnishings acquired before 1 January 2004 is written off.

### ***Other Fixtures, Fittings or Office Equipment***

Equipment used within the Church premises is normally depreciated at 25% of the reducing balance per annum.

Any item of equipment with a purchase price of less than £1,000 may be written off when the asset is acquired, in accordance with the latest Church Accounting Regulations and as agreed by the PCC in January 2017. Any existing individual item with a residual value of less than £100 is written off, and assets with a higher value may be written off where appropriate.

### ***Investments***

Investments are valued at market value at 31<sup>st</sup> December

### ***Current (Cash) Assets***

Amounts owing to the PCC at 31<sup>st</sup> December in respect of fees, rents, Gift Aid or any other income are shown as Debtors, less provision for amounts which may prove uncollectable

Short term deposits include cash held on deposit with the CBF (CCLA) Church of England Funds.

Any outstanding advance payments at the end of the year are shown within Debtors or are deducted from pre-paid income, whichever is judged the more appropriate for the item in question.

### ***Transitory Income***

In accordance with the SORP, transitory income which passes through the PCC account as agent is not included in the SOFA, but major items are commented upon briefly in section 10 of these notes to the accounts.

**Parochial Church Council of Holy Trinity with St Catherines Long Melford Suffolk**  
**Notes to the financial statements for year ending 31st December 2021**

**2 INCOMING RESOURCES**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds	
				2021 £	2020 £
2(a) Incoming resources from donors					
Standing Orders, BACS and PGS	44,330	-	-	44,330	39,381
Numbered White Envelopes	5,829	-	-	5,829	6,165
Unrestricted G-Aided Yellow Envelopes	1,540	-	-	1,540	1,405
Loose Collections at 10:30 Holy Trinity	2,666	-	-	2,666	1,560
Other Holy Trinity loose collections	1,190	-	-	1,190	424
St. Catherines loose collections	50	-	-	50	5
Other small non-GA donations in church	11 9,826	158	-	9,984	4,092
Received for stained glass restoration	-	2,683	-	2,683	97,156
Grants and sundry small donations	1,433	526	-	1,959	2,432
Gift Aid recovered on all donations	7 14,023	1,077	-	15,100	17,178
Legacies	17,418	9,400	-	26,818	2,546
	<u>98,305</u>	<u>13,844</u>		<u>112,149</u>	<u>172,344</u>
2(b) <i>Other voluntary incoming resources</i>					
Donations for other charities etc.	-	3,357	-	3,357	863
	<u>-</u>	<u>3,357</u>		<u>3,357</u>	<u>863</u>
2(c) <i>Income from operating activities: to further the Council's objects</i>					
Weddings & Funerals Stat Fees	4,517	-	-	4,517	2,223
Weddings & Funerals Other	4,096	-	-	4,096	3,297
Magazine Sales	-	-	-	-	848
Children's & Youth Work Donations	-	93	-	93	3,137
	<u>8,613</u>	<u>93</u>		<u>8,706</u>	<u>9,505</u>
2(d) <i>Income from operating activities: To generate funds</i>					
Magazine Advertisements	-	-	-	-	1,671
Hire of Church Buildings	1,428	1,250	-	2,678	380
Festive Melford	546	-	-	546	-
St Catherine's Coffee & Cake	88	-	-	88	53
HCT Ride & Stride	538	-	-	538	541
Donations for logs	-	-	-	-	80
Sale of Church Calendars	25	-	-	25	1,040
Ian Steward's Barrell Organ	90	-	-	90	-
Flower Fund Revenue (excl. weddings)	-	-	-	-	246
Bell Fund Revenue	-	90	-	90	-
Matthew's Bike ride, before GA	-	173	-	173	-
New Years Eve Social	-	-	-	-	66
Shop Receipts	12 10,105	-	-	10,105	4,382
	<u>12,820</u>	<u>1,513</u>		<u>14,333</u>	<u>8,459</u>
2(e) <i>Income from Investment</i>					
Dividends & Interest	60	69	-	129	1,049
	<u>60</u>	<u>69</u>		<u>129</u>	<u>1,049</u>
2(f) <i>Other ordinary incoming resources</i>					
Rental Income from Convallaria	10,881	-	-	10,881	10,957
	<u>10,881</u>	<u>-</u>	<u>-</u>	<u>10,881</u>	<u>10,957</u>
<b>TOTAL INCOMING RESOURCES</b>	<u><b>130,679</b></u>	<u><b>18,876</b></u>	<u><b>-</b></u>	<u><b>149,555</b></u>	<u><b>203,177</b></u>

**Parochial Church Council of Holy Trinity with St Catherines Long Melford Suffolk**  
**Notes to the financial statements for year ending 31st December 2021**

<b>3 RESOURCES EXPENDED</b>		<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>Total Funds</b>	
					<b>2021 £</b>	<b>2020 £</b>
<i>3(a) Activities directly relating to the work of the Church</i>						
Parish Share		59,051	-	-	59,051	58,512
Other Ministry & Mission costs		4,265	-	-	4,265	5,294
Church Running Expenses						
Utilities		2,355	-	-	2,355	6,451
Insurance		4,869	2,000	-	6,869	6,317
New Facilities and Equipment		22,098	5,301	-	27,399	310
General Repairs & Cleaning		4,925	-	-	4,925	5,271
Stained Glass Restoration		-	-	-	-	70,492
Other Holy Trinity Restoration		-	836	-	836	3,226
Bell Expenses		-	60	-	60	-
Flowers (excl. Weddings & Funerals)		-	96	-	96	10
Organist fees (excl. transitory)	4	4,860	-	-	4,860	3,870
Other music costs		706	-	-	706	566
Parish Magazine Printing		-	-	-	-	364
Specific children's, youth & family work	4	<u>11,248</u>	<u>2,870</u>	<u>-</u>	<u>14,118</u>	<u>11,522</u>
		<u>114,377</u>	<u>11,163</u>	<u>-</u>	<u>125,540</u>	<u>172,205</u>
<i>3(b) Church Management &amp; Administration</i>						
Administrator Time & Expenses	4	10,470	-	-	10,470	8,676
Other Administration Costs		1,517	-	-	1,517	1,528
Maintenance & running costs of Convallaria		1,820	-	-	1,820	700
		<u>13,807</u>	<u>-</u>	<u>-</u>	<u>13,807</u>	<u>10,904</u>
<i>3(c) Cost of generating funds</i>						
Shop purchases, charges and costs	12	5,006	-	-	5,006	4,157
Fund raising events expenses		-	-	-	-	51
		<u>5,006</u>	<u>-</u>	<u>-</u>	<u>5,006</u>	<u>4,208</u>
<i>3(d) Grants to other charities</i>						
Kagera, from Lent appeal		-	853	-	853	381
Number 72, from Lent Appeal		-	853	-	853	-
Edens project, Sudbury		-	175	-	175	300
St. Nicholas Hospice		-	450	-	450	381
Water Aid		-	-	-	-	16
FLUMPS		-	488	-	488	-
Royal British Legion		-	562	-	562	-
Barnardiston PCC		-	148	-	148	-
Alpheton & Shimpling PCC		-	195	-	195	-
Lawshall PCC		-	98	-	98	-
		<u>-</u>	<u>3,821</u>	<u>-</u>	<u>3,821</u>	<u>1,078</u>
<b>TOTAL RESOURCES EXPENDED</b>		<u><b>133,190</b></u>	<u><b>14,984</b></u>	<u><b>-</b></u>	<u><b>148,175</b></u>	<u><b>188,394</b></u>



**Parochial Church Council of Holy Trinity with St. Catherine's Long Melford Suffolk**  
**Notes to the Financial Statements for year ending 31st December 2021**

**4. PAYMENTS TO INDIVIDUALS FOR SERVICES SUPPLIED**

The PCC has no employees but makes payments at agreed rates to self-employed individuals who supply their services as required. Payments in 2021 and 2020 were:

	<u>2021</u>	<u>2020</u>
Payments to Administrator:	10,470	8,676
Payments to Organists:	4,860	3,870
Payments to Children & Youth Worker:	12,748	11,349
Totals:	<u>28,078</u>	<u>23,894</u>

In accordance with the SORP, the above figures do not include any transitory income (e.g. payments to organists through the PCC for weddings and funerals), but do include payment of properly-approved expenses to the administrator and youth worker. The youth worker payments above do not include all purchases of children/youth-related equipment, or some items for Messy Church or Connect.

No payments were made to PCC members apart from transitory income (e.g. vergers, bells and chorister fees), and properly-approved reimbursement of incurred expenses.

**5. FIXED ASSETS FOR USE BY THE PCC**

*5(a) The House 'Convallaria' in Bridge Street*

This was received as part of a legacy in 2015 and its value at the end of 2016, after major refurbishments and improvements, was estimated at £330,000. Its value at the end of 2020, taking into account house price changes locally over the previous 4 years, was conservatively re-estimated at £355,000. The property has been occupied since October 2019 and the rent up to March 2022 has been received, and is classified as pre-paid income until it becomes due. Use of this rental income is described in section 8.

*5(b) Other Tangible Fixed Assets*

Fixed tangible assets considered to be the property of the PCC include the furniture in the shop and some other parts of the church buildings, fire equipment, heating systems in the Lady Chapel and St. Catherine's, alarm and bird-proofing systems, storage sheds, some carpets, sound and video systems. The value of these assets is regularly updated and revised to ensure that they are reasonably well aligned with the Church Terrier, insofar as this is permitted by the charity accountancy regulations.

A major upgrade to the sound/video/livestreaming system was carried out in 2021, at a total cost of over £14,000. The asset value of this new equipment has been estimated roughly at £7,000. The other asset value increase in 2021 was due to two new gazebos at St. Caths, and asset write-offs in 2021 came to a total of just over £4,000.

Based on these additions, write-offs and a nominal depreciation of 25% pa, the value of the tangible assets within and around the church buildings has been revised to a rough figure of £11,609 as of the end of 2021. Adding this to the estimated value of Convallaria gives the figure of £366,609 for tangible fixed assets quoted in the Balance Sheet. The valuation revisions are shown in the SOFA.

*5(c) Shop Stock*

It was again not easily possible to carry out a full stock-take at the end of 2021 because of the Covid-19 restrictions, so based on the start-of-year value, sales during the year and an estimate by the shop managers of the sale value of the new stock purchased, the value of the stock at year end has been estimated at £10,017 as shown in the Balance Sheet. The estimated change in stock value is shown in the SOFA.

*5(d) Investment and Endowment Funds*

The PCC no longer has any investment funds apart from two permanent endowment funds which are held by the diocese. These are detailed as part of section 6. The increase in their value is shown in the SOFA and their total value at the end of 2021, as entered in the Balance Sheet, was £8,007.

## 6. DETAILS OF FUNDS

The name of each fund, and the amounts held in them at the start and end of 2021, are given below.

<u>Value at</u> <u>31/12/20</u>	<u>Fund Title</u>	<u>Value at</u> <u>31/12/21</u>
150,773	Unrestricted General Fund	150,091
18,846	Preservation & Protection Fund	27,870
1,828	Gourmet Gang Catering Account	0
4,946	Bell Fund	4,978
642	Flower Fund	546
2,793	Children & Youth Fund	40
7,223	Organ Fund	7,244
29,511	Stained Glass Fund	32,778
62,045	Restoration Fund (Closed to additions)	61,241
4,799	Appeal Fund (Spent out and closed)	0
<u>283,407</u>		<u>284,788</u>
	<u>Endowment Funds</u>	
430	Charlotte Allen Churchyard Trust	479
6,749	Miss Sophia Louise Faulkner Trust	7,528

The **Unrestricted General Fund** is the main operating fund of the PCC. All unrestricted transactions described in the SOFA, and in the details given in the incoming & outgoing resources sheets, relate to this fund.

**The Preservation & Protection Fund** is a fund set up to receive donations restricted to the preservation and maintenance of the general fabric of Holy Trinity Church building, including the major part of the insurance if required. Any donations, legacies or fundraising income specifically for the church building, and not for the wider ministry and mission of the Church, are now normally allocated to this fund.

**The Bell Fund** receives contributions from donors and visiting bands specifically for the maintenance of the bells and frame at Holy Trinity.

**The Flower Fund** is used to buy flowers and related material for the decoration of the church and receives payments or donations specifically for that purpose.

**The Children & Youth Fund** is a fund restricted to paying for the work with children, families and young people. This includes Messy Church, the Fusion youth group, the Connect mother & toddler group at St. Catherine's, and any other family and youth initiatives.

**The Organ Fund** was set up during 2018 to receive donations and fundraising revenue towards major refurbishment and enhancement of the church organ.

**The Stained-Glass Fund** was set up during 2019 to handle the money received and paid out for the work on the restoration and protection of the eight medieval stained-glass windows. All donations, fundraising and grants for the stained-glass work are paid into this fund, and all payments by the PCC for that restoration and protection work are made from it.

The above seven funds are currently active, and are expected to remain active in 2022 and beyond.

**The Gourmet Gang Fund** was a fund set up to account for the income and expenses of the Church catering volunteers. Income was to be used firstly to improve the Church catering facilities with any surplus to be used for any other Church activity as determined by the members of the Gourmet Gang. This group has ceased to operate and agreed to transfer the balance of this fund to the General Fund.

**The Restoration Fund** is closed to new donations and will eventually be spent out as building restoration work proceeds. Donations restricted to restoration can now be made to the Preservation & Protection Fund.

**The Appeal Fund** was a fund set up to account for any donations that may accrue and any expense incurred with regard to the Heat/Light/Sound/ Bells appeal launched in 2007. During 2021, this fund was used to pay for some of the work done to upgrade the electricity supply to the church in order to improve the heating system and also to pay for some of the sound-related aspects of the livestreaming system, and in covering that work this fund was spent out and closed..

**The Charlotte Allen Churchyard Trust** is for keeping in good order and condition the Churchyard and requesting that the graves and memorials of William and Charlotte Richold and of Charlotte Allen and her husband be given adequate attention. This is a permanent endowment fund held by the diocese.

**The Miss Sophia Louise Faulkner Trust** is an endowment fund for the upkeep of the memorial window in memory of Miss Faulkner's father and mother and for general repair of the church. This too is a permanent endowment fund held by the diocese.

The capital appreciation of these two endowment funds is shown as an endowment gain in the SOFA, and their total capital value is listed under investment fixed assets in the Balance Sheet.

### Separate but Related Charity

#### **Friends of Long Melford Church Building Trust**

This is an independently registered charity (commission no. 1069008) whose purpose is defined as ‘To administer funds and trusts to assist the PCC in the repair of the fabric of Holy Trinity Church, Long Melford’.

One of the important elements of the PCC’s relationship with the Friends is the project to preserve the medieval glass, for which the Friends hold restricted funds donated by members of the Clopton family.

### 7. INCOME TAX RECOVERED FROM HMRC THROUGH GIFT AID

Some of the income in this category is received by the PCC direct from HMRC as a result of our Gift-Aid claim, and some is received via PGS (Parish Giving Scheme) who immediately claim the money on behalf of the PCC and forward it directly to us. The split of this income, and its subsequent distribution to the respective funds and charities, is shown in the tables below.

#### Sources of Tax Recovered Through Gift-Aid, and its Allocation

	<u>2021</u>	<u>2020</u>
Received Directly from HMRC:	11,701	14,871
Received via PGS (Parish Giving Scheme):	3,399	2,407
Total:	15,100	17,278
Donations to Charities through the Church account:	376	216
Children, Youth & Family Work:	23	784
Stained Glass Fund:	568	3,068
Preservation and Protection (Rector's sponsorship):	22	0
Forwarded from Rector's sponsorship:	88	0
Share of Benefice Donation to Alpheton & Shimpling:	0	100
Unrestricted:	14,023	13,110
Total:	15,100	17,278

### 8. FUNDING OF CHILDREN, FAMILY AND YOUTH WORK COSTS

The rental income from the house mentioned in 5(a), after an allowance for routine upkeep and maintenance costs, has been designated by the PCC to fund Children and Youth work. In addition, the Children & Youth fund receives, on occasions, donations or fundraising revenue specifically restricted for that purpose. In 2021, this work needed to be supplemented by an additional £2,187 from the General Fund, but this needs to be balanced against the surplus for children/youth restricted and designated funding of £2,800, which was achieved in 2020.

## 9. RESERVES POLICY

The reserves policy of the PCC, which is reviewed annually, is based on an estimate of 3 months' parish share and 3 months of maintenance, insurance and all other expenses totalling £33,000, to be held as part of the Unrestricted General Fund. As is clear from the figures in section 6, this was comfortably covered in 2021.

## 10. TRANSITORY INCOME

In accordance with recommended accounting practice, transitory income is not shown in the SOFA, but major items of possible interest are summarised for information in the following table.

	<u>2021</u>	<u>2020</u>
Administration payments from Alpheton & Shimpling:	1,695	2,164
Share of Ministry costs from Alpheton & Shimpling:	1,475	839
Share of Donations and Fundraising to A&S and Lawshall:	293	417
Diocesan fees for weddings and funerals:	1,491	844
All other transitory payments for weddings and funerals:	5,872	2,654
	<u>10,826</u>	<u>6,918</u>

## 11. INCOME FROM CONTACTLESS CARD DONATIONS AND ONLINE CARD DONATIONS

The gross income and charges relating to each of these sources in 2021 and 2020 are tabulated below.

<u>Card Donations Credits and Costs</u>	<u>Gross Credits</u>		<u>Charges</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Contactless Donations	4,958.00	2,106.47	701.07	633.68
Online Donations	257.83	96.00	5.17	1.90

## 12. INCOME AND COSTS RELATING TO THE CHURCH SHOP

Profit from the Church Shop inevitably fell seriously during 2020 because of the lockdowns and other covid-related restrictions. But this recovered to a large extent during 2021, thanks in part to the card payment facility which started in April. In 2021 gross revenue from card payments accounted for over half of all shop receipts, and the total charges for this service amounted to just over 6% of takings, making this an extremely worthwhile facility.

## 13. OBSERVATIONS ON 2021 FINANCIAL RESULTS

Covid-related restrictions had a significant impact on the financial activities of the Church in 2021, as they had done in 2020. Income from cash collections and envelope-giving was well down on pre-pandemic levels, as was income from weddings and funerals. Offset against that, but only to a small extent, energy costs and some other service-related expenses were also reduced. Energy costs will of course increase very significantly from 2022 onwards.

All revenue from credit and debit cards has increased in importance, and, even more importantly, regular online giving via PGS (the Parish Giving Scheme), standing orders and BACS payments has also increased. These forms of income will become increasingly important for the Church in the future as cash will continue to be a less significant part of the general economy, even after the pandemic is finally over.

We received three legacies in 2021: two unrestricted legacies totalling £17,418 and one of £9,400 restricted to fabric. These extraordinary items of income were balanced against extraordinary expenditure totalling ~£27,000 on the upgrading of the audio/video/livestreaming equipment and the improvements to our electricity supply as a step towards a more efficient heating system at Holy Trinity.

As can be seen from the SOFA (page 1) and the details given in sections 2 and 3, total income was close to £150,000, with an overall surplus of £1,380 but a deficit in our General Fund of £2,511.

It is expected that there will be major fabric expenditure in 2022, which will deplete our reserves.