

Holy Trinity Church, Heigham, Norwich

**Financial Statements
of the
Parochial Church Council**

For the Year Ended 31 December 2018

Holy Trinity Church, Heigham, Norwich

**Independent Examiner's Report
for the Parochial Church Council of Holy Trinity Church
for the year ended 31 December 2018**

I report to the Parochial Church Council on my examination of the Accounts of Holy Trinity Church for the year ended 31 December 2018 which are set out on pages 3 to 15.

Responsibilities and basis of report

As the charity's Trustees 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 charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of The Institute of Chartered Accountants in England & Wales.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in any material respect:

1. the accounting records were not kept in accordance with section 130 of the Charities Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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



Melissa Cubitt FCA
For and on behalf of Aston Shaw Limited

Aston Shaw
Chartered Certified Accountants & Registered Auditor
The Union Building
51 - 59 Rose Lane
Norwich
NR1 1BY

4 April 2019

**Statement of Financial Activities
for the Parochial Church Council of Holy Trinity Church
for the year ended 31 December 2018**

	Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2018	Total 2017
		£	£	£	£	£
Income and endowments from:						
Donations and legacies	2(a)	437,809	-	-	437,809	254,964
Income from investments	2(b)	12,876	-	127	13,003	15,542
Church activities	2(c)	7,754	-	-	7,754	41,274
Total income and endowments		458,439	-	127	458,566	311,780
Expenditure on:						
Grants	3(a)	32,800	-	-	32,800	30,600
Church activities	3(b)	238,077	-	127	238,204	255,786
Investment property costs	3(c)	21,696	-	-	21,696	6,048
Total expenditure		292,573	-	127	292,700	292,434
Net income/(expenditure)		165,866	-	-	165,866	19,346
Other recognised gains / (losses):						
Gains / (losses) on revaluation of investment property	4	135,000	-	-	135,000	-
Net movement in funds		300,866	-	-	300,866	19,346
Reconciliation of funds:						
Total funds brought forward		412,012	798	31,991	444,801	425,455
Total funds carried forward		712,878	798	31,991	745,667	444,801

All income and expenditure derive from continuing activities.

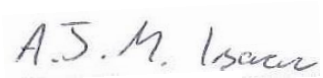
Holy Trinity Church, Heigham, Norwich


Balance Sheet
for the Parochial Church Council of Holy Trinity Church
as at 31 December 2018

	Notes	2018		2017	
		£	£	£	£
Fixed assets					
Tangible fixed assets	6		11,460		12,974
Investments	7		<u>472,818</u>		<u>337,818</u>
			484,278		350,792
Current assets					
Debtors	8	10,930		47,186	
Cash in bank and in hand		<u>258,771</u>		<u>59,124</u>	
		269,701		106,310	
Creditors					
Amounts falling due within one year	9	<u>(8,311)</u>		<u>(12,301)</u>	
Net current assets			261,389		94,009
Net assets			<u>745,667</u>		<u>444,801</u>
Funds					
General funds	10		45,763		96,383
Other unrestricted funds			<u>667,115</u>		<u>315,629</u>
Total unrestricted funds			712,878		412,012
Restricted funds			798		798
Endowment funds			31,991		31,991
Total funds			<u>745,667</u>		<u>444,801</u>

The financial statements were approved and authorised for issue by the Parochial Church Council on 4 March 2019.

Signed on behalf of the Parochial Church Council


.....
Sandra Isaac
Churchwarden


.....
Lewis Jarrett
Churchwarden

The notes on pages 5 to 15 form part of these financial statements.

**Notes to the Financial Statements
for the Parochial Church Council of Holy Trinity Church
for the year ended 31 December 2018**

1. Summary of significant accounting policies

- a. **Basis of preparation.** The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

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

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items (investment property) at fair value.

- b. **Funds.** Unrestricted funds are those funds that are held for spending at the PCC's discretion. These include any further funds, which the PCC has designated for particular purposes ("designated funds"). Unrestricted funds comprise:

General funds

Funds of the PCC that are not subject to any restrictions regarding their use and are available for application for the general purposes of the PCC.

Tangible fixed assets reserve

Funds set-aside by decision of the PCC to reflect monies tied-up in tangible fixed assets and hence not readily expendable without disposal of the relevant assets (see note 6).

Investment property revaluation reserve

Funds set-aside by decision of the PCC to reflect monies tied-up in the investment property and hence not readily expendable without disposal of the investment property (see note 7).

Mission fund

A fund arising from a legacy of £47,856 received in August 2011 and approved by the PCC in July 2013 as a designated fund. The PCC transferred this fund to the Jenny Lind project fund in 2018.

Training fund

Funds set-aside by decision of the PCC in 2018 to cover the costs over 3 years of training a Children's Worker.

Notes to the Financial Statements (continued)
for the Parochial Church Council of Holy Trinity Church
for the year ended 31 December 2018

1. Summary of significant accounting policies (continued)

Fabric fund Funds set-aside by decision of the PCC in 2018 to cover the cost of a number of planned building and furnishing projects.

Jenny Lind project fund Funds set-aside by decision of the PCC in 2018 to cover the costs of setting up a new project building on the work carried out in the North East of the parish (Jenny Lind and Vauxhall Street area), including the employment of a project manager for 3 years.

Restricted funds are those that are subject to specific trusts. For the purposes of these accounts, the funds held under this heading are the "income funds" i.e. they must be spent on the specified purpose(s) within a reasonable period of time. Any balance remaining unspent at the end of each year must be carried forward as a balance on that fund. The PCC does not usually invest separately for each fund. Where there is no separate investment, interest is apportioned to individual funds on an average balance basis. Restricted "income" funds comprise:

Mission North East Parish A fund of an initial amount of £5,000 to be made available for work to benefit the North East of the parish.

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

Bransby Legacy An endowment with interest earmarked for costs of youth work. The assets of the legacy are held on deposit within the CBF Church of England Deposit Fund (see note 7).

c. **Incoming Resources.** Planned giving receivable under Gift Aid is recognised only when received. Income tax recoverable on Gift Aid donations is recognised when the income to which it relates is received. Collections are recognised when received by or on behalf of the PCC. All other income is recognised when it is receivable. All incoming resources are accounted for gross.

d. **Resources Expended.** Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC. The diocesan parish share is accounted for when paid. Because it is not a legal liability, any parish share unpaid at 31 December is not provided in these financial statements except to the extent that the PCC has resolved to pay the shortfall. All other expenditure is generally recognised when it is incurred and is accounted for gross.

Notes to the Financial Statements (continued)
for the Parochial Church Council of Holy Trinity Church
for the year ended 31 December 2018

1. Summary of significant accounting policies (continued)

- e. **Tangible Fixed Assets.** Consecrated and benefice property of any kind is not included in these financial statements in accordance with S.10(2)a) and c) of the Charities Act 2011. Freehold property improvements are depreciated at 10% pa on a straight-line basis. Office equipment is depreciated at 25% pa on a straight-line basis.
- f. **Investment Properties.** Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in 'net gains / (losses) on investments' in the SoFA.
- g. **Volunteer Activities.** A large amount of activities run by the church are staffed by volunteers who give of their time and resources. This help is unquantifiable but without it the church could not continue to pursue its work.
- h. **Employee Benefits.** The charity offers membership of a defined contribution pension scheme to its employees. Contributions payable are charged in the Statement of Financial Activities in the period to which they relate. The charity has no responsibility for the management of the pension scheme, which is provided by a third party.

Notes to the Financial Statements (continued)
for the Parochial Church Council of Holy Trinity Church
for the year ended 31 December 2018

2. Incoming resources

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2018	Total 2017
	£	£	£	£	£
(a) Donations and legacies					
Giving - standing orders	199,731	-	-	199,731	175,271
Giving - Sunday collections	4,829	-	-	4,829	4,615
Giving - other planned	25,033	-	-	25,033	30,360
Giving - other	129,955	-	-	129,955	1,521
	<u>359,549</u>	-	-	<u>359,549</u>	<u>211,767</u>
Income tax recoverable (Gift Aid)	77,282	-	-	77,282	43,197
Grants	979	-	-	979	-
	<u>437,809</u>	-	-	<u>437,809</u>	<u>254,964</u>
(b) Income from investments					
Rental income (26 Trinity Street)	12,820	-	-	12,820	15,400
Interest received	56	-	127	183	142
	<u>12,876</u>	-	<u>127</u>	<u>13,003</u>	<u>15,542</u>
(c) Church activities					
Pre-school LEA funding	-	-	-	-	28,262
Pre-school subscriptions	-	-	-	-	4,613
Pre-school sundries	-	-	-	-	1,035
Wedding & funeral fees	1,149	-	-	1,149	1,682
Church & hall hire	1,239	-	-	1,239	2,153
Other receipts	5,366	-	-	5,366	3,529
	<u>7,754</u>	-	-	<u>7,754</u>	<u>41,274</u>
Total incoming resources	<u>458,439</u>	-	<u>127</u>	<u>458,566</u>	<u>311,780</u>

Notes to the Financial Statements (continued)
for the Parochial Church Council of Holy Trinity Church
for the year ended 31 December 2018

3. Resources expended

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2018	Total 2017
	£	£	£	£	£
(a) Grants					
Mission grants - individual partners	21,000	-	-	21,000	19,000
Mission grants - agencies	11,800	-	-	11,800	11,600
	<u>32,800</u>	<u>-</u>	<u>-</u>	<u>32,800</u>	<u>30,600</u>
(b) Church activities					
Mission - Local outreach	3,855	-	-	3,855	3,256
Diocesan parish share (note 3(d))	90,000	-	-	90,000	90,000
Young people's activities	2,077	-	127	2,204	8,003
Other group activities	1,241	-	-	1,241	239
Events & hospitality	2,638	-	-	2,638	1,244
Books	3,966	-	-	3,966	1,777
Maintenance of buildings and equipment	32,341	-	-	32,341	24,582
Utilities (light, heat and water)	9,533	-	-	9,533	10,202
Staff salary and pension costs (note 5)	59,957	-	-	59,957	87,425
Staff/clergy expenses	2,110	-	-	2,110	2,990
Training	2,584	-	-	2,584	1,898
Music	1,792	-	-	1,792	2,122
Insurance	4,437	-	-	4,437	4,870
Office costs, advertising and telephone/internet	9,558	-	-	9,558	7,719
Accountancy assurance fees (note 3(e))	1,452	-	-	1,452	1,512
Payroll and HR support (see note 3 (e))	2,208	-	-	2,208	834
Other expenditure	5,718	-	-	5,718	4,204
Depreciation	2,610	-	-	2,610	2,909
	<u>238,077</u>	<u>-</u>	<u>127</u>	<u>238,204</u>	<u>255,786</u>
(c) Investment property costs					
Rental property expenses	21,696	-	-	21,696	6,048
	<u>21,696</u>	<u>-</u>	<u>-</u>	<u>21,696</u>	<u>6,048</u>
Total resources expended	<u>292,573</u>	<u>-</u>	<u>127</u>	<u>292,700</u>	<u>292,434</u>

Notes to the Financial Statements (continued)
for the Parochial Church Council of Holy Trinity Church
for the year ended 31 December 2018

3. Resources expended (continued)

(d) Diocesan Parish Share

The parish share allocated to the PCC for 2018 was £90,000 (2017 £90,000). This reflects the overall cost of clergy within the Diocese and a method of allocation based upon two elements, the actual cost of ministry within a benefice (which for Holy Trinity equates to the parish) and a contribution to the cost of mission and ministry across the Diocese.

In 2018 the PCC paid its full £90,000 parish share (2017 paid £90,000 in full). The diocese has agreed to request a parish share at the same level as that paid in 2018 (£90,000) for the year ending 31 December 2019.

(e) Independent Examiner's Remuneration

The independent examiner's remuneration amounts to an independent examination fee of £1,452 (2017 - £1,452) and payroll services of £819 (2017 - £834), the latter of which are included within 'Payroll and HR Support'.

4. Other recognised gains / (losses)

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2018	Total 2017
	£	£	£	£	£
Gains/ (losses) on revaluation of investment property (note 7)	135,000	-	-	135,000	-
	<u>135,000</u>	<u>-</u>	<u>-</u>	<u>135,000</u>	<u>-</u>

Notes to the Financial Statements (continued)
for the Parochial Church Council of Holy Trinity Church
for the year ended 31 December 2018

5. Staff costs

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2018 £	Total 2017 £
Salaries	58,200	-	-	58,200	53,321
Social security costs	-	-	-	-	180
Pension costs	1,630	-	-	1,630	978
	59,957	-	-	59,957	54,479
Pre-school wages	-	-	-	-	32,946
	59,957	-	-	59,957	87,425

Further disclosures:

	2018 £	2017 £
Church activities	21,391	26,174
Management and administration	38,566	28,305
	59,957	54,479
Pre-school wages	-	32,946
	59,957	87,425

The average monthly number of employees during the year was as follows:

	2018	2017
Church activities	3	3
Management and administration	4	4
Pre-school	-	14
	7	21

During the year the PCC employed the following staff: a church manager (appointed September), two ministry assistants (one appointed July, one left August), caretaker (left November), two part-time administrators (one promoted to church manager September), a part-time organist and a part-time cleaner (left May). In addition temporary staff were employed to cover caretaker and cleaning duties.

No employees earned £60,000 per annum or more.

Notes to the Financial Statements (continued)
for the Parochial Church Council of Holy Trinity Church
for the year ended 31 December 2018

5. Staff costs (continued)

PCC Members and Related Parties

There was no remuneration or other benefits paid to PCC members in their capacity as members for the year ended 31st December 2018 nor for the year ended 31st December 2017.

During the year the following disclosable transactions occurred in respect of PCC members, persons closely connected to them or other related parties:

- A salary was paid to one PCC member during the year to 31st December 2018:
 - Mr D Appleton (PCC member), administrator: £9,009 (2017 £Nil)
- In connection with the activities of the Church, PCC members were reimbursed incidental expenses incurred in the course of the year.

6. Tangible fixed assets

	Improvements to freehold church hall £	Office equipment £	Total £
Cost			
At 1 January 2018	61,125	76,673	137,798
Additions	-	1,096	1,096
Disposals	-	(35,034)	(35,034)
At 31 December 2018	61,125	42,734	103,859
Depreciation			
At 1 January 2018	49,199	75,624	124,823
Charge for the year	1,987	623	2,610
Write back on disposals	-	(35,034)	(35,034)
At 31 December 2018	51,186	41,213	92,399
Net book value			
At 31 December 2017	11,926	1,048	12,974
At 31 December 2018	9,939	1,521	11,460

**Notes to the Financial Statements (continued)
for the Parochial Church Council of Holy Trinity Church
for the year ended 31 December 2018**

7. Fixed asset investments

	Investment Property Freehold House	CBF Church of England Deposit Fund	Total
	£	£	£
Valuation			
At 1 January 2018	295,000	42,818	337,818
Revaluation	135,000	-	135,000
At 31 December 2018	430,000	42,818	472,818
At 31 December 2017	295,000	42,818	337,818

The investment property, being the house at 26 Trinity Street, was revalued at £295,000 on an open market basis on 28 January 2014, by William H Brown Estate Agents. Its value at 31 December 2018 was reviewed in early 2019. A local agency informally estimated it to be in the region of £430,000 to £450,000, based on recent sale value of nearby properties and their knowledge of this property. With this in mind members of the PCC approved a revised valuation of this property of £430,000. The net book value of the investment property is attributable to the investment property reserve (note 10).

Funds held on deposit include amounts attributable to the Bransby Legacy.

8. Debtors: amounts falling due within one year

	2018	2017
	£	£
Income tax recoverable on Gift Aid donations	5,337	42,618
Other debtors	5,592	4,568
	10,930	47,186

9. Amounts falling due within one year

	2018	2017
	£	£
Other creditors and accruals	8,311	12,301
	8,311	12,301

Notes to the Financial Statements (continued)
for the Parochial Church Council of Holy Trinity Church
for the year ended 31 December 2018

10. Movements in funds

	Balance at 1 January 2018	Total income resources	Total resources expended	Other movements	Balance at 31 December 2018
	£	£	£	£	£
Unrestricted funds					
General funds	96,383	458,439	(292,573)	(216,486)	45,763
Other unrestricted funds:					
Tangible fixed assets reserve	12,974	-	-	(1,514)	11,460
Investment property revaluation reserve	295,000	135,000	-	-	430,000
Designated funds:					
Mission fund	7,655	-	-	(7,655)	-
Training fund	-	-	-	18,000	18,000
Fabric fund	-	-	-	100,000	100,000
Jenny Lind project fund	-	-	-	107,655	107,655
	<u>315,629</u>	<u>135,000</u>	<u>-</u>	<u>216,486</u>	<u>667,115</u>
Total unrestricted funds	<u>412,012</u>	<u>593,439</u>	<u>(292,573)</u>	<u>-</u>	<u>712,878</u>
Restricted funds					
Mission North East Parish	798	-	-	-	798
	<u>798</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>798</u>
Endowment funds					
Bransby legacy	31,991	127	(127)	-	31,991
	<u>31,991</u>	<u>127</u>	<u>(127)</u>	<u>-</u>	<u>31,991</u>
Total funds	<u>444,801</u>	<u>593,566</u>	<u>(292,700)</u>	<u>-</u>	<u>745,667</u>

The "other movements" comprise:

Transfers between funds

£

Tangible fixed assets reserve/general funds - transfer to match the net value tied up in tangible fixed assets	(1,514)
Training fund - PCC designated this fund in 2018	18,000
Fabric fund - PCC designated this fund in 2018	100,000
Jenny Lind project fund - PCC designated this fund in 2018	107,655
Mission fund - PCC transferred this to the Jenny Lind project fund in 2018	(7,655)
General funds	<u>(216,486)</u>
	<u>-</u>

Notes to the Financial Statements (continued)
for the Parochial Church Council of Holy Trinity Church
for the year ended 31 December 2018

11. Analysis of net assets by fund

The net assets within each fund at 31 December 2018 are summarised as follows:

	Unrestricted funds	Restricted funds	Endowment funds	Total
	£	£	£	£
Tangible fixed assets	11,460	-	-	11,460
Investments	440,827	-	31,991	472,818
Current assets	268,902	798	-	269,700
Creditors	(8,311)	-	-	(8,311)
	<u>712,878</u>	<u>798</u>	<u>31,991</u>	<u>745,667</u>

Holy Trinity Church, Heigham, Norwich

Given to Mission and Social Action
for the Parochial Church Council of Holy Trinity Church
for the year ended 31 December 2018

	Total 2018	Total 2017
	£	£
Individuals:		
SIM - Penny Bakewell	4,000	4,000
WBT - Tony and Carol Smith	5,000	7,000
WEC - Colin Bearups	7,000	7,000
Stewardship - Rachel Spencer	3,000	1,000
UCCF - Rosie O'Donnell	2,000	-
	<u>21,000</u>	<u>19,000</u>
National Agencies:		
CPAS	1,100	1,100
Friends International	1,100	1,100
UCCF	600	600
Church Society	200	-
	<u>3,000</u>	<u>2,800</u>
Local Organisations:		
English +	6,000	6,000
Magdalen Project	1,100	1,100
Norwich Youth for Christ	1,100	1,100
UEA Christian Union	600	600
	<u>8,800</u>	<u>8,800</u>
Total	<u>32,800</u>	<u>30,600</u>

This page does not form part of the financial statements but is provided for additional information.