THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF HEXHAM ABBEY

England & Wales · Charity number 1132444

Details

Other names	HEXHAM ABBEY PCC
Status	Registered
Legal form	Previously excepted
Registered	2009-11-04
Register	View on the Charity Commission register

Contact

Address	Hexham Abbey Abbey Cottage Beaumont Street Hexham NE46 3NB
Phone	01434602031
Email	admin@hexhamabbey.org.uk
Website	www.hexhamabbey.org.uk

Activities

Objects: Promoting in the ecclesiastical parish the whole mission of the Church.

Activities: Promoting in the ecclesiastical parish the whole mission of the church

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Other Charitable Activities
- **What:** Education/training, Religious Activities, Arts/culture/heritage/science
- **Who:** The General Public/mankind

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Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, LOCAL.
- Northumberland

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,236,892	£1,189,848	£3,045,633	45
2023-12-31	£1,244,458	£1,268,406	£2,848,589	42
2022-12-31	£1,217,370	£1,445,801	£2,872,537	40
2021-12-31	£395,955	£493,561	-	-
2020-12-31	£1,013,128	£1,101,304	£3,081,951	33

Trustees

Name	Role	Appointed
Rev David Charles Glover	Chair	2020-10-25
CAROL WILSON		2020-10-25
CHRISTOPHER PHILIP HEWITT		2024-04-28
Catherine Anne Lee		2025-05-11
Fiona Janet Finnon		2020-10-25
Helen Marion Susan Milner		2025-05-11
John Stephen Mitchell		2020-10-25
Julie Elizabeth Barham		2025-05-11
LYNNE DENISE THOMSON		2021-04-18
Linda Rowell		2021-04-18
Malcolm Thompson		2021-04-18
RACHAEL JANE HAYWOOD SMITH		2018-04-29
Richard Michael Thornton		2020-10-25
Stephen Roger Brown		2022-04-24
Vivien Drydon		2021-04-18
Wendy Marilyn Brown		2022-04-24

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THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF HEXHAM ABBEY

England & Wales - Charity number 1132444

Accounts

Charity Number: 1132444

HEXHAM ABBEY
HERITAGE • WORSHIP • COMMUNITY

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF HEXHAM ABBEY

REPORT OF THE MEMBERS OF THE PCC AND

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

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The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

Reference and Administrative Details of the Charity, its Members and Advisors

PCC Membership

Incumbent:
The Rev'd Canon David Glover

Assistant Curates:
The Rev'd Dr Henry Hope (to 23 June 2024)
The Rev'd Abigail Harris (from 30 June 2024)

PCC Lay Chair:
Mrs Helen Milner MBE (until APCM 2024)
Mr J Malcolm Thompson (from APCM 2024)

Churchwardens:
Mrs Helen Milner MBE (until APCM 2024)
Mr Richard Thornton (re-elected APCM 2024)
Mr Malcolm Thompson (re-elected APCM 2024)
Mrs Vivien Drydon (re-elected APCM 2024)
Mrs Wendy Nott (re-elected APCM 2024)
Ms Lynne Thomson (elected APCM 2024)

Representatives on Hexham Deanery Synod (serving a three-year term, 2023-2026):
Ms Carol Wilson (elected APCM 2023)
Mr John Mitchell (elected APCM 2023)
Mrs Linda Rowell (elected APCM 2023)

Elected Members:
Mr Steve Brown (elected APCM 2022)
Mr Tony May (re-elected APCM 2024)
Ms Lynne Thomson (re-elected APCM 2021; elected Churchwarden APCM 2024)
Mrs Fiona Finnon (re-elected APCM 2023)
Mrs Caroline Jackson (until APCM 2024)
Mrs Jane Pikett - PCC Secretary (elected APCM 2023)
Mrs Rachael Haywood-Smith (elected APCM 2023)
Mr Christopher Hewitt - PCC Treasurer (elected APCM 2024)

Charity registered number
1132444

Reference and Administrative Details of the Charity, its Members and Advisors (contd)

Principal Office

Hexham Abbey Parish Centre
Beaumont Street
Hexham
Northumberland
NE46 3NB

Independent Auditor

Dodd & Co Audit Limited
FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

Bankers

Barclays Bank plc
Priestpopple
Hexham
Northumberland
NE46 1PE

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
WEST MALLING
Kent
ME19 4JQ

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

Report of the PCC Members for the Year Ended 31 December 2024

The Parochial Church Council (the PCC) submits its annual report and the audited financial statements of the Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey (the charity) for the year ended 31 December 2024. The PCC confirms that the annual report and financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 as amended by the Charities Act 2022 and 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.

The financial statements of Hexham Abbey Trading Ltd, as a subsidiary undertaking, are consolidated into the PCC's accounts in accordance with the provisions of the SORP.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution
The PCC is a corporate body established by the Church of England. The PCC operates under the Parochial Church Councils (Powers) Measure 1956 as amended. Having annual gross income of over £100,000, the PCC is registered with the Charity Commission, as required.

The principal object of the charity is the promotion of the gospel of Jesus Christ according to the doctrines and practices of the Church of England and through service to the wider community.

Method of appointment or election of members
The appointment of PCC members is governed and set out in the Church Representation Rules.
The PCC comprises 17 members (2 clergy, 5 Churchwardens, 3 Deanery Synod Representatives, 7 elected members.

Policies adopted for the induction and training of members
New PCC members are given a copy of the PCC's policies, told about diocesan training events, and are supported in their understanding of the work of the PCC by the Rector and Lay Chair. Every new PCC member undergoes a DBS check and Safeguarding training.

Organisational structure and decision making
The PCC has an agreed governance policy detailing where decisions can be made by sub-committees, Standing Committee, PCC or the Rector. The day to day management of the Abbey is delegated to the Rector and Standing Committee.

Sub-committees work under the vision and mission of the Abbey and the overall direction of the Rector, Churchwardens and PCC. They undertake areas of work on the PCC's behalf and report back to the PCC to whom they are responsible. The chair and members of each sub-committee are appointed by the PCC. The sub-committees can co-opt additional members for specific tasks during the course of the year. Each sub-committee has at least one member of the PCC.

In 2024, in addition to the Standing Committee, the PCC had the following 3 committees: Property Committee, Finance Committee and Safeguarding Committee. In addition, the PCC had the following working groups: Christmas Fair Group, Conservation Advisory Group, 1350th Planning Group.

The PCC is the sole shareholder of Hexham Abbey Trading Ltd (HATL), a company which is responsible for the operation of the Refectory Cafe and the letting of rooms in the Priory Buildings, as well as the Abbey Shop, which it manages in its existing premises alongside the Abbey. It operates on a commercial basis and makes qualifying charitable donations to the PCC equivalent to its entire net profit, thus reducing its corporation tax liability to nil.

Risk management
An analysis of existing controls to minimise the major risks to which the PCC is exposed has been undertaken and controls are reviewed on a regular basis.

OBJECTIVES AND ACTIVITIES

Policies and objectives
The PCC works with the incumbent, the Rev'd Canon David Glover in promoting, in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical.

It is committed to enabling as many people as possible to worship at Hexham Abbey and to become part of the church community. The PCC is also committed to ensuring that on-line worship is available for those unable to access in-person worship and this has been widely used. The PCC has contact, through its database, with many more individuals who see themselves as connected with the life of the Abbey and it keeps in regular contact with them. The PCC maintains an overview of worship at the Abbey and makes suggestions about how services and outreach serve the needs of people who live in the parish and the wider area.

When planning its activities for the year, the PCC has considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. In particular, it tries to enable ordinary people to live out their faith as part of the Abbey's parish community through its Vision: of a world where God's love is enjoyed, celebrated and shared. Its Mission Action Plan states that, inspired by Andrew, Wilfrid and Etheldreda, we seek to grow in breadth and numbers, in faith and learning, in prayer and generosity.

To facilitate this work, the PCC maintains the fabric of the Abbey, the Parish Centre and the Priory Buildings (Carnaby Building and former Magistrates' Court Building) and adjoining land. It also employs a number of staff and enjoys the service of over one hundred and seventy volunteers.

Going concern
After making appropriate enquiries, reviewing the PCC forecasts and projections for the next twelve months show that the charity expects to continue in operational existence for that period.

Grant making policies
Helping those in need is a demonstration of the Christian faith. The PCC has a policy for choosing the charities it supports, to which it gives 5% of the income it receives from planned giving.

Report of the PCC Members for the Year Ended 31 December 2024 (contd)

Safeguarding
On behalf of the PCC, the Safeguarding Committee keeps constantly abreast of developments in Church of England and Diocesan safeguarding policies and practices and implements them accordingly.

ACHIEVEMENTS AND PERFORMANCE
Statistics 2024 (2023)
284 (283) people on the Church Electoral Roll
221 (279) communicants on Easter Eve and Easter Day
384 (437) total attending services on Easter Eve and Easter Day
2635 (1875) at special Advent services for congregation and local community
2154 (1280) at special Advent services for schools or civic organisations
380 (269) communicants on Christmas Eve and Christmas Day
1088 (901) total attending services on Christmas Eve and Christmas Day
19 (11) baptisms conducted
10 (10) couples married in church
33 (44) funerals were conducted, of which 22 (27) were held in the Abbey
0 (13) people were confirmed.

There is no obvious reason why Easter attendance was lower in 2024 than in 2023. There was a further increase in attendances in services during Advent 2024. This was partly because more services were organised for the local community, including a Lord Lieutenancy Carol service and dementia/neuro-divergency services. It was also necessary to hold an additional Abbey Christmas Carol service, which reflects the increased reach of the Abbey, which is probably as a result of people engaging with its commercial activities, and especially concerts.

In October the average attendance in church, each week, for all regular services was 215 (217) adults and 44 (44) children. In addition to this approximately 20 (20) people joined in October on-line services.

In addition to services, about 45 people have taken part in GiFT groups which met regularly for prayer, study and fellowship, and regular Holy Communion services have been held in care homes. About 18 people take part in the weekly Christian meditation group and a similar number attend the Poetry and Faith Group in Lent and Advent. The Mothers' Union, though small, has continued to see steady growth and meets regularly.

Review of activities
Hexham Abbey's mission is promoted through the work of the PCC and its committees, the ongoing life of the Church, and with the support of the Abbey's staff team. There are also many people who volunteer to undertake many different and varied tasks to support the mission, ministry and commercial life of the Abbey, for which the PCC is very grateful. Volunteers have made a huge contribution to the success of the Abbey's many activities, and without volunteers most of the activities of the Abbey would be impossible to deliver.

Music
Under the leadership of Michael Haynes, Director of Music, music has flourished during 2024. The Choir has continued to see recruitment in all voice parts, but particularly in its treble line (although it must be recognised that this is a constantly demanding task and that recruitment of boy trebles is increasingly challenging - although the Abbey outperforms national trends in this regard). Throughout the year the choir enabled a full programme of choral services and during term time sang at 4 services each week. As well as its huge contribution to Sunday worship and twice weekly Choral Evensongs, the choir has contributed to a number of other significant events, including 4 very well attended Christmas Carol Services.

Mrs Cath Newson continues to provide logistical and social support to enhance the welfare and overall experience of the children in the choir. She is ably supported by an excellent team of chaperones and by the Curate. During 2024 the Abbey hosted the Three Choirs' Festival and the choir had a very successful and enjoyable summer tour to North Yorkshire, basing itself at Helmsley Youth Hostel and singing in Harrogate, Helmsley and Bridlington. The PCC continues to see the supporting of music as a top priority and in 2024 took the decision to appoint an Assistant Director of Music. After a thorough interview process Mr Matthew Kelly was appointed and takes up his post in Holy Week 2025.

Young People
The Abbey has continued to develop and support its work amongst children and young people, made possible by a devoted team of volunteers. Support for choristers has been a priority and has been aided by an excellent team of chaperones. Alongside services and rehearsals there have been a number of social activities. Abbey Tots Praise and Messy Church continued successfully during the year. The Sunday Morning Cloister Club continued but would still benefit from more volunteers and remains quite fragile. This is a group for older children, meeting on Sunday mornings, and has produced a very attractive and popular series of publications aimed at key stage 2 and 3 children. The PCC recognises its work with children and young people as crucial to the mission of the Abbey and is committed to seeing it flourish. The Abbey played a full role in supporting Hexham Holiday Club, offering both clergy and lay volunteers and hosting a junior leaders' event in the Abbey. It also gave financial support.

Once again, this year, there have been some excellent children's holiday activities organised by Cath Newson who, alongside her work as Fundraiser, has continued as the Abbey's Community Engagement Manager. This has included further work with schools and further developing and delivering the Abbey's offer for educational visits. During 2024 there continued to be a significant number of schools visiting the Abbey for educational visits. The clergy have continued to take assemblies in the Sele School, Hexham First School and the Middle School and all three schools have attended the Abbey for services and events. The Abbey has also continued to run a weekly lunch-time club at Hexham Middle School which engages with 60 - 80 students.

Pastoral Work and Fellowship
Abbey teams continue to visit nursing homes and Holy Communion is provided to residents. The clergy visit those in hospital and the Abbey Bereavement Team has continued to support a regular Memorial Service and organises a Bereavement Coffee Morning in the week following the service. A Poetry and Faith group meets during Lent and Advent. The weekly Pew Sheet continues to offer excellent communication to members of the congregation and others. During 2024 the Abbey ran a successful GiFT programme enabling people to meet together in small groups for fellowship, bible study and learning. Space continued to be made available in the Abbey as a 'warm hub' for families and this has been well used. The Abbey interacts with numerous individuals with specific and, sometimes, challenging, needs and attempts to assist them or signpost them to relevant support.

Local Community Outreach
We continue to nurture supportive relationships with the Church and Community Partnership, West Northumberland Food Bank, Northumberland Domestic Abuse Service, the Hexham Community Partnership, and other projects within the Hexham area. The PCC has continued to be keen to forge closer relationships with the Town Council and to engage fully in shared initiatives which benefit the wider community. The Abbey also has strong links with the Northumberland Lord Lieutenancy, Northumberland County Council and a number of other local and regional organisations and has held a number of special services as a result of its County and regional links.

Major Events
2024 marked the Abbey's 1350th anniversary and was a significant year in terms of events and celebrations. Particular highlights included an opening weekend with a Festival of Flame and Festival Eucharist, the recording of the BBC's Gardeners' World and Any Questions, an open air festival on St Etheldreda's day, the continuation of a wonderful organ series celebrating the Phelps at 50, numerous other concerts, a special series of 10 minute talks celebrating the Abbey's heritage, and a very successful Flower Festival on the theme of the Northern Saints in which many organisations from around the County took part. The Abbey also held a very well attended Christmas Fair and supported a number of events in the lead up to Christmas which included a Lord Lieutenancy Carol Service which drew people from across the region.

Charitable Giving
The Abbey continues to allocate 5% of its Planned Giving to charities. In addition to supporting the Hexham Holiday Club, the bulk of the remainder went to the following charities:
£1100 NDAS; £500 WERS; £1100 West Northumberland Foodbank; £750 St Paul's Children's Project; £750 SEDCU; £400 The Children's Society; £400 Diocesan Botswana Link.

Major Grants
In 2024 the Abbey benefitted from grants totalling £32,845. In addition to this the Abbey received £23,000 from the Mercers' Company which has been granted each year and for which the PCC is very grateful.

Staff News
In June 2024 our assistant curate, the Rev'd Dr Henry Hope, left the Abbey to take up a new post in Leek in the Diocese of Lichfield. At the end of June, the Rev'd Abigail Harris arrived at the Abbey as our new assistant curate. The verger department has undergone a number of staff changes including the retirement of Ed Clark and the appointment of Peter Lunt and Sarah Faye, alongside a number of relief vergers. Some amendments were made to verger hours in order to ensure more flexible cover. Matthew Kelly was appointed to the position of Assistant Director of Music, and takes up his post in April 2025.

Other developments
Following the departure of the Rev'd Dr Henry Hope, the PCC decided to sell the house it owns in Robson Drive, Hexham. It duly received and accepted an offer for the property. However, due to some structural issues the sale has been put on hold until the insurers resolve the issues.
Following a set-back in its HLF bid to restore the Abbey's painted panels the PCC has been working on a revised bid for submission in 2025, and following the success of the Museum of the Moon, the PCC committed to holding a Gaia Exhibition in 2025.

FINANCIAL REVIEW
Following successive years of deficits, and a net cumulative loss of over £500k since 2019, the PCC continued to focus on financial management and seeking ways of improving the longer-term viability of the Abbey, for its core mission and service to the wider community. The "once in a lifetime" 1,350th Anniversary provided an opportunity to hold celebrations and events which further utilised the facilities and resources available, and after a successful Flower Festival, Organ Recital series and Christmas services, among others, finished the year in modest surplus. This was heartening as the budget for the coming year didn't allow for similar anniversary events, and with the much discussed Employers' National Insurance tax changes, and recent limitations to the LPW grant scheme, a return to deficit is expected for 2025. Notwithstanding this, the PCC continues to explore opportunities to develop the range of activities on the Abbey premises, in an appropriate manner, for the avoidance of further substantial shortfalls.

Main Sources of Funds
The PCC relies heavily on support, gifts and donations received from its congregation, benefactors, visitors and fund-raising events for which it is deeply grateful. During 2024 the PCC, together with HATL, hosted a number of successful events including the Northern Saints' Flower Festival, the Phelps at 50 Organ Recital series, a Christmas fair and various other music events, both sacred and secular.

Performance for the year
The PCC's Consolidated Accounts incorporating the results of HATL show a surplus for the year of £47,044, with income being largely unchanged at £1.24m, while expenditure dropped nearly £80k, largely due to a significant reduction in depreciation charged.

The PCC's consolidated designated funds stand at £2,202,296 which includes £1,707,726 in fixed assets. At the end of the year the PCC's general unrestricted fund stood at £791,138 and the free reserves stand at £1,276,871 at the year end, including designated funds.

Reserves and Investment Policies
The PCC has no intention of building up large reserves. But it's record of recent deficits are a sobering reminder of the risks that the PCC faces, notwithstanding anticipated deficits in the immediate future, and substantial repair and development expenditures for a building of this kind. The fall off in the depreciation charge underlines the age of some of the assets that the Abbey is using: refurbishment of the lighting system is currently being considered, at some considerable expense, while a recent fall of stonework from the tower reminds us that the maintenance of such an asset is on-going and costly. The Reserves and Investment Policies are regularly reviewed.

STATEMENT OF PCC's RESPONSIBILTIES

The Members of the PCC are responsible for preparing the Members' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in operation.

The Members are responsible for keeping proper accounting records that are sufficient to show and explain the charity and the group's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Church Representation Rules as amended. The Members are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The PCC is responsible for the maintenance and integrity of the financial information included on the group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report was approved by the PCC on 11 May 2025 and signed on their behalf by:



The Rev'd Canon David Glover
Chaplain to the King
Rector of Hexham

Independent Auditor's Report to the Members of the Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey for the year ended 31 December 2024

Opinion

We have audited the financial statements of The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey (the "Charity") for the year ended 31 December 2024 which comprise Consolidated Statement of Financial Activities, including income and expenditure account, Charity Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Cash Flow Statement and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 December 2024 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note [1] to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

Independent Auditor's Report to the Members of the Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey for the year ended 31 December 2024

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

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

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

Our responsibilities for the audit of the financial statements

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

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the charity's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities.
- any matters we identified having obtained and reviewed the charity's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations

Independent Auditor's Report to the Members of the Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey for the year ended 31 December 2024

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud to be in relation to management override which, in common with all audits under ISAs (UK), we are required to perform specific procedures to respond to this risk.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Charities Act and pensions legislation. In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty. The key laws and regulations we considered in this context related to the Health and Safety Act.

As a result of performing the above, in response to the risks identified, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations. In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

Use of this report
This report is made solely to the Charity's trustees, as a body, in accordance with section 151 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's trustees as a body, for our audit work, for this report, or the opinions we have formed.

Dodd & Co Audit Limited

Dodd & Co Audit Limited, Statutory Auditors
FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW
Date:

Dodd & Co Audit Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

Consolidated Statement of Financial Activities (incorporating income and expenditure account) for the Year Ended 31 December 2024

	Note	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Income from:					
Donations and Legacies	2	47,035	316,208	363,243	*379,682*
Trading Activities	3	-	788,127	788,127	*782,936*
Investments	4	-	26,745	26,745	*25,211*
Charitable activities	5	-	7,429	7,429	*8,308*
Other Income	6	11,079	40,269	51,348	*48,321*
Total		58,114	1,178,778	1,236,892	*1,244,458*
Expenditure on:					
Raising funds	3	-	612,634	612,634	*583,620*
Charitable activities	7	35,221	504,893	540,114	*652,622*
Other Expenditure	11	37,100	-	37,100	*32,164*
		72,321	1,117,527	1,189,848	*1,268,406*
Net income/(expenditure)		(14,207)	61,251	47,044	*(23,948)*
Transfers between funds		2,786	(2,786)	-	-
Other recognised gains/(losses)					
Gains/(losses) on revaluation of fixed assets		-	150,000	150,000	-
Net movement in funds		(11,421)	208,465	197,044	(23,948)
Reconciliation of funds:					
Total funds brought forward		63,620	2,784,969	2,848,589	*2,872,537*
Total funds carried forward		52,199	2,993,434	3,045,633	*2,848,589*

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

PCC Only Statement of Financial Activities (incorporating income and expenditure account) for the Year Ended 31 December 2024

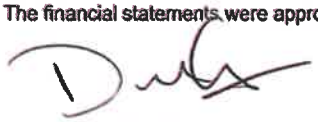
	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Income from:				
Donations and Legacies	47,035	410,556	457,591	*515,686*
Trading Activities	-	105,669	105,669	*71,052*
Investments	-	25,426	25,426	*25,211*
Charitable activities	-	7,429	7,429	*8,308*
Other Income	11,079	40,269	51,348	*48,321*
Total	58,114	589,349	647,463	*668,578*
Expenditure on:				
Raising funds	-	26,109	26,109	*15,902*
Charitable activities	35,221	498,521	533,742	*647,690*
Other Expenditure	37,100	-	37,100	*32,164*
	72,321	524,630	596,951	*695,756*
Net income/(expenditure)	(14,207)	64,719	50,512	(27,178)
Transfers between funds	2,786	(2,786)	-	-
Other recognised gains/(losses):				
Gains/(losses) on revaluation of fixed assets	-	150,000	150,000	-
Net movement in funds	(11,421)	211,933	200,512	(27,178)
Reconciliation of funds:				
Total funds brought forward	63,620	2,767,730	2,831,350	*2,858,528*
Total funds carried forward	52,199	2,979,663	3,031,862	*2,831,350*

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

Consolidated Balance Sheet
for the Year Ended 31 December 2024

	Note	£	2024 £	£	2023 £
NON-CURRENT ASSETS					
Tangible assets	13		111,963		107,795
Heritage assets	14		1,604,600		1,604,600
Investment property	16		-		275,000
			1,716,563		1,987,395
CURRENT ASSETS					
Stocks		46,854		39,653	
Debtors	17	39,720		34,834	
Assets held for sale	18	425,000		-	
Cash at bank and in hand		909,162		896,686	
		1,420,736		971,173	
CREDITORS: amounts falling due within one year	19	(91,666)		(109,979)	
NET CURRENT ASSETS			1,329,070		861,194
TOTAL ASSETS LESS CURRENT LIABILITIES			3,045,633		2,848,589
NET ASSETS			3,045,633		2,848,589
CHARITY FUNDS					
Restricted funds	20		52,199		63,620
Unrestricted funds	20		2,993,434		2,784,969
TOTAL FUNDS			3,045,633		2,848,589

The financial statements were approved by the Members on 11 May 2025 and signed on their behalf, by:



The Rev'd David Glover

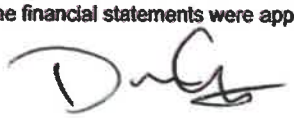
The notes on pages 19 to 38 form part of these financial statements

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

PCC Only Balance Sheet
for the Year Ended 31 December 2024

	Note	£	2024 £	£	2023 £
NON-CURRENT ASSETS					
Tangible assets	13		102,567		95,131
Heritage assets	14		1,604,600		1,604,600
Investments	15		40,693		40,693
Investment property	16		-		275,000
			1,747,860		2,015,424
CURRENT ASSETS					
Debtors	17	120,649		289,822	
Assets held for sale	18	425,000		-	
Cash at bank and in hand		780,416		749,864	
		1,326,065		1,039,686	
CREDITORS: amounts falling due within one year	19	(42,063)		(223,760)	
NET CURRENT ASSETS			1,284,002		815,926
NET ASSETS			3,031,862		2,831,350
CHARITY FUNDS					
Restricted funds	20		52,199		63,620
Unrestricted funds			2,979,663		2,767,730
TOTAL FUNDS			3,031,862		2,831,350

The financial statements were approved by the Members on 11 May 2025 and signed on their behalf, by



The Rev'd David Glover

The notes on pages 19 to 38 form part of these financial statements

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

Group Cash Flow Statement
for the Year Ended 31 December 2024

	Note	2024 £	2023 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	25	13,188	109,483
Cash flows from investing activities:			
Dividends, interest and rents from investments		26,745	25,211
Purchase of property, plant and equipment		(27,457)	(35,514)
Purchase of heritage assets		-	2,322
Net cash provided by (used in) investing activities		(712)	(7,981)
Change in cash and cash equivalents in the reporting period		12,476	101,502
Cash and cash equivalents at the beginning of the reporting period		896,686	795,184
Cash and cash equivalents at the end of the reporting period	26	**909,162**	**896,686**

Analysis of changes in net debt:

	1 January 2024	Cash-flows	New finance leases	Other non-cash changes	31 December 2024
Cash	896,686	12,476	-	-	909,162
Total	896,686	12,476	-	-	909,162

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the PCC and its subsidiary undertakings.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

1.2 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Members in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Members for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.3 INCOME

All income is included in the Statement of Financial Activities when the charity has entitlement to the funds, probability of receipt and the amount can be measured with sufficient reliability.

For legacies, entitlement is when the legacy has been received or, if earlier, there is sufficient evidence that, in line with the SORP, it is probable that the legacy will be received and the value of the income can be measured with sufficient reliability.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Funds raised by events are accounted for gross of expenditure. Rental income from letting of church premises is accounted for on a receivable basis. Parochial fees due to the PCC for weddings, funerals etc. are accounted for on an event basis. Collections are recognised when made.

Grants are included as income when the income is received with the exception of grants to fund specific items of expenditure, where income is recognised in the period corresponding to the expenditure. Grants from the Heritage Lottery Fund are included as income when the conditions of probability, entitlement and measurability are met.

Interest on deposit accounts is recognised when received and not apportioned between financial years.

1. ACCOUNTING POLICIES

1.4 EXPENDITURE

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All resources expended are inclusive of irrecoverable VAT.

The Diocesan parish share is accounted for when payable and any quota unpaid at the year end is shown as a creditor in the balance sheet.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

1.5 GOING CONCERN

These financial statements have been prepared on a going concern basis.

The trustees assess whether the use of the going concern basis is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

1.6 INVESTMENTS

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Dividends and interest are accounted for when due. Tax recoverable on such income is accrued for on the same basis.

1.7 STOCK

Stock is valued at the lower of cost and net realisable value.

1.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £2,500 are capitalised by the PCC. All assets costing more than £1,000 are capitalised by Hexham Abbey Trading Ltd.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property (other than heritage assets)	Not depreciated
Fixed equipment	10% straight line
Loose furniture and fittings	16.67% and 33.33% straight line
Office equipment	25% straight line
Other tangible fixed assets	2% straight line

Heritage Assets are not subject to depreciation but are subject to annual impairment review.

Consecrated and benefice properties are excluded from the financial statements in accordance with section 10 of the Charities Act 2011.

Moveable church furnishings held by the Churchwardens on special trust for the PCC and which require a faculty for disposal are treated as inalienable property. Prior to 2008, all expenditure incurred on consecrated or beneficial buildings and movable church furnishings, whether maintenance or improvement, was written off. The SORP requires all improvement costs to be capitalised. No attempt has been made in these accounts to capitalise costs incurred in previous years. This departure from the SORP is considered justifiable on the basis that the depreciated value of these costs is unlikely to be material in the context of the accounts.

No attempt has been made to value artefacts and other historic objects held by the PCC for a considerable number of years and for which information relating to their original costs is not available.

1.9 INVESTMENT PROPERTIES

Investment properties are included in the accounts at fair value. No depreciation is charged on investment properties in line with FRS 102.

1.10 BASIS OF CONSOLIDATION

The financial statements consolidate the accounts of the PCC and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

1.11 OPERATING LEASES

Leases in which substantially all the risks and rewards are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

1.12 ASSETS HELD FOR SALE

Assets intended for disposal are reclassified as 'held for sale' once the following criteria have been met: the asset is available for immediate sale in its present condition and the sale is highly probable. Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

2. DONATIONS AND LEGACIES	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023* £
Planned giving and income under gift aid	-	111,761	111,761	*107,089*
Service collections	-	23,653	23,653	*21,710*
Visitors' donations	-	83,331	83,331	*75,367*
Gift Aid reclaimed	30	30,378	30,408	*29,325*
The Mercers' Company	-	8,000	8,000	*8,000*
The Mercers' Charitable Foundation	15,000	-	15,000	*15,000*
Votive candles	-	14,151	14,151	*8,099*
Other donations	260	16,242	16,502	*33,992*
Listed place of Worship grant	-	12,592	12,592	*13,906*
Legacies	-	15,000	15,000	*4,500*
Grants receivable	31,745	1,100	32,845	*62,694*
	47,035	316,208	363,243	379,682

Of the £379,682 received in 2023, £89,017 related to PCC restricted funds and £290,665 related to unrestricted funds.

In addition to the income recorded above, donations of £5,757 (2023 - £6,809) were received from members of the public attending funerals and other services and paid over to various charities as agreed and announced at the services.

3. TRADING ACTIVITIES

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Trading income				
Income from café, gift shop and lettings	-	682,458	682,458	*711,884*
Special fundraising events	-	3,283	3,283	-
Car park receipts	-	13,563	13,563	*13,079*
Music in the Abbey	-	6,593	6,593	*5,679*
Tour fees	-	40,877	40,877	*32,939*
Other fundraising events	-	41,353	41,353	*19,355*
	-	788,127	788,127	*782,936*

Of the £782,936 received in 2023, all related to unrestricted funds.

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Trading expenses				
Staff costs	-	278,353	278,353	*267,649*
Special fundraising events	-	-	-	*40*
Car park	-	2,915	2,915	*2,540*
Costs relating to the café, gift shop and lettings	-	312,260	312,260	*301,057*
Music in the Abbey	-	9,103	9,103	*1,615*
Other fundraising expenses	-	9,964	9,964	*10,719*
Tour costs	-	39	39	-
	-	612,634	612,634	*583,620*

Of the £583,620 paid in 2023, £5,000 related to restricted funds and £578,620 related to unrestricted funds.

Net income from fundraising activities		175,493	175,493	*199,316*

4. INVESTMENT INCOME

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Dividends and interest	-	21,645	21,645	15,011
Rental income	-	5,100	5,100	10,200
	-	26,745	26,745	*25,211*

Of the £25,211 received in 2023, all related to unrestricted funds.

5. INCOME FROM CHARITABLE ACTIVITIES

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Funeral and wedding fees and similar income	-	7,464	7,464	*8,308*
Income from school visits	-	(35)	(35)	*-*
	-	7,429	7,429	*8,308*

Of the £8,308 received in 2023, all related to unrestricted funds.

6. OTHER INCOME

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Choir fund	10,121	-	10,121	*29,170*
Bellringers	958	-	958	*929*
Other income	-	40,269	40,269	*18,222*
	11,079	40,269	51,348	*48,321*

Of the £48,321 received in 2023, £30,099 related to restricted funds and £18,222 related to unrestricted funds.

7. EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct costs 2024 £	Grant funding of activities 2024 £	Support costs 2024 £	Total funds 2024 £	*Total funds 2023 £*
PCC costs	345,950	5,475	176,950	528,375	*642,322*
HATL costs	9,738	-	2,001	11,739	*10,300*
	355,688	5,475	178,951	540,114	*652,622*

Of the £540,104 paid in 2024, £35,221 related to restricted funds and £504,883 related to unrestricted funds.

8. DIRECT COSTS

	PCC Costs £	HATL Costs £	Total 2024 £	*Total funds 2023 £*
Diocesan parish share	100,000	-	100,000	*105,000*
Worship, ministry and mission	8,706	-	8,706	*7,714*
Church running and maintenance costs	113,572	-	113,572	*106,083*
Choir and organ expenses	7,844	-	7,844	*6,365*
Major repairs and capital projects	6,168	-	6,168	*32,810*
Staff costs	63,543	-	63,543	*68,528*
Priory building running and maintenance costs	40,214	-	40,214	*38,575*
Prior Leschman garden	-	-	-	*317*
Depreciation	5,903	9,738	15,641	*120,034*
	345,950	9,738	355,688	*485,426*

9. GRANT FUNDING OF ACTIVITIES

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Mission and ministry activities	-	5,125	5,125	*4,900*
Outreach activities	-	350	350	*350*
	-	5,475	5,475	*5,250*

Included within the grants paid were the following grants of £500 or more:

Mission and ministry activities

WERS (West End Refugee Service) £500
SEDCU (Supporting the Education of Disadvantaged Children in Uganda) £750
St. Pauls Children's Project £750
West Northumberland Food Bank £1,100
NDAS (Northumberland Domestic Abuse Services) £1,100

10. SUPPORT COSTS

	PCC Costs £	HATL Costs £	Total 2024 £	*Total funds 2023 £*
Premises costs	24,594	-	24,594	*22,680*
Office costs	9,738	-	9,738	*9,177*
Health and safety	2,985	-	2,985	*1,074*
Advertising and publicity	268	-	268	*616*
Staff costs	95,559	-	95,559	*87,956*
Professional fees	12,315	2,001	14,316	*8,044*
Auditor's remuneration	12,520	-	12,520	*12,058*
Depreciation	7,648	-	7,648	*9,102*
Other	11,323	-	11,323	*6,454*
Loss on disposal of fixed assets	-	-	-	*4,785*
	176,950	2,001	178,951	*161,946*

11. OTHER EXPENDITURE

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Bell ringers	307	-	307	*1,896*
Choir fund	8,377	-	8,377	*24,514*
Other expenditure	28,416	-	28,416	*5,754*
	37,100	-	37,100	*32,164*

Of the £32,164 paid in 2023, all related to restricted funds.

12. STAFF COSTS

Staff costs were as follows:

	2024	2023
	£	£
Wages and salaries	420,437	406,005
National Insurance	7,449	7,786
Pension contributions	7,017	6,521
Death in service	935	781
	435,838	421,093

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

	2024	2023
	£	£
Employed by PCC	10	8
Employed by Hexham Abbey Heritage Trading Limited	35	34
	45	42
Employed by PCC - Part Time	10	8
Employed by Hexham Abbey Heritage Trading Limited - Full Time	5	4
Employed by Hexham Abbey Heritage Trading Limited - Part Time	30	30
	45	42

No employee received remuneration amounting to more than £60,000 in either year.

During the year, three PCC members received remuneration or benefits in kind totalling £7,008 (2023 - £2,635). The members are part time employees.

During the year, four PCC members received reimbursement of expenses totalling £3,006 (2023 - £2,803) including for vestry items, travel, telephone and hospitality relating to work on funerals and visiting mercers.

Key management personnel remuneration amounted to £97,367 in the year (2023 - £89,938).

13. TANGIBLE FIXED ASSETS - Group

	Freehold property £	Fixtures & fittings £	Total £
Group			
Cost			
At 1 January 2024	52,501	813,435	865,936
Additions	-	27,457	27,457
Disposals	-	-	-
At 31 December 2024	52,501	840,892	893,393
Depreciation			
At 1 January 2024	-	758,141	758,141
Charge for the year	-	23,289	23,289
On disposals	-	-	-
At 31 December 2024	-	781,430	781,430
Net book value			
At 31 December 2024	52,501	59,462	111,963
At 31 December 2023	*52,501*	*55,294*	*107,795*

13. TANGIBLE FIXED ASSETS (continued) - PCC Only

	Freehold property £	Fixtures & fittings £	Total £
PCC			
Cost			
At 1 January 2024	52,501	767,371	819,872
Additions	-	20,987	20,987
Disposals	-	-	-
At 31 December 2024	52,501	788,358	840,859
Depreciation			
At 1 January 2024	-	724,741	724,741
Charge for the year	-	13,551	13,551
On disposals	-	-	-
At 31 December 2024	-	738,292	738,292
Net book value			
At 31 December 2024	52,501	50,066	102,567
At 31 December 2023	*52,501*	*42,630*	*95,131*

The net book value for freehold property is made up of one property:

1. The Parish Centre - A former cottage used as offices and meeting rooms. This property is maintained by the PCC and was brought into the financial statements approximately 18 years ago.

14. HERITAGE ASSETS

	Henry Perlee Parker Painting	Land and Buildings £	Total £
Group			
Market value			
At 1 January 2024	15,000	1,589,600	1,604,600
Additions	-	-	-
At 31 December 2024	15,000	1,589,600	1,604,600

	Henry Perlee Parker Painting	Land and Buildings £	Total £
PCC			
Market value			
At 1 January 2024	15,000	1,589,600	1,604,600
Additions	-	-	-
At 31 December 2024	15,000	1,589,600	1,604,600

The net book value for land and buildings is made up of the following properties:
The Priory Buildings and adjoining land - Acquired for the Hexham Abbey Project and leased to Hexham Abbey Heritage, until 31 December 2017 when they were transferred to Hexham Abbey PCC. Expenditure on refurbishment of the Priory Buildings, but not expenditure on the exhibition or on furniture or equipment (except where this cannot practicably be separated from expenditure on the buildings), has been treated as relating to a heritage asset, which, having an indefinite life, is not subject to depreciation.
The Henry Perlee Parker Painting - Included at valuation, which was carried out by Anderson and Garland Valuers on 21 June 2004. The Members' consider that the current valuation of the painting will not be substantially different to the valuation carried out in 2004. The painting was reclassified from investments to heritage assets in year ended 31 December 2017, as this is a more accurate reflection of the assets use and purpose.

Details of transactions relating to heritage assets for the past eight years are as follows:

	Additions £
2016-2017	(2,469)
2018	(2,565)
2019	(2,565)
2020	(2,565)
2021	(2,119)
2022	(2,404)
2023	(2,322)

The PCC also owns The Deposition, a 16th century Flemish oil-on-canvas painting now known to be the centrepiece of a triptych. The painting is not presently kept in the Abbey, as the PCC has loaned the painting to a third party charity for exhibition. The characteristics and provenance of The Deposition mean that the trustees are unable to obtain a reliable estimate of valuation in accordance with FRS102, the range of valuations already having been obtained stretching from £80,000 to £150,000. On this basis, The Deposition has not been included as a heritage asset in the balance sheet.

15. FIXED ASSET INVESTMENTS

	Holding in subsidiary undertaking £
PCC	
Market value	
At 1 January 2024	*40,693*
Additions	-
At 31 December 2024	40,693

All the fixed asset investments are held in the UK.

16. INVESTMENT PROPERTY - Group and PCC Only

	Unrestricted
VALUATION	
At 1 January 2024	275,000
Transfer	(425,000)
Disposals	-
Revaluation	150,000
At 31 December 2024	-

The investment property has been reclassified during the year ended 31 December 2024 as an asset held for sale.

17. DEBTORS

	Group		PCC	
	2024	*2023*	**2024**	*2023*
	£	£	**£**	£
Trade debtors	20,168	*12,965*	6,749	*944*
Amounts owed by group undertakings	-	-	94,348	*267,009*
Prepayments and accrued income	19,552	*21,869*	19,552	*21,869*
	39,720	*34,834*	120,649	*289,822*

18. ASSETS HELD FOR SALE

	Group		PCC	
	2024	*2023*	**2024**	*2023*
	£	£	**£**	£
Investment property held for sale	425,000	-	425,000	-

29 Robson Drive was reclassified in the period as a notice of sale was issued during the year with a sale expected to complete within the next 12 months. At the year end the property is available for immediate sale with a sale being highly probable.

19. CREDITORS

Amounts falling due within one year

	Group		PCC	
	2024	*2023*	**2024**	*2023*
	£	£	**£**	£
Trade creditors	28,315	*42,239*	16,824	*22,110*
Amounts owed to group undertakings	-	-	7,740	*175,792*
Other taxation and social security	33,973	*41,838*	1,724	*10,361*
Accruals and deferred income	29,378	*25,902*	15,775	*15,497*
	91,666	*109,979*	42,063	*223,760*

20. STATEMENT OF FUNDS

Restricted funds

	Brought forward 2024 £	Income 2024 £	Expenditure 2024 £	Transfers 2024	Carried forward 2024 £
Choir fund	7,816	10,621	(8,377)	-	10,060
Hexham Abbey Guild of Bellringers	3,622	988	(307)	-	4,303
The Mercers' Charitable Foundation	-	15,000	(15,000)	-	-
Chorister Prizes	505	-	(120)	-	385
Medieval Panel Paintings	-	260	(260)	-	-
Abbey roof	42,150	-	(9,906)	-	32,244
Hexham Abbey Restoration Trust (HART)	-	9,200	(9,357)	157	-
Cathedral Music Trust	2,040	-	(2,040)	-	-
The Ousley Church Music Trust	-	4,000	(2,000)	-	2,000
Miscellaneous	208	130	(284)	(54)	-
Addison bequest	4,000	-	(793)	-	3,207
Sir James Knott Trust	-	3,000	(3,000)	-	-
Northumbria Historic Churches Trust	-	10,000	(12,673)	2,673	-
St. Hilda's Trust	-	1,630	(1,630)	-	-
Saxon Fragments	1,279	-	(1,289)	10	-
County Durham Community Foundation	2,000	1,000	(3,000)	-	-
HAHD Grant	-	2,285	(2,285)	-	-
	63,620	58,114	(72,321)	2,786	52,199

Comparative restricted funds

	Brought forward 2023 £	*Income 2023 £*	*Expenditure 2023 £*	*Transfers 2023*	*Carried forward 2023 £*
Choir fund	3,160	29,170	(24,514)	-	7,816
Hexham Abbey Guild of Bellringers	4,554	964	(1,896)	-	3,622
The Mercers' Charitable Foundation	-	15,000	(15,000)	-	-
Chorister Prizes	745	-	(240)	-	505
Medieval Panel Paintings	3,855	300	(4,155)	-	-
Abbey roof	42,150	-	-	-	42,150
Hexham Abbey Restoration Trust (HART)	-	8,700	(8,700)	-	-
Cathedral Music Trust	-	13,000	(10,960)	-	2,040
The Ousley Church Music Trust	1,080	-	(1,080)	-	-
Gillian Dickinson Trust	2,568	-	(2,568)	-	-
Rothley Trust Grant	-	800	(800)	-	-
Miscellaneous	4,258	12,400	(16,450)	-	208
Addison bequest	4,000	-	-	-	4,000
National Churches Trust	-	2,434	(2,434)		-
Sir James Knott Trust	-	3,000	(3,000)	-	-
Benefact Trust	2,460	1,760	(4,220)	-	-
C of E Grant Trust	1,560	-	(1,560)	-	-
DBF Youth Grant	61	-	(61)	-	-
Ballinger Trust	1,000	-	(1,000)	-	-
NCT Grant	-	29,000	-	(29,000)	-
St. Hilda's Trust	1,350	-	(1,350)	-	-
Saxon Fragments	691	588	-	-	1,279
County Durham Community Foundation	-	2,000	-	-	2,000
	73,492	*119,116*	(99,988)	(29,000)	*63,620*

PCC Restricted Funds

Choir Fund – Funds raised from the activities of the Hexham Abbey Choir to be applied towards activities and purchases as specified by the Choir, including choir tours.

Hexham Abbey Guild of Bellringers - Funds raised from the activities of the Guild of Bellringers are to be applied towards activities and purchases as specified by the members of the Guild.

The Mercers' Charitable Foundation - Annual contributions towards the cost of insuring the Abbey.

Chorister Prizes – Donation to encourage the work of the choirs; to be organised in prize form divided in two parts separately and equally between boy and girl choristers, at the discretion of the Director of Music over a number of years.

Medieval Panel Paintings - Donation received for the upkeep and refurbishment of the medieval panelled paintings within the Abbey and Priory buildings.

Abbey Roof – Donations and funds raised for the repair of the Abbey roof, in addition to those earmarked or designated from legacies.

Hexham Abbey Restoration Trust (HART) - A charitable trust, which is separate to the charity and its subsidiaries, that awards grants to the Abbey to assist with restorative work, capital expenditure and unforeseen repairs.

Cathedral Music Trust - A fund to help towards core costs of the music department.

The Ousley Church Music Trust - a grant to assist with funding an assistant organist in 24/25.

Miscellaneous - a combination of funds to help towards repairs.

Addison Bequest - A bequest from the estate of John B Addison to be used for the benefit of the Church Music Fund.

Sir James Knott Trust - A grant to support the relaunching of our offer for schools and families.

Northumbria Historic Churches Trust - Grant for stained glass window repairs.

Church of England Grant Trust - A grant to support the work of a Community Engagement Manager in welcoming schools and families.

St. Hilda's Trust - Three grants to support: a games café and welcoming families (£1,300); subsidise places for disadvantaged chorister's families (£500) and to support bereavement cafe and silver screen (social support for older and vulnerable adults) (£300)

Saxon Fragments - Donations towards conservation of Anglo-Saxon Crucifixion fragments.

County Durham Community Foundation - A grant to support the surrounding gardens of the Abbey.

HAHD Grant - Hexham Abbey Heritage Development Trust – A charitable trust which is separate to the charity and its subsidiaries, which exists to support the heritage of Hexham Abbey.

Notes to the financial statements
for the year ended 31 December 2024

	Brought forward 2024 £	Income 2024 £	Expenditure 2024 £	Transfers in/out 2024 £	Gains /losses 2024 £	Carried forward 2024 £
Designated funds						
Property Maintenance and Conservation	399,509	-	-	-	-	399,509
Mission and Ministry	10,591	-	-	-	-	10,591
Outreach Work	8,372	-	-	-	-	8,372
Norman Hill Bequest (Vestments)	2,824	-	-	-	-	2,824
Fixed Assets (Freehold Land and Buildings & fixtures & fittings)	362,468	-	(12,363)	(253,547)	-	96,558
Fixed Assets (Portable Screens)	7,663	-	(1,095)	-	-	6,568
Fixed Assets (Heritage Assets)	1,604,600	-		-	-	1,604,600
The Mercers' Company (Other)	-	8,000	(8,000)	-	-	-
Abbey Roof Ann Edwards legacy	14,917	-	-	-	-	14,917
Prior Leschman Garden (Disposal of Lowgate)	8,357	-		-	-	8,357
Nora Horne Roof replacement	50,000	-	-	-	-	50,000
	2,469,301	8,000	(21,458)	(253,547)		2,202,296
General fund						
General funds - all funds	315,668	1,170,778	(1,096,069)	250,761	150,000	791,138
Total Unrestricted funds	2,784,969	1,178,778	(1,117,527)	(2,786)	150,000	2,993,434

Transfers during the year reflect the transfer of the Investment property to general funds as this has been reclassified as an asset held for sale and expenditure amounts reclassified from unrestricted funds incurred in the prior period

Comparative funds

	Brought forward 2023 £	*Income 2023 £*	*Expenditure 2023 £*	*Transfers in/out 2023 £*	*Gains /losses 2023 £*	*Carried forward 2023 £*
Designated funds						
Property Maintenance and Conservation	399,509	-	-	-	-	399,509
Mission and Ministry	10,591	-	-	-	-	10,591
Outreach Work	8,372	-	-	-	-	8,372
Norman Hill Bequest (Vestments)	2,824	-	-	-	-	2,824
Fixed Assets (Freehold Land and Buildings & fixtures & fittings)	467,659	-	(116,414)	11,223	-	362,468
Fixed Assets (Portable Screens)	13,543	-	(1,095)	(4,785)	-	7,663
Fixed Assets (Heritage Assets)	1,606,922	-	(2,322)		-	1,604,600
The Mercers' Company (Other)	-	8,000	(8,000)	-	-	-
Abbey Roof replacement Watson bequest	-	-	-		-	-
Abbey Roof Ann Edwards legacy	14,917	-	-	-	-	14,917
Prior Leschman Garden (Disposal of Lowgate)	8,357	-		-	-	8,357
Nora Horne Roof replacement	50,000	-	-	-	-	50,000
	2,582,694	*8,000*	*(127,831)*	*6,438*	-	*2,469,301*
General fund						
General funds - all funds	216,351	1,117,342	(1,040,587)	22,562	-	315,668
Total Unrestricted funds	*2,799,045*	*1,125,342*	*(1,168,418)*	*29,000*	-	*2,784,969*

DESIGNATED FUNDS

Property Maintenance and Conservation Fund – Mindful of the unique building and its heritage that is Hexham Abbey, a fund designated for maintenance and conservation costs of this very special building, including portions of a number of legacies

Mission and Ministry Fund – A fund designated to ensure money is available when required for identified projects of a religious nature.

Outreach Work – A fund designated to ensure money is available when required for identified projects connected with social welfare for the community and people of Hexham and further afield.

Norman Hill Bequest – The balance of a legacy from the Reverend Norman Hill for the commissioning of new vestments and altar linen.

Fixed Assets Freehold Land and Buildings and Fixtures and Fittings – Includes The Parish Centre and fixtures and fittings.

Fixed Assets (Portable Screens) - Portable screens which can be moved around the Abbey for streaming and information purposes.

Fixed Assets (Heritage Assets) – The Priory Buildings and adjoining land.

The Mercers' Company - An annual contribution towards the general running costs of the Abbey.

Abbey Roof (Margaret Watson Bequest and Ann Edwards legacy) – The major part of an unrestricted bequest from the estate of Mrs Margaret Watson and part of an unrestricted bequest from the estate of Ann Edwards designated for the repair of the Abbey roof.

Prior Leschman Garden – The net proceeds from the disposal of Lowgate Church, designated as a contribution towards the redevelopment of the Prior Leschman garden as a medieval herb garden to complement the refurbishment of the Priory Buildings.

Nora Horne Legacy (Abbey Roof replacement) - This is a legacy received by Hexham Abbey PCC which has been designated by the trustees for the replacement of the Abbey roof.

SUMMARY OF FUNDS

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/losses on revaluation	Carried forward £
Designated funds	2,469,301	8,000	(21,458)	(253,547)	-	2,202,296
General funds	315,668	1,170,778	(1,096,069)	250,761	150,000	791,138
	2,784,969	1,178,778	(1,117,527)	(2,786)	150,000	2,993,434
Restricted funds	63,620	58,114	(72,321)	2,786	-	52,199
	2,848,589	1,236,892	(1,189,848)	-	150,000	3,045,633

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	*Restricted funds 2023* £	*Unrestricted funds 2023* £	*Total funds 2023* £
Tangible fixed assets	-	111,963	111,963	-	*107,795*	*107,795*
Heritage assets	-	1,604,600	1,604,600	-	*1,604,600*	*1,604,600*
Investment properties	-	-	-	-	*275,000*	*275,000*
Current assets	52,199	1,368,537	1,420,736	*63,620*	*907,553*	*971,173*
Creditors due within one year	-	(91,666)	(91,666)	-	*(109,979)*	*(109,979)*
	52,199	2,993,434	3,045,633	*63,620*	*2,784,969*	*2,848,589*

22. SUBSIDIARY UNDERTAKINGS

Company name	Country	Control	Description
Hexham Abbey Trading Ltd	England & Wales	100%	Company limited by shares, of which the PCC of Hexham Abbey is the sole shareholder, with a £40,693 ordinary shareholding. Company number 07719334.

Hexham Abbey Trading Ltd is a separate non-charitable company which undertakes the day-to-day delivery of services in the buildings, including the operation of the café and the letting of rooms in the buildings. It also manages the Abbey Shop in its existing premises alongside the Abbey. It operates on a commercial basis but may make qualifying charitable donations to the PCC equivalent to its entire profit, thus reducing its corporation tax liability to nil. In 2024 it made a qualifying charitable donation to Hexham Abbey PCC of £94,348 of which all was outstanding at the end of the year.

The results and balance sheets of the subsidiary are summarised below:

Summary of income and expenditure

	Hexham Abbey Trading Limited	
	2024	*2023*
	£	*£*
Total income for the year	691,913	*718,239*
Total expenditure in the year	(601,033)	*(579,006)*
Total	90,880	*139,233*

Balance sheet summary

	Hexham Abbey Trading Limited	
	2024	*2023*
	£	*£*
Fixed assets	9,396	*12,664*
Current assets	197,011	*373,043*
Current liabilities	(152,207)	*(328,039)*
Total	54,200	*57,668*

23. RELATED PARTY TRANSACTIONS

Donations from members of £7,062 were received during the year. There are no further related party transactions during the year.

24. Capital commitments

At the balance sheet date the PCC had no capital commitments.

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

	2024	2023
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	47,044	(23,948)
Depreciation charges	23,289	129,136
Loss on disposal of fixed assets	-	4,785
Dividends, interest and rents from investments	(26,745)	(25,211)
(Increase)/decrease in stocks	(7,201)	(9,236)
(Increase)/decrease in debtors	(4,886)	25,257
Increase/(decrease) in creditors	(18,313)	8,700
Net cash provided by (used in) operating activities	13,188	109,483

26. Analysis of cash and cash equivalents

	2024	2023
Cash at bank and in hand	909,162	896,686

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF HEXHAM ABBEY

England & Wales - Charity number 1132444

Accounts

Charity Number: 1132444

HEXHAM ABBEY
HERITAGE • WORSHIP • COMMUNITY

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF HEXHAM ABBEY

REPORT OF THE MEMBERS OF THE PCC AND

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

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The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

Reference and Administrative Details of the Charity, its Members and Advisors

PCC Membership

Incumbent:

The Rev'd David Glover

Assistant Curates:
The Rev'd Henry Hope

PCC Lay Chair:
Mrs Helen Milner MBE

Churchwardens
Mrs Rachael Haywood Smith (until APCM 2023)
Mrs Jane Pikett (until APCM 2023)
Mrs Helen Milner MBE (re-elected APCM 2023)
Mr Richard Thornton (re-elected APCM 2023)
Mr Malcolm Thompson (re-elected APCM 2023)
Mrs Vivien Drydon (elected APCM 2023)
Mrs Wendy Knott (elected APCM 2023)

Representatives on Hexham Deanery Synod (serving a three-year term, 2023-2026)
Mrs June Olliver (re-elected APCM 2023 but sadly deceased November 2023)
Ms Carol Wilson (re-elected APCM 2023)
Mr John Mitchell (elected APCM 2023)
Mrs Linda Rowell (elected APCM 2023)

Elected Members:
Mr Steve Brown (elected APCM 2022)
Mr Tony May (re-elected APCM 2021)
Mrs Wendy Knott (elected APCM 2022; elected Churchwarden 2023)
Mrs Frances Stride - PCC Secretary (until APCM 2023)
Ms Lynne Thomson (re-elected APCM 2021)
Mr William Tyson (until APCM 2023)
Mrs Fiona Finnon (re-elected at APCM 2023)
Mrs Vivien Drydon (elected at APCM 2021; elected Churchwarden 2023)
Mrs Caroline Jackson (elected at APCM 2022)
Mrs Jane Pikett - PCC Secretary (elected at APCM 2023)
Mrs Rachael Haywood-Smith (elected at APCM 2023)

Charity registered number
1132444

Reference and Administrative Details of the Charity, its Members and Advisors (contd)

Principal Office

Hexham Abbey Parish Centre
Beaumont Street
Hexham
Northumberland
NE46 3NB

Independent Auditor

Dodd & Co Audit Limited
FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

Bankers

Barclays Bank plc
Priestpopple
Hexham
Northumberland
NE46 1PE

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
WEST MALLING
Kent
ME19 4JQ

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

Report of the PCC Members for the Year Ended 31 December 2023

The Parochial Church Council (the PCC) submits its annual report and the audited financial statements of the Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey (the charity) for the year ended 31 December 2023. The PCC confirms that the annual report and financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 as amended by the Charities Act 2022 and 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.

The financial statements of Hexham Abbey Trading Ltd, as a subsidiary undertaking, are consolidated into the PCC's accounts in accordance with the provisions of the SORP.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution
The PCC is a corporate body established by the Church of England. The PCC operates under the Parochial Church Councils (Powers) Measure 1956 as amended. Having annual gross income of over £100,000, the PCC is, as required, registered with the Charity Commission.

The principal object of the charity is the promotion of the gospel of Jesus Christ according to the doctrines and practices of the Church of England and through service to the wider community.

Method of appointment or election of members
The appointment of PCC members is governed and set out in the Church Representation Rules.
The PCC comprises 18 members (2 clergy, 5 Churchwardens, 4 Deanery Synod Representatives, 7 elected members (until June Olliver's death in November 2023).

Policies adopted for the induction and training of members
New PCC members are given a copy of the PCC's policies, told about diocesan training events, and are supported in their understanding of the work of the PCC by the Rector and Lay Chair. Every new PCC member undergoes a DBS check and Safeguarding training.

Organisational structure and decision making
The PCC has an agreed governance policy detailing where decisions can be made by sub-committees, Standing Committee, PCC or the Rector. The day to day management of the Abbey is delegated to the Standing Committee.

Sub-committees work under the vision and mission of the Abbey and the overall direction of the Rector, Churchwardens and PCC. They undertake areas of work on the PCC's behalf and report back to the PCC to whom they are responsible. The chair and members of each sub-committee are appointed by the PCC. The sub-committees can co-opt additional members for specific tasks during the course of the year. Each sub-committee has at least one member of the PCC.

In 2023, in addition to the Standing Committee, the PCC had the following 3 committees: Property Committee, Finance Committee and Safeguarding Committee. In addition, the PCC had the following working groups: Christmas Fair Group, Conservation Advisory Group, 1350th Planning Group.

The PCC is the sole shareholder of Hexham Abbey Trading Ltd (HATL), a company which is responsible for the operation of the refectory cafe and the letting of rooms in the Priory Buildings, as well as the Abbey Shop, which it manages in its existing premises alongside the Abbey. It operates on a commercial basis and makes qualifying charitable donations to the PCC equivalent to its entire net profit, thus reducing its corporation tax liability to nil.

Risk management
An analysis of existing controls to minimise the major risks to which the PCC is exposed has been undertaken and controls are reviewed on a regular basis.

OBJECTIVES AND ACTIVITIES

Policies and objectives
The PCC works with the incumbent, the Rev'd Canon David Glover in promoting, in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical.

It is committed to enabling as many people as possible to worship at Hexham Abbey and to become part of the church community. The PCC is also committed to ensuring that on-line worship is available for those unable to access in person worship and this has been widely used. The PCC has contact, through its database, with many more individuals who see themselves as connected with the life of the Abbey and it keeps in regular contact with them. The PCC maintains an overview of worship at the Abbey and makes suggestions about how services and outreach serve the needs of people who live in the parish and the wider area.

When planning its activities for the year, the PCC has considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. In particular, it tries to enable ordinary people to live out their faith as part of the Abbey's parish community through its Vision: of a world where God's love is enjoyed, celebrated and shared. And its Mission Action Plan which states that, inspired by Andrew, Wilfrid and Etheldreda, we seek to grow in breadth and numbers, in faith and learning, in prayer and generosity.

To facilitate this work, the PCC maintains the fabric of the Abbey, the Parish Centre and the Priory Buildings (Carnaby Building and former Magistrates' Court Building) and adjoining land. It also employs a number of staff and enjoys the service of over one hundred and seventy volunteers.

Going concern
After making appropriate enquiries, reviewing the PCC forecasts and projections for the next twelve months show that the charity expects to continue in operational existence for that period.

Grant making policies
Helping those in need is a demonstration of the Christian faith. The PCC has a policy for choosing the charities it supports, to which it gives 5% of the income it receives from planned giving.

Report of the PCC Members for the Year Ended 31 December 2023 (contd)

Safeguarding
On behalf of the PCC, the Safeguarding Committee keeps constantly abreast of developments in Church of England and Diocesan safeguarding policies and practices and implements them accordingly.

ACHIEVEMENTS AND PERFORMANCE
Statistics 2023 (2022)
283 (284) people on the Church Electoral Roll
279 (205) communicants on Easter Eve and Easter Day
437 (371) total attending services on Easter Eve and Easter Day
1875 (1337) at special Advent services for congregation and local community
1280 (1090) at special Advent services for schools or civic organisations
269 (276) communicants on Christmas Eve and Christmas Day
901 (838) total attending services on Christmas Eve and Christmas Day
11 (12) baptisms conducted
10 (11) couples married in church
44 (41) funerals were conducted, of which 27 (26) were held in the Abbey
13 (0) people were confirmed.

There was a significant increase in attendances in services during Advent partly because of increase in schools' activity and partly because an extra Carol Service was required. It is likely that the increased popularity of the Carol Services was a due to new contacts established during the hosting of the Museum of the Moon.

In October the average attendance in church, each week, for all regular services was 217 (211) adults and 44 (44) children. In addition to this approximately 20 (25) people joined in October on-line services.

In addition to services, about 45 people have taken part in GiFT groups which met regularly for prayer, study and fellowship, and regular Holy Communion services have been held in care homes.

Review of activities
2023 effectively saw a complete end to any disruption caused by the Covid-19 pandemic although recovery in activities and attendance resulting from the pandemic continued throughout 2023.

Hexham Abbey's mission is promoted through the work of the PCC and its committees, the ongoing life of the Church, and with the support of the Abbey's staff team. There are also many people who volunteer to undertake many different and varied tasks to support the life, mission and ministry of the Abbey, for which the PCC is very grateful. Volunteers made a huge contribution to the success of the Museum of the Moon, and without volunteers most of the activities of the Abbey would be impossible to deliver.

Music
Under the leadership of Michael Haynes, Director of Music, music has flourished during 2023. The Choir has continued to see recruitment in all voice parts, although it must be recognised that this is a constantly demanding task and that recruitment in boy trebles is increasingly challenging (although the Abbey outperforms national trends in this regard). Throughout the year the choir enabled a full programme of choral services and during term time sings at 4 services each week. As well as its huge contribution to Sunday worship and twice weekly Choral Evensongs, the choir has contributed to a number of other significant events, including 3 very well attended Christmas Carol Services. Mrs Cath Newson continues provides logistical and social support to enhance the welfare and overall experience of the children in the choir. She is ably supported by an excellent team of chaperones and the Curate, the Rev'd Dr Henry Hope. During 2023 the Choir took part in the three choirs' Festival in Newcastle, sang the Sunday services at Beverley Minster and engaged in another tour of Majorca. The PCC continues to see the supporting of music as a top priority.

Young People
The Abbey has continued to develop and support its work amongst children and young people, made possible by a devoted team of volunteers. Support for choristers has been a priority and has been aided by the establishment of a Games Cafe and an increased number of activities both during and outside practice times. Abbey Tots Praise and Messy Church continued successfully during the year.

The Sunday Morning Cloister Club continued but would benefit from more volunteers and remains quite fragile. The PCC recognises its work with children and young people as crucial to the mission of the Abbey and is committed to seeing it flourish. The Abbey played a full role in supporting Hexham Holiday Club, offering both clergy and lay volunteers and hosting a junior leaders event in the Abbey. It also gave financial support.

Once again, this year, there have been some excellent children's holiday activities organised by Cath Newson who, alongside her work as Fundraiser, has continued as the Abbey's Community Engagement Manager. This has included further working with schools and further developing and delivering the Abbey's offer for educational visits. 2023 has seen significantly more schools visiting the Abbey for educational visits. The clergy have continued to take assemblies in the Sele School, Hexham First School and the Middle School and all three schools have attended the Abbey for services and events. The Abbey has also initiated a new weekly lunch-time club at Hexham Middle School which engages with 40 - 50 students.

Pastoral Work and Fellowship
Abbey teams continue to visit nursing homes and Holy Communion is provided to residents. The clergy visit those in hospital and the Abbey Bereavement Team has continued to support a regular Memorial Service and organises a Bereavement Coffee Morning in the week following the service. A Poetry and Faith group meets during Lent and Advent. The weekly Pew Sheet continues to offer excellent communication to members of the congregation and others. During 2023 the Abbey ran a successful GiFT programme enabling people to meet together in small groups for fellowship, bible study and learning. It also ran a course enabling the congregation to engage in the interface between science and Christianity. Space continued to be made available in the Abbey as a 'warm hub' for families and this has been well used.

Local Community Outreach
We continue to nurture supportive relationships with West Northumberland Food Bank, Northumberland Domestic Abuse Service, the Hexham Community Partnership, and other projects within the Hexham area. The PCC has been keen to forge closer relationships with the Town Council and to engage fully in shared initiatives which benefit the wider community. The Abbey also has strong links with the Northumberland Lord Lieutenancy and a number of other local and regional organisations and has held a number of special services as a result of its County and regional links.

Major Events
During the year the Abbey promoted and/or hosted a number of major events. These included: Heritage Talks (10 minute talks), a significantly increased number of concerts, including an organ series celebrating 50 years of the Phelps organ, a major funeral following the tragic stabbing of a Hexham school student, a service of Confirmation, a County service to celebrate the King's Coronation and the Hexham Abbey Festival. The biggest event was the hosting of Luke Jerram's Museum of the Moon which included several concerts, a festival dinner, special outreach services and science talks. Over 28,000 people visited the Abbey during the Museum of the Moon.
The Abbey also held a very well attended Christmas Fair and supported a number of events in the lead up to Christmas.

Charitable Giving
The Abbey continues to allocate 5% of its Planned Giving to charities. In addition to supporting the Hexham Holiday Club, the bulk of the remainder went to the following charities:
20% NDAS; 20% WERS; 20% West Northumberland Foodbank; 13.3% St Paul's Children's Project; 13.3% SEDCU; 13.3% The Children's Society.

Major Grants
In 2023 the Abbey benefitted from grants totalling £62,694. This included £29,000 from the National Churches Trust being a delayed contribution to the capital works on the East End of the Abbey in 2022.

The PCC continues to be grateful to the Mercers Company for its regular grant which covers most of the cost of insuring the Abbey each year.

Staff News
The verger department has undergone a number of staff changes and Jeremy Housden retired from his role in HATL.

Other developments
The PCC continued to focus its attention on issues around its annual budget deficit. In particular it agreed to begin charging for entry to the crypt, produced an Abbey Guide Book for purchase and increased efforts to encourage higher visitor donations. It also made the decision to charge an entrance fee to the Abbey during the Museum of the Moon exhibition and this proved to be financially very successful. The PCC also began to explore plans for a major Heritage Lottery bid in order to restore the Abbey's painted panels and to improve the visitor experience of heritage in the Abbey.

FINANCIAL REVIEW
The accounts for the year ended 31 December 2023 have been prepared in accordance with the accounting policies set out in note 1.1 to the accounts and comply with the Charities Act 2011 as amended by the Charities Act 2022, Financial Reporting Standard (FRS) 102 and the Charity Commission's Statement of Recommended Practice (SORP) applicable to charities.

Main Sources of Funds
The PCC relies heavily on support, gifts and donations received from its congregation, benefactors, visitors and fundraising events for which it is deeply grateful. This year the PCC also benefits from grants that are made to fund specific projects. During 2023 the PCC, together with Hexham Abbey Trading Limited, hosted a number of successful events, most notably the Museum of the Moon Exhibition which have made a significant contribution to the surplus genrated in the year.

Performance for the year
The PCC's consolidated accounts incorporating the accounts of Hexham Abbey Trading Limited show a deficit for the year of £23,948, the main components for which was operational expenditure of £1,268,406 (£1,139,270 plus £129,136 depreciation charge) alongside grants, donations and other income of £1,244,458.

The PCC's consolidated designated funds stand at £2,469,301 which includes £1,974,731 in fixed assets. At the end of the year the PCC's general unrestricted fund stood at £315,668 and the free reserves stand at £797,574 at the year end, including designated funds.

Reserves and Investment Policies
The PCC does not intend to build up large reserves. However, it faces particular uncertainties at present, so to minimise the risk of being unable to meet all its financial obligations as they fall due, including full payment of the diocesan parish share, it aims to hold sufficient liquid general fund resources to meet one year's operating costs. Cash required for immediate use is held in current accounts with a main clearing bank. Cash not required for immediate use is held in interest-bearing accounts with either a main clearing bank or an equivalent institution. The PCC has taken action to reduce its exposure to risk so that, as far as possible, deposits are guaranteed under the Financial Services Compensation Scheme.

The PCC's ethical investment policy guides all investment decisions.

STATEMENT OF PCC's RESPONSIBILTIES

The Members of the PCC are responsible for preparing the Members' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in operation.

The Members are responsible for keeping proper accounting records that are sufficient to show and explain the charity and the group's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Church Representation Rules as amended. The Members are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The PCC is responsible for the maintenance and integrity of the financial information included on the group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report was approved by the PCC on 28 April 2024 and signed on their behalf by:

The Rev'd Canon David Glover
Chaplain to the King
Rector of Hexham

Independent Auditor's Report to the Members of the Ecclesiastical Parish of Hexham Abbey for the year ended 31 December 2023

Opinion

We have audited the financial statements of The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey (the "Charity") for the year ended 31 December 2023 which comprise Consolidated Statement of Financial Activities, including income and expenditure account, Charity Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Cash Flow Statement and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 December 2023 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note [1] to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

Independent Auditor's Report to the Members of the Ecclesiastical Parish of Hexham Abbey for the year ended 31 December 2023

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

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

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

Our responsibilities for the audit of the financial statements

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

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

• the nature of the industry and sector, control environment and business performance including the design of the charity's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
• results of our enquiries of management about their own identification and assessment of the risks of irregularities.
• any matters we identified having obtained and reviewed the charity's documentation of their policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations

Independent Auditor's Report to the Members of the Ecclesiastical Parish of Hexham Abbey for the year ended 31 December 2023

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud to be in relation to management override which, in common with all audits under ISAs (UK), we are required to perform specific procedures to respond to this risk.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Charities Act and pensions legislation. In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty. The key laws and regulations we considered in this context related to the Health and Safety Act.

As a result of performing the above, in response to the risks identified, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations. In addition to the above, our procedures to respond to risks identified included the following:

• reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
• enquiring of management concerning actual and potential litigation and claims;
• performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
• reading minutes of meetings of those charged with governance and
• in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

Use of this report
This report is made solely to the Charity's trustees, as a body, in accordance with section 151 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's trustees as a body, for our audit work, for this report, or the opinions we have formed.

Dodd & Co Audit Limited, Statutory Auditors
FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW
Date:

Dodd & Co Audit Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

Consolidated Statement of Financial Activities (incorporating income and expenditure account)
for the Year Ended 31 December 2023

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Income from:					
Donations and Legacies	2	89,017	290,665	379,682	*540,999*
Trading Activities	3	-	782,936	782,936	*615,154*
Investments	4	-	25,211	25,211	*15,372*
Charitable activities	5	-	8,308	8,308	*8,533*
Other Income	6	30,099	18,222	48,321	*37,312*
Total		119,116	1,125,342	1,244,458	*1,217,370*
Expenditure on:					
Raising funds	3	5,000	578,620	583,620	*521,577*
Charitable activities	7	62,824	589,798	652,622	*893,611*
Other Expenditure	11	32,164	-	32,164	*30,613*
		99,988	1,168,418	1,268,406	*1,445,801*
Net income/(expenditure)		19,128	(43,076)	(23,948)	*(228,431)*
Transfers between funds		(29,000)	29,000	-	-
Net movement in funds		(9,872)	(14,076)	(23,948)	(228,431)
Reconciliation of funds:					
Total funds brought forward		73,492	2,799,045	2,872,537	*3,100,968*
Total funds carried forward		63,620	2,784,969	2,848,589	*2,872,537*

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

PCC Only Statement of Financial Activities (incorporating income and expenditure account) for the Year Ended 31 December 2023

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Income from:				
Donations and Legacies	89,017	426,669	515,686	*604,913*
Trading Activities	-	71,052	71,052	*25,567*
Investments	-	25,211	25,211	*15,372*
Charitable activities	-	8,308	8,308	*8,533*
Other Income	30,099	18,222	48,321	*37,312*
Total	119,116	549,462	668,578	*691,697*
Expenditure on:				
Raising funds	5,000	10,902	15,902	*8,965*
Charitable activities	62,824	584,866	647,690	*891,861*
Other Expenditure	32,164	-	32,164	*30,613*
	99,988	595,768	695,756	*931,439*
Net income/(expenditure)	19,128	(46,306)	(27,178)	(239,742)
Transfers between funds	(29,000)	29,000	-	-
Net movement in funds	(9,872)	(17,306)	(27,178)	(239,742)
Reconciliation of funds:				
Total funds brought forward	73,492	2,785,036	2,858,528	*3,098,270*
Total funds carried forward	63,620	2,767,730	2,831,350	*2,858,528*

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

Consolidated Balance Sheet
for the Year Ended 31 December 2023

	Note		2023		*2022*
		£	£	£	£
NON-CURRENT ASSETS					
Tangible assets	13		107,795		*206,202*
Heritage assets	14		1,604,600		*1,606,922*
Investment property	16		275,000		*275,000*
			1,987,395		*2,088,124*
CURRENT ASSETS					
Stocks		39,653		*30,417*	
Debtors	17	34,834		*60,091*	
Cash at bank and in hand		896,686		*795,184*	
		971,173		*885,692*	
CREDITORS: amounts falling due within one year	18	(109,979)		*(101,279)*	
NET CURRENT ASSETS			861,194		*784,413*
TOTAL ASSETS LESS CURRENT LIABILITIES			2,848,589		*2,872,537*
NET ASSETS			2,848,589		*2,872,537*
CHARITY FUNDS					
Restricted funds	19		63,620		*73,492*
Unrestricted funds	19		2,784,969		*2,799,045*
TOTAL FUNDS			2,848,589		*2,872,537*

The financial statements were approved by the Members on 28 April 2024 and signed on their behalf, by:

The Rev'd David Glover

The notes on pages 19 to 38 form part of these financial statements

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

PCC Only Balance Sheet
for the Year Ended 31 December 2023

	Note	£	2023 £	£	*2022* *£*
NON-CURRENT ASSETS					
Tangible assets	13		95,131		*196,726*
Heritage assets	14		1,604,600		*1,606,922*
Investments	15		40,693		*40,693*
Investment property	16		275,000		275,000
			2,015,424		*2,119,341*
CURRENT ASSETS					
Debtors	17	289,822		*209,543*	
Cash at bank and in hand		749,864		*649,123*	
		1,039,686		*858,666*	
CREDITORS: amounts falling due within one year	18	*(223,760)*		*(119,479)*	
NET CURRENT ASSETS			*815,926*		*739,187*
NET ASSETS			2,831,350		*2,858,528*
CHARITY FUNDS					
Restricted funds	19		63,620		*73,492*
Unrestricted funds			2,767,730		*2,785,036*
TOTAL FUNDS			2,831,350		*2,858,528*

The financial statements were approved by the Members on 28 April 2024 and signed on their behalf, by

The Rev'd David Glover

The notes on pages 19 to 38 form part of these financial statements

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

Group Cash Flow Statement
for the Year Ended 31 December 2023

	Note	2023	2022
		£	£
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	24	109,483	(103,978)
Cash flows from investing activities:			
Dividends, interest and rents from investments		25,211	15,372
Purchase of property, plant and equipment		(35,514)	(12,720)
Purchase of heritage assets		2,322	2,404
Net cash provided by (used in) investing activities		(7,981)	5,056
Change in cash and cash equivalents in the reporting period		101,502	(98,922)
Cash and cash equivalents at the beginning of the reporting period		795,184	894,106
Cash and cash equivalents at the end of the reporting period	25	**896,686**	**795,184**

Analysis of changes in net debt:

	1 January 2023	Cash-flows	New finance leases	Other non-cash changes	31 December 2023
Cash	795,184	101,502	-	-	896,686
Total	795,184	101,502	-	-	896,686

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the PCC and its subsidiary undertakings.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

1.2 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Members in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Members for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.3 INCOME

All income is included in the Statement of Financial Activities when the charity has entitlement to the funds, probability of receipt and the amount can be measured with sufficient reliability.

For legacies, entitlement is when the legacy has been received or, if earlier, there is sufficient evidence that, in line with the SORP, it is probable that the legacy will be received and the value of the income can be measured with sufficient reliability.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Funds raised by events are accounted for gross of expenditure. Rental income from letting of church premises is accounted for on a receivable basis. Parochial fees due to the PCC for weddings, funerals etc. are accounted for on an event basis. Collections are recognised when made.

Grants are included as income when the income is received with the exception of grants to fund specific items of expenditure, where income is recognised in the period corresponding to the expenditure. Grants from the Heritage Lottery Fund are included as income when the conditions of probability, entitlement and measurability are met.

Interest on deposit accounts is recognised when received and not apportioned between financial years.

1. ACCOUNTING POLICIES

1.4 EXPENDITURE

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All resources expended are inclusive of irrecoverable VAT.

The Diocesan parish share is accounted for when payable and any quota unpaid at the year end is shown as a creditor in the balance sheet.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

Terminations and redundancy payments have been accounted for on a payable basis.

1.5 GOING CONCERN

These financial statements have been prepared on a going concern basis.

The trustees assess whether the use of the going concern basis is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

1.6 INVESTMENTS

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Dividends and interest are accounted for when due. Tax recoverable on such income is accrued for on the same basis.

1.7 STOCK

Stock is valued at the lower of cost and net realisable value.

1.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £2,500 are capitalised by the PCC. All assets costing more than £1,000 are capitalised by Hexham Abbey Trading Ltd.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property (other than heritage assets)	Not depreciated
Fixed equipment	10% straight line
Loose furniture and fittings	16.67% and 33.33% straight line
Office equipment	25% straight line
Other tangible fixed assets	2% straight line

Heritage Assets are not subject to depreciation but are subject to annual impairment review.

Consecrated and benefice properties are excluded from the financial statements in accordance with section 10 of the Charities Act 2011.

Moveable church furnishings held by the Churchwardens on special trust for the PCC and which require a faculty for disposal are treated as inalienable property. Prior to 2008, all expenditure incurred on consecrated or beneficial buildings and movable church furnishings, whether maintenance or improvement, was written off. The SORP requires all improvement costs to be capitalised. No attempt has been made in these accounts to capitalise costs incurred in previous years. This departure from the SORP is considered justifiable on the basis that the depreciated value of these costs is unlikely to be material in the context of the accounts.

No attempt has been made to value artefacts and other historic objects held by the PCC for a considerable number of years and for which information relating to their original costs is not available.

1.9 INVESTMENT PROPERTIES

Investment properties are included in the accounts at fair value. No depreciation is charged on investment properties in line with FRS 102.

1.10 BASIS OF CONSOLIDATION

The financial statements consolidate the accounts of the PCC and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

1.11 OPERATING LEASES

Leases in which substantially all the risks and rewards are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

2. DONATIONS AND LEGACIES	**Restricted funds 2023 £**	**Unrestricted funds 2023 £**	**Total funds 2023 £**	*Total funds 2022 £*
Planned giving and income under gift aid	-	107,089	107,089	*104,543*
Service collections	-	21,710	21,710	*12,550*
Visitors' donations	-	75,367	75,367	*76,860*
Gift Aid reclaimed	35	29,290	29,325	*21,637*
The Mercers' Company	-	8,000	8,000	*8,000*
The Mercers' Charitable Foundation	15,000	-	15,000	*15,000*
Votive candles	-	8,099	8,099	*9,157*
Other donations	11,288	22,704	33,992	*22,739*
Listed place of Worship grant	-	13,906	13,906	*55,674*
Legacies	-	4,500	4,500	-
Grants receivable	62,694	-	62,694	*214,839*
	89,017	290,665	379,682	540,999

Of the £540,999 received in 2022, £239,514 related to PCC restricted funds and £301,485 related to unrestricted funds.

In addition to the income recorded above, donations of £6,809 (2022 - £6,288) were received from members of the public attending funerals and other services and paid over to various charities as agreed and announced at the services.

3. TRADING ACTIVITIES

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Trading income				
Income from café, gift shop and lettings	-	711,884	711,884	*589,587*
Car park receipts	-	13,079	13,079	*10,358*
Music in the Abbey	-	5,679	5,679	*61*
Tour fees	-	32,939	32,939	*3,366*
Other fundraising events	-	19,355	19,355	*11,782*
	-	782,936	782,936	*615,154*

Of the £615,154 received in 2022, all related to unrestricted funds.

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Trading expenses				
Staff costs	-	267,649	267,649	*253,751*
Special fundraising events	-	40	40	*61*
Car park	-	2,540	2,540	*5,365*
Costs relating to the café, gift shop and lettings	-	301,057	301,057	*261,138*
Music in the Abbey	-	1,615	1,615	*745*
Other fundraising expenses	5,000	5,719	10,719	*517*
	5,000	578,620	583,620	*521,577*

Of the £521,577 paid in 2022, all related to unrestricted funds.

Net income from fundraising activities	(5,000)	204,316	199,316	*93,577*

4. INVESTMENT INCOME

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Dividends and interest	-	15,011	15,011	5,172
Rental income	-	10,200	10,200	10,200
	-	25,211	25,211	*15,372*

Of the £15,372 received in 2022, all related to unrestricted funds.

5. INCOME FROM CHARITABLE ACTIVITIES

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Funeral and wedding fees and similar income	-	8,308	8,308	*7,225*
Income from school visits	-	-	-	*1,308*
	-	8,308	8,308	*8,533*

Of the £8,533 received in 2022, all related to unrestricted funds.

6. OTHER INCOME

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Choir fund	29,170	-	29,170	*22,538*
Bellringers	929	-	929	*819*
Other income	-	18,222	18,222	*8,069*
Insurance claim	-	-	-	*5,886*
	30,099	18,222	48,321	*37,312*

Of the £37,312 received in 2022, £23,357 related to restricted funds and £13,955 related to unrestricted funds.

7. EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct costs 2023 £	Grant funding of activities 2023 £	Support costs 2023 £	Total funds 2023 £	*Total funds 2022 £*
PCC costs	476,121	5,250	160,951	642,322	*887,002*
HATL costs	9,305	-	995	10,300	*6,609*
	485,426	5,250	161,946	652,622	*893,611*

Of the £893,611 paid in 2022, £261,586 related to restricted funds and £632,025 related to unrestricted funds.

8. DIRECT COSTS

	PCC Costs £	HATL Costs £	Total 2023 £	*Total funds 2022 £*
Diocesan parish share	105,000	-	105,000	*105,000*
Worship, ministry and mission	7,714	-	7,714	*7,768*
Church running and maintenance costs	106,083	-	106,083	*101,222*
Choir and organ expenses	6,365	-	6,365	*4,184*
Major repairs and capital projects	32,810	-	32,810	*305,171*
Staff costs	68,528	-	68,528	*74,025*
Priory building running and maintenance costs	38,575	-	38,575	*28,139*
Prior Leschman garden	317	-	317	*321*
Depreciation	110,729	9,305	120,034	*118,262*
	476,121	9,305	485,426	*744,092*

9. GRANT FUNDING OF ACTIVITIES

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Mission and ministry activities	-	4,900	4,900	*4,650*
Outreach activities	-	350	350	*350*
	-	5,250	5,250	*5,000*

Included within the grants paid were the following grants of £500 or more:

Mission and ministry activities

NDAS (Northumberland Domestic Abuse Services) £930
WERS (West End Refugee Service) £930
The Children's Society £930
SEDCU (Supporting the Education of Disadvantaged Children in Uganda) £590
St. Pauls Children's Project £590
West Northumberland Food Bank £930

10. SUPPORT COSTS

	PCC Costs £	HATL Costs £	Total 2023 £	*Total funds 2022 £*
Premises costs	22,680	-	22,680	*19,342*
Office costs	9,177	-	9,177	*6,549*
Health and safety	1,074	-	1,074	*2,602*
Advertising and publicity	616	-	616	*888*
Staff costs	87,956	-	87,956	*76,362*
Professional fees	7,049	995	8,044	*18,978*
Auditor's remuneration	12,058	-	12,058	*9,220*
Depreciation	9,102	-	9,102	*5,808*
Other	6,454	-	6,454	*4,770*
Loss on disposal of fixed assets	4,785	-	4,785	-
	160,951	995	161,946	*144,519*

11. OTHER EXPENDITURE

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Bell ringers	1,896	-	1,896	*360*
Choir fund	24,514	-	24,514	*23,801*
Other expenditure	5,754	-	5,754	*6,452*
	32,164	-	32,164	*30,613*

Of the £30,613 paid in 2022, all related to restricted funds.

12. STAFF COSTS

Staff costs were as follows:

	2023	*2022*
	£	*£*
Wages and salaries	406,005	*385,771*
National Insurance	7,786	*8,080*
Pension contributions	6,521	*6,326*
Death in service	781	*1,067*
	421,093	*401,244*

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

	2023	*2022*
	£	*£*
Employed by PCC	8	*8*
Employed by Hexham Abbey Heritage Trading Limited	34	*32*
	42	*40*
Employed by PCC - Full Time	-	-
Employed by PCC - Part Time	8	*8*
Employed by Hexham Abbey Heritage Trading Limited - Full Time	4	*4*
Employed by Hexham Abbey Heritage Trading Limited - Part Time	30	*28*
	42	40

No employee received remuneration amounting to more than £60,000 in either year.

During the year, one PCC member received remuneration or benefits in kind of £2,635 (2022 - £1,286).
The member is a part time employee.

During the year, two PCC members received reimbursement of expenses totalling £2,803 (2022 - £1,892) including for travel, telephone and hospitality relating to his work on funerals and visiting mercers.

Key management personnel remuneration amounted to £89,938 in the year (2022 - £86,538).

13. TANGIBLE FIXED ASSETS - Group

	Freehold property £	Fixtures & fittings £	Total £
Group			
Cost			
At 1 January 2023	52,501	793,873	846,374
Additions	-	35,514	35,514
Disposals	-	(15,952)	(15,952)
At 31 December 2023	52,501	813,435	865,936
Depreciation			
At 1 January 2023	-	640,172	640,172
Charge for the year	-	129,136	129,136
On disposals	-	(11,167)	(11,167)
At 31 December 2023	-	758,141	758,141
Net book value			
At 31 December 2023	52,501	55,294	107,795
At 31 December 2022	*52,501*	*153,701*	*206,202*

13. TANGIBLE FIXED ASSETS (continued) - PCC Only

	Freehold property £	Fixtures & fittings £	Total £
PCC			
Cost			
At 1 January 2023	52,501	760,302	812,803
Additions	-	23,021	23,021
Disposals	-	(15,952)	(15,952)
At 31 December 2023	52,501	767,371	819,872
Depreciation			
At 1 January 2023	-	616,077	616,077
Charge for the year	-	119,831	119,831
On disposals	-	(11,167)	(11,167)
At 31 December 2023	-	724,741	724,741
Net book value			
At 31 December 2023	52,501	42,630	95,131
At 31 December 2022	*52,501*	*144,225*	*196,726*

The net book value for freehold property is made up of one property:

1. The Parish Centre - A former cottage used as offices and meeting rooms. This property is maintained by the PCC and was brought into the financial statements approximately 17 years ago.

14. HERITAGE ASSETS

	Henry Perlee Parker Painting	Land and Buildings £	Total £
Group			
Market value			
At 1 January 2023	15,000	1,591,922	1,606,922
Additions	-	(2,322)	(2,322)
At 31 December 2023	15,000	1,589,600	1,604,600

	Henry Perlee Parker Painting	Land and Buildings £	Total £
PCC			
Market value			
At 1 January 2023	15,000	1,591,922	1,606,922
Additions	-	(2,322)	(2,322)
At 31 December 2023	15,000	1,589,600	1,604,600

The net book value for land and buildings is made up of the following properties:
The Priory Buildings and adjoining land - Acquired for the Hexham Abbey Project and leased to Hexham Abbey Heritage, until 31 December 2017 when they were transferred to Hexham Abbey PCC. Expenditure on refurbishment of the Priory Buildings, but not expenditure on the exhibition or on furniture or equipment (except where this cannot practicably be separated from expenditure on the buildings), has been treated as relating to a heritage asset, which, having an indefinite life, is not subject to depreciation.
The Henry Perlee Parker Painting - Included at valuation, which was carried out by Anderson and Garland Valuers on 21 June 2004. The Members' consider that the current valuation of the painting will not be substantially different to the valuation carried out in 2004. The painting was reclassified from investments to heritage assets in year ended 31 December 2017, as this is a more accurate reflection of the assets use and purpose.

Details of transactions relating to heritage assets for the past eight years are as follows:

	Additions £
2016-2017	(2,469)
2018	(2,565)
2019	(2,565)
2020	(2,565)
2021	(2,119)
2022	(2,404)
2023	(2,322)

The PCC also owns The Deposition, a 16th century Flemish oil-on-canvas painting now known to be the centrepiece of a triptych. The painting is not presently kept in the Abbey, as the PCC has loaned the painting to a third party charity for exhibition. The characteristics and provenance of The Deposition mean that the trustees are unable to obtain a reliable estimate of valuation in accordance with FRS102, the range of valuations already having been obtained stretching from £80,000 to £150,000. On this basis, The Deposition has not been included as a heritage asset in the balance sheet.

15. FIXED ASSET INVESTMENTS

	Holding in subsidiary undertaking £
PCC	
Market value	
At 1 January 2023	*40,693*
Additions	-
At 31 December 2023	40,693

All the fixed asset investments are held in the UK.

16. INVESTMENT PROPERTY - Group and PCC Only

	Unrestricted
VALUATION	
At 1 January 2023	275,000
At 31 December 2023	**275,000**

All investment properties are freehold. Investment properties were last valued during the year ended 31 December 2023 based on the trustees estimate of fair value.

17. DEBTORS

	Group		PCC	
	2023	*2022*	**2023**	*2022*
	£	*£*	**£**	*£*
Trade debtors	12,965	*9,815*	944	*124*
Amounts owed by group undertakings	-	*-*	267,009	*159,753*
Other debtors	-	*2,566*	-	*2,866*
Prepayments and accrued income	21,869	*47,710*	21,869	*46,800*
	34,834	*60,091*	289,822	*209,543*

18. CREDITORS

Amounts falling due within one year

	Group		PCC	
	2023	*2022*	**2023**	*2022*
	£	*£*	**£**	*£*
Trade creditors	42,239	*48,819*	22,110	*23,779*
Other taxation and social security	41,838	*24,183*	10,361	*-*
Accruals and deferred income	25,902	*28,277*	15,497	*17,674*
	109,979	*101,279*	223,760	*119,479*

19. STATEMENT OF FUNDS

Restricted funds

	Brought forward 2023 £	Income 2023 £	Expenditure 2023 £	Transfers 2023	Carried forward 2023 £
Choir fund	3,160	29,170	(24,514)	-	7,816
Hexham Abbey Guild of Bellringers	4,554	964	(1,896)	-	3,622
The Mercers' Charitable Foundation	-	15,000	(15,000)	-	-
Chorister Prizes	745	-	(240)	-	505
Medieval Panel Paintings	3,855	300	(4,155)	-	-
Abbey roof	42,150	-	-	-	42,150
Hexham Abbey Restoration Trust (HART)	-	8,700	(8,700)	-	-
Cathedral Music Trust	-	13,000	(10,960)	-	2,040
The Ousley Church Music Trust	1,080	-	(1,080)	-	-
Gillian Dickinson Trust	2,568	-	(2,568)	-	-
Rothley Trust Grant	-	800	(800)	-	-
Miscellaneous	4,258	12,400	(16,450)	-	208
Addison bequest	4,000	-	-	-	4,000
National Churches Trust	-	2,434	(2,434)		
Sir James Knott Trust	-	3,000	(3,000)	-	-
Benefact Trust	2,460	1,760	(4,220)	-	-
C of E Grant Trust	1,560	-	(1,560)	-	-
DBF Youth Grant	61	-	(61)	-	-
Ballinger Trust	1,000	-	(1,000)	-	-
NHCT Grant	-	29,000	-	(29,000)	-
St. Hilda's Trust	1,350	-	(1,350)	-	-
Saxon Fragments	691	588	-	-	1,279
Garden Grant	-	2,000	-	-	2,000
	73,492	119,116	(99,988)	(29,000)	63,620

Comparative restricted funds

	Brought forward 2022 £	*Income 2022 £*	*Expenditure 2022 £*	*Transfers 2022*	*Carried forward 2022 £*
Choir fund	4,423	22,538	(23,801)	-	3,160
Hexham Abbey Guild of Bellringers	4,095	819	(360)	-	4,554
The Mercers' Charitable Foundation	-	15,000	(15,000)	-	-
Chorister Prizes	945	-	(200)	-	745
Abbey roof	47,135	-	(4,985)	-	42,150
Medieval Panel Paintings	10,359	11,360	(17,864)	-	3,855
Hexham Abbey Restoration Trust (HART)	-	110,000	(110,000)	-	-
Friends of Cathedral Music	3,711	-	(3,711)	-	-
The Mercers Company FR grant	17,424	-	(17,424)	-	-
The Ousley Church Music Trust	2,700	-	(1,620)	-	1,080
Gillian Dickinson Trust	2,568	-	-	-	2,568
Rothley Trust Grant	976	-	(976)	-	-
Miscellaneous	4,484	1,900	(2,126)	-	4,258
Addison bequest	4,000	-	-	-	4,000
Parish Support Grant	-	1,411	(1,411)	-	-
Hedley Trust		15,000	(15,000)	-	-
Sir James Knott Trust	-	3,000	(3,000)	-	-
Benefact Trust	-	2,500	(40)	-	2,460
C of E Grant Trust	-	1,560	-	-	1,560
DBF Youth Grant	-	495	(434)	-	61
Ballinger Trust	-	1,000	-	-	1,000
Leche Trust	-	3,000	(3,000)	-	-
SUEZ Trust	-	50,000	(50,000)	-	-
NHCT Grant	-	5,000	(5,000)	-	-
HAHD	-	15,000	(15,000)	-	-
St. Hilda's Trust	-	1,350	-	-	1,350
Saxon Fragments	-	1,938	(1,247)	-	691
	102,820	*262,871*	*- 292,199*	*-*	*73,492*

PCC Restricted Funds

Choir Fund – Funds raised from the activities of the Hexham Abbey Choir to be applied towards activities and purchases as specified by the Choir, including choir tours.

Hexham Abbey Guild of Bellringers - Funds raised from the activities of the Guild of Bellringers are to be applied towards activities and purchases as specified by the members of the Guild.

The Mercers' Charitable Foundation - Annual contributions towards the cost of insuring the Abbey.

Chorister Prizes – Donation to encourage the work of the choirs; to be organised in prize form divided in two parts separately and equally between boy and girl choristers, at the discretion of the Director of Music over a number of years.

Medieval Panel Paintings - Donation received for the upkeep and refurbishment of the medieval panelled paintings within the Abbey and Priory buildings.

Abbey Roof – Donations and funds raised for the repair of the Abbey roof, in addition to those earmarked or designated from legacies.

Hexham Abbey Restoration Trust (HART) - A charitable trust, which is separate to the charity and its subsidiaries, that awards grants to the Abbey to assist with restorative work, capital expenditure and unforseen repairs.

Cathedral Music Trust - A fund to help towards the music and organ tuning within the Abbey.

The Ousley Church Music Trust - a fund for choral outreach work to schools to encourage choral singing and choir membership.

Gillian Dickinson Trust - a fund for choral outreach work to schools to encourage choral singing and choir membership.

Rothley Trust Grant - a grant towards setting up a games cafe.

Miscellaneous - a combination of funds to help towards flag and burst pipe repairs and to go towards the museum of the moon production in 2023.

Addison Bequest - A bequest from the estate of John B Addison to be used for the benefit of the Church Music Fund.

National Churches Trust - The Pilgrim Trust, a grant to support the gutter repairs and downpipes.

Sir James Knott Trust - A grant to support the relaunching of our offer for schools and families.

Benefact Trust - A grant to support mental health and wellbeing of staff and volunteers and a grant for the provision of live streaming facilities in the Abbey.

Church of England Grant Trust - A grant to support the work of a Community Engemant Manager in welcoming schools and families.

DBF Youth Grant - A grant to increase visibility of of our offer to young people and children by improvements to the childrens corner.

Ballinger Trust - A grant to support the setting up and running of a games cafe.

National Historic Churches Trust Grant - A grant towards the East End masonry conservation and repair.

St. Hilda's Trust - A grant to support the setting up and running of a games cafe.

Saxon Fragments - Donations towards conservation of Anglo-Saxon Crucifixion fragments.

Garden Grant - A grant to support the surrounding gardens of the Abbey.

Notes to the financial statements
for the year ended 31 December 2023

	Brought forward 2023 £	Income *2023* £	Expenditure *2023* £	Transfers in/out *2023* £	Carried forward *2023* £
Designated funds					
Property Maintenance and Conservation	399,509	-	-	-	399,509
Mission and Ministry	10,591	-	-	-	10,591
Outreach Work	8,372	-	-	-	8,372
Norman Hill Bequest (Vestments)	2,824	-	-	-	2,824
Fixed Assets (Freehold Land and Buildings & fixtures & fittings)	467,659	-	(116,414)	11,223	362,468
Fixed Assets (Information Screens)	13,543	-	(1,095)	(4,785)	7,663
Fixed Assets (Heritage Assets)	1,606,922	-	(2,322)	-	1,604,600
The Mercers' Company (Other)	-	8,000	(8,000)	-	-
Abbey Roof Ann Edwards legacy	14,917	-	-	-	14,917
Prior Leschman Garden (Disposal of Lowgate)	8,357	-		-	8,357
Nora Horne Roof replacement	50,000	-	-	-	50,000
	2,582,694	8,000	(127,831)	6,438	2,469,301
General fund					
General funds - all funds	216,351	1,117,342	(1,040,587)	22,562	315,668
Total Unrestricted funds	2,799,045	1,125,342	(1,168,418)	29,000	2,784,969

Transfers during the year reflect the disposal of fixed assets having met their original restrictions, and expenditure amounts reclassified from unrestricted funds incurred in the prior period

Comparative funds

	Brought forward 2022 £	*Income 2022* £	*Expenditure 2022* £	*Transfers in/out 2022* £	*Carried forward 2022* £
Designated funds					
Property Maintenance and Conservation	149,509	-	-	250,000	399,509
Mission and Ministry	10,591	-	-	-	10,591
Outreach Work	8,372	-	-	-	8,372
Norman Hill Bequest (Vestments)	2,824	-	-	-	2,824
Fixed Assets (Freehold Land and Buildings & fixtures & fittings)	587,265	-	(108,712)	(10,894)	467,659
Fixed Assets (Information Screens)	5,287	-	(2,690)	10,946	13,543
Fixed Assets (Heritage Assets)	1,609,326	-	(2,404)		1,606,922
The Mercers' Company (Other)	-	8,000	(8,000)	-	-
Abbey Roof replacement Watson bequest	250,000	-	-	(250,000)	-
Abbey Roof Ann Edwards legacy	14,917	-	-	-	14,917
Prior Leschman Garden (Disposal of Lowgate)	8,678	-	(321)	-	8,357
Nora Horne Roof replacement	50,000	-	-	-	50,000
	2,696,769	*8,000*	*(122,127)*	*52*	*2,582,694*
General fund					
General funds - all funds	301,379	946,499	(1,031,475)	(52)	216,351
Total Unrestricted funds	*2,998,148*	*954,499*	*(1,153,602)*	*-*	*2,799,045*

DESIGNATED FUNDS

Property Maintenance and Conservation Fund – Mindful of the unique building and its heritage that is Hexham Abbey, a fund designated for maintenance and conservation costs of this very special building, including portions of a number of legacies

Mission and Ministry Fund – A fund designated to ensure money is available when required for identified projects of a religious nature.

Outreach Work – A fund designated to ensure money is available when required for identified projects connected with social welfare for the community and people of Hexham and further afield.

Norman Hill Bequest – The balance of a legacy from the Reverend Norman Hill for the commissioning of new vestments and altar linen.

Fixed Assets Freehold Land and Buildings and Fixtures and Fittings – Includes The Parish Centre and 29 Robson Drive and fixtures and fittings.

Fixed Assets (Information Screens) - Information screens in the slype and porch entrances to the abbey.

Fixed Assets (Heritage Assets) – The Priory Buildings and adjoining land.

The Mercers' Company - An annual contribution towards the general running costs of the Abbey.

Abbey Roof (Margaret Watson Bequest and Ann Edwards legacy) – The major part of an unrestricted bequest from the estate of Mrs Margaret Watson and part of an unrestricted bequest from the estate of Ann Edwards designated for the repair of the Abbey roof.

Prior Leschman Garden – The net proceeds from the disposal of Lowgate Church, designated as a contribution towards the redevelopment of the Prior Leschman garden as a medieval herb garden to complement the refurbishment of the Priory Buildings.

Nora Horne Legacy (Abbey Roof replacement) - This is a legacy received by Hexham Abbey PCC which has been designated by the trustees for the replacement of the Abbey roof.

SUMMARY OF FUNDS

	Brought forward £	Incoming resources £	Resources expended £	Transfers in/out £	Carried forward £
Designated funds	2,582,694	8,000	(127,831)	6,438	2,469,301
General funds	216,351	1,117,342	(1,040,587)	22,562	315,668
	2,799,045	1,125,342	(1,168,418)	29,000	2,784,969
Restricted funds	73,492	119,116	(99,988)	(29,000)	63,620
	2,872,537	1,244,458	(1,268,406)	-	2,848,589

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	*Restricted funds 2022* £	*Unrestricted funds 2022* £	*Total funds 2022* £
Tangible fixed assets	-	107,795	107,795	-	*206,202*	*206,202*
Heritage assets	-	1,604,600	1,604,600	-	*1,606,922*	*1,606,922*
Investment properties	-	275,000	275,000	-	*275,000*	*275,000*
Current assets	63,620	907,553	971,173	*73,492*	*812,200*	*885,692*
Creditors due within one year	-	(109,979)	(109,979)	-	*(101,279)*	*(101,279)*
	63,620	2,784,969	2,848,589	*73,492*	*2,799,045*	*2,872,537*

21. SUBSIDIARY UNDERTAKINGS

Company name	Country	Control	Description
Hexham Abbey Trading Ltd	England & Wales	100%	Company limited by shares, of which the PCC of Hexham Abbey is the sole shareholder, with a £40,693 ordinary shareholding. Company number 07719334.

Hexham Abbey Trading Ltd is a separate non-charitable company which undertakes the day-to-day delivery of services in the buildings, including the operation of the café and the letting of rooms in the buildings. It also manages the Abbey Shop in its existing premises alongside the Abbey. It operates on a commercial basis but may make qualifying charitable donations to the PCC equivalent to its entire profit, thus reducing its corporation tax liability to nil. In 2023 it made a qualifying charitable donation to Hexham Abbey PCC of £136,004 of which all was outstanding at the end of the year.

The results and balance sheets of the subsidiary are summarised below:

Summary of income and expenditure

	Hexham Abbey Trading Limited	
	2023	*2022*
	£	*£*
Total income for the year	718,239	*597,246*
Total expenditure in the year	(579,006)	*(521,498)*
Total	139,233	*75,748*

Balance sheet summary

	Hexham Abbey Trading Limited	
	2023	*2022*
	£	*£*
Fixed assets	12,664	*9,476*
Current assets	373,043	*264,842*
Current liabilities	(328,039)	*(219,879)*
Total	57,668	*54,439*

22. RELATED PARTY TRANSACTIONS

Donations from members of £8,574 were received during the year. There are no further related party transactions during the year.

23. Capital commitments

At the balance sheet date the PCC had no capital commitments.

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

	2023	2022
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(23,948)	(228,431)
Depreciation charges	129,136	124,070
Loss on disposal of fixed assets	4,785	
Dividends, interest and rents from investments	(25,211)	(15,372)
(Increase)/decrease in stocks	(9,236)	(2,527)
(Increase)/decrease in debtors	25,257	(9,467)
Increase/(decrease) in creditors	8,700	27,749
Net cash provided by (used in) operating activities	109,483	(103,978)

25. Analysis of cash and cash equivalents

	2023	2022
Cash at bank and in hand	896,686	795,184

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF HEXHAM ABBEY

England & Wales - Charity number 1132444

Accounts

Charity Number: 1132444

HEXHAM ABBEY
HERITAGE • WORSHIP • COMMUNITY

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF HEXHAM ABBEY

REPORT OF THE MEMBERS OF THE PCC AND

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

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The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

1. Reference and Administrative Details of the Charity, its Members and Advisors

PCC Membership

Incumbent:

The Rev'd David Glover

Assistant Curates:
The Rev'd Elaine Ryder (until 30 June 2022)
The Rev'd Henry Hope

PCC Lay Chair:
Mrs Helen Milner MBE

Churchwardens
Mrs Rachael Haywood Smith (re-elected APCM 2022)
Mrs Jane Pikett (re-elected at APCM 2022)
Mrs Helen Milner MBE (re-elected APCM 2022)
Mr Richard Thornton (re-elected APCM 2022)
Mr Malcolm Thompson (elected APCM 2022)

Representatives on Hexham Deanery Synod (serving a three-year term, 2020-2023)
Mrs June Olliver (re-elected APCM 2020)
Ms Carol Wilson (re-elected APCM 2020)
Mr John Mitchell (elected APCM 2020)
Mrs Linda Rowell (elected APCM 2021)

Elected Members:
Mr Steve Brown (elected APCM 2022)
Mr Tony May (re-elected APCM 2021)
Mrs Wendy Knott (elected APCM 2022)
Mrs Frances Stride - PCC Secretary (elected at APCM 2020)
Ms Lynne Thomson (re-elected APCM 2021)
Mr William Tyson (re-elected at APCM 2020)
Mrs Fiona Finnon (elected at APCM 2020)
Mrs Vivien Drydon (elected at APCM 2021)
Mrs Caroline Jackson (co-opted at APCM 2021 and elected at APCM 2022)

Charity registered number
1132444

1. Reference and Administrative Details of the Charity, its Members and Advisors (contd)

Principal Office

Hexham Abbey Parish Centre
Beaumont Street
Hexham
Northumberland
NE46 3NB

Independent Auditor

Dodd & Co Audit Limited
FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

Bankers

Barclays Bank plc
Priestpopple
Hexham
Northumberland
NE46 1PE

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
WEST MALLING
Kent
ME19 4JQ

2. Report of the PCC Members for the Year Ended 31 December 2022

The Parochial Church Council (the PCC) submits its annual report and the audited financial statements of the Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey (the charity) for the year ended 31 December 2022. The PCC confirms that the annual report and financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 as amended by the Charities Act 2022 and 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 published on 16 July 2014.

The financial statements of Hexham Abbey Trading Ltd, as a subsidiary undertaking, are consolidated into the PCC's accounts in accordance with the provisions of the SORP.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution
The PCC is a corporate body established by the Church of England. The PCC operates under the Parochial Church Councils (Powers) Measure 1956 as amended. Having annual gross income of over £100,000, the PCC is, as required, registered with the Charity Commission.

The principal object of the charity is the promotion of the gospel of Jesus Christ according to the doctrines and practices of the Church of England and through service to the wider community.

Method of appointment or election of members
The appointment of PCC members is governed and set out in the Church Representation Rules.
The PCC comprises 17 members (3 clergy (2 from 1 July 2022) 5 Churchwardens, 4 Deanery Synod Representatives, 6 elected members (and 1 co-opted member until APCM 2022).

Policies adopted for the induction and training of members
New PCC members are given a copy of the PCC's policies, told about diocesan training events, and are supported in their understanding of the work of the PCC by the Rector and Lay Chair. Every new PCC member undergoes a DBS check and Safeguarding training.

Organisational structure and decision making
The PCC has an agreed governance policy detailing where decisions can be made by sub-committees, Standing Committee, PCC or the Rector. The day to day management of the Abbey is delegated to the Standing Committee.

Sub-committees work under the vision and mission of the Abbey and the overall direction of the Rector, Churchwardens and PCC. They undertake areas of work on the PCC's behalf and report back to the PCC to whom they are responsible. The chair and members of each sub-committee are appointed by the PCC. The sub-committees can co-opt additional members for specific tasks during the course of the year. Each sub-committee has at least one member of the PCC

In 2022, in addition to the Standing Committee, the PCC had the following 2 sub-committees: Property Committee and Safeguarding Committee. In addition, the PCC had the following working groups: Christmas Fair Group, Conservation Advisory Group, 1350th Planning Group.

The PCC is the sole shareholder of Hexham Abbey Trading Ltd (HATL), a company which is responsible for the operation of the refectory cafe and the letting of rooms in the Priory Buildings, as well as the Abbey Shop, which it manages in its existing premises alongside the Abbey. It operates on a commercial basis and makes qualifying charitable donations to the PCC equivalent to its entire net profit, thus reducing its corporation tax liability to nil.

2. Report of the PCC Members for the Year Ended 31 December 2022 (contd)

Risk management
An analysis of existing controls to minimise the major risks to which the PCC is exposed has been undertaken and controls are reviewed on a regular basis.

OBJECTIVES AND ACTIVITIES

Policies and objectives
The PCC works with the incumbent, the Rev'd David Glover in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical.

It is committed to enabling as many people as possible to worship at Hexham Abbey and to become part of the church community. The PCC is also committed to ensuring that on-line worship is available for those unable to access in person worship and this has been widely used. The PCC has contact, through its database, with many more individuals who see themselves as connected with the life of the Abbey and it keeps in regular contact with them. The PCC maintains an overview of worship at the Abbey and makes suggestions about how services and outreach serve the needs of people who live in the parish and the wider area.

When planning its activities for the year, the PCC has considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. In particular, it tries to enable ordinary people to live out their faith as part of the Abbey's parish community through its Vision: of a world where God's love is enjoyed, celebrated and shared. And its Mission Action Plan which states that, inspired by Andrew, Wifrid and Etheldreda, we seek to grow in breadth and numbers, in faith and learning, in prayer and generosity.

To facilitate this work, the PCC maintains the fabric of the Abbey, the Parish Centre and the Priory Buildings (Carnaby Building and former Magistrates' Court Building) and adjoining land. It also employs a number of staff and enjoys the service of over one hundred and seventy volunteers.

Going concern
After making appropriate enquiries, the PCC forecasts and projections for the next twelve months show that the charity expects to continue in operational existence for that period

Grant making policies
Helping those in need is a demonstration of the Christian faith. The PCC has a policy for choosing the charities it supports, to which it gives 5% of the income it receives from planned giving.

2. Report of the PCC Members for the Year Ended 31 December 2022 (contd)

Safeguarding
On behalf of the PCC, the Safeguarding Committee keeps constantly abreast of developments in Church of England and Diocesan safeguarding policies and practices and implements them accordingly.

ACHIEVEMENTS AND PERFORMANCE
Statistics 2023 (2022)

282 (247) people on the Church Electoral Roll
205 (150) communicants on Easter Eve and Easter Day
371 (279) total attending services on Easter Eve and Easter Day
1337 (967) at special Advent services for congregation and local community
1090 (145) at special Advent services for schools or civic organisations
276 (221) communicants on Christmas Eve and Christmas Day
838 (519) total attending services on Christmas Eve and Christmas Day
12 (11) baptisms conducted
11 (7) couples married in church
41 (59) funerals were conducted, of which 26 (34) were held in the Abbey
0 (0) adults and 0 (0) young persons were confirmed

There has been a significant increase in much of the actrivity following emergence from the Covid-19 pandemic. In particular Christmas saw a full return to our normal patterns of worship and this was reflected in the attendance numbers.

In October the average attendance in church, each week, for all regular services was 211 (191) adults and 44 (44) children. In addition to this approximately 25 (30) people joined in October on-line services.

In addition to services about 45 people have taken part in GiFT groups which meet regularly for prayer, study and fellowship and regular Holy Communion services have been held in care homes.

Review of activities
2022 began with Omicron variant of Covid-19 still affecting the activities of the Abbey. From Easter 2022 the effects of Covid had largely ended and the Abbey Community began to operate on a more normal footing. This saw a rapid increase in activity and in 'in person' participation at events and services.

Hexham Abbey's mission is promoted through the work of the PCC and its sub-committees, the ongoing life of the Church, and with the support of the Abbey's staff team. There are also many people who volunteer to undertake many different and varied tasks to support the life, mission and ministry of the Abbey, for which the PCC is very grateful.

Music
Under the leadership of Michael Haynes, Director of Music, music has flourished during 2022. In particular the choir has seen signifcant recruitment in the treble line. Throughout the year the choir enabled a full programme of choral services and during term time sings at 4 services each week. Following the Covid-19 pandemic the choirs underwent some restructuring and this has been embedded during 2022. As well as its huge contribution to Sunday worship and twice weekly Choral Evensongs, the choir has contributed to a number of other significant events, including 2 very well attended Christmas Carol Services. Mrs Cath Newson provides logistical and social support to enhance the welfare and overall experience of the children in the choir. She is ably supported by an excellent team of chaperones and the Curate, the Rev'd Dr Henry Hope. During 2022 the Choir took part in the three choirs' Festival in Carlisle, sang the Sunday services at Beverley Minster and engaged in a tour of Majorca, performing two concerts and singing at several services. The PCC continues to see the supporting of music as a top priority.

Young People
During the Covd-19 pandmic almost all of our children and young people's work had to be suspended. However 2022 saw a renewed engagement in children's work enabled by a very able and dedicated team, supported by the clergy. This has seen Abbey Tots Praise, Messy Church and

2. Report of the PCC Members for the Year Ended 31 December 2022 (contd)

the Sunday Morning Cloister Club running very successfully. Numbers attending can vary significantly from week to week/month to month and some aspects of the work, especially Cloister Club, are still quite fragile. However, the PCC is delighted to see this work growing and recognises it as crucial to the mission of the Abbey and is committed to seeing it flourish. As mentioned earlier, support of the children and young people in the choir, and the development of choir social activities, has been enhanced by the PCC agreeing to increase Cath Newson's hours to support the choir.

Once again, this year, there have been some excellent children's holiday activities organised by Cath Newson who, alongside her work as Fundraiser, has continued as the Abbey's Community Engagement Manager. This has included working with schools and developing and delivering the Abbey's offer for educational visits. 2022 has seen a signifcant return to schools visiting the Abbey for educational visits organised by Cath Newson and delivered by her and a team of volunteers.

The end to the Covid-19 restrictions has also enabled the clergy to visit schools and conduct assemblies. During 2022 links were strongly renewed with the Sele School, Hexham First School and Hexham Middle School. All three schools attended the Abbey for Christmas and other services.

The PCC also ensured that Hexham Holiday Club was supported both financially and through practical assistance.

Pastoral Work
Following the lifting of Covid-19 restrictions pastoral care was able to resume more traditional patterns. It became possible to visit nursing homes again and a dedicated team ensure Holy Communion is provided in Care Homes and to others who are housebound. Hospital visits became more straighforward and the clery visited a number of parishioners in hospital. The Abbey Pastoral Visiting team re-grouped and is once again visiting housebound parishioners and others who benefit from such contact. The Abbey Bereavement Team has continued to support a regular Memorial Service and organises a Bereavement Coffee Morning in the week following the service. These have proved to be very effective ways of supporting bereaved families. A Poetry and Faith group meets on a regular basis. The weekly Pew Sheet continues to offer excellent communication to members of the congregation and others. During 2022 the Abbey ran a successful GiFT programme enabling people to meet together in small groups for fellowship, bible study and learning.It also ran a course enabling the congregation to enage in the issues of human sexuality explored in 'Living in Love and Faith'. Space was made available in the Abbey as a 'warm hub' for families and this has been well used as has a weekly 'Games Cafe' which is aimed at 13-18 year olds.

Local Community Outreach
We continue to nurture supportive relationships with West Northumberland Food Bank, Northumberland Domestic Abuse Service, the Hexham Community Partnership, and other projects within the Hexham area. The PCC has been keen to forge closer relationships with the Town Council and to engage fully in shared initiatives which benefit the wider community. In partiular, the Abbey has hosted the Town Council's 'Net Zero Fairs', an NDAS presentation, White Ribbon Sunday, Royal Jubilee celebrations, the County service of Commemoration on the death of HM the Queen, the induction of the High Sherriff of Northumberland etc. The Abbey held a very effective Christmas Fair and supported a number of events in the lead up to Christmas including a Festival of Flame which attracted many hundreds of visitors.

The Abbey continues to allocate 5% of its Planned Giving to charities. In addition to supporting the Hexham Holiday Club, the bulk of the remainder went to the following charities:
20% NDAS; 20% WERS; 20% West Northumberland Foodbank; 13.3% St Paul's Children's Project; 13.3% SEDCU; 13.3% The Children's Society.

Major Grants
In 2022 the Abbey benefitted from grants totalling £293,513. This included some significant grants for East end masonry repairs as well as grants to cover work with young people, staff well-being and the Museum of the Moon (an exhibition which will take place in the autumn of 2023).

The PCC continues to grateful to the Mercers Company for its regular grant which covers most of the cost of insuring the Abbey each year.

2. Report of the PCC Members for the Year Ended 31 December 2022 (contd)

Staff News

The Rev'd Elaine Ryder moved on from the Abbey in June 2022 and has retired to Scotland. The Lead Verger left the Abbey in June 2022 to take up another appointment and been replaced by Mr Jason Cone. The verger department has further been strengthened by the appointment of Mr John Mitchell as relief verger, alongside Mr Austin Winstanley.

Other developments

The Abbey continues its commitment to addressing the climate change crisis and is seeking to adhere to the Church of England's policies on net zero targets.

The PCC began to seriously address issues around its annual budget deficit and made plans for introducing a variety of changes in 2023 particualrly aimed at increasing income from the Abbey's many visitors.

FINANCIAL REVIEW

The accounts for the year ended 31 December 2022 have been prepared in accordance with the accounting policies set out in note 1.1 to the accounts and comply with the Charities Act 2011 as amended by the Charities Act 2022, Financial Reporting Standard (FRS) 102 and the Charity Commission's Statement of Recommended Practice (SORP) applicable to charities.

Main Sources of Funds

The PCC relies heavily on support, gifts and donations received from its congregation, benefactors, visitors and fundraising events for which it is deeply grateful. This year the PCC has also benefited from significant grants from the Hexham Abbey Restoration Trust (£110,000) and Suez (£50,000) towards the masonary works on the east end of the Abbey.

Performance for the year

The PCC's consolidated accounts incorporating the accounts of Hexham Abbey Trading Limited show a deficit for the year of £228,431, the main components for which was operational expenditure of £1,445,801 (£1,321,731 plus £124,070 depreciation charge) alongside grants, donations and other income of £1,217,370.

The PCC's consolidated designated funds stand at £2,582,694 which includes £2,088,124 in fixed assets. At the end of the year the PCC's general unrestricted fund stood at £216,351 and the free reserves stand at £710,921 at the year end, including designated funds.

Reserves and Investment Policies

The PCC does not intend to build up large reserves. However, it faces particular uncertainties at present, so to minimise the risk of being unable to meet all its financial obligations as they fall due, including full payment of the diocesan parish share, it aims to hold sufficient liquid general fund resources to meet one year's operating costs. Cash required for immediate use is held in current accounts with a main clearing bank. Cash not required for immediate use is held in interest-bearing accounts with either a main clearing bank or an equivalent institution. The PCC has taken action to reduce its exposure to risk so that, as far as possible, deposits are guaranteed under the Financial Services Compensation Scheme.

The PCC's ethical investment policy guides all investment decisions.

2. Report to the PCC Members for the Year Ended 31 December 2022 (contd)

STATEMENT OF PCC's RESPONSIBILTIES

The Members of the PCC are responsible for preparing the Members' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in operation.

The Members are responsible for keeping proper accounting records that are sufficient to show and explain the charity and the group's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Church Representation Rules as amended. The Members are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The PCC is responsible for the maintenance and integrity of the financial information included on the group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report was approved by the PCC on 23 April 2023 and signed on their behalf by:



The Rev'd David Glover
Chaplain to the King
Rector of Hexham

Independent Auditor's Report to the Members of the Ecclesiastical Parish of Hexham Abbey for the year ended 31 December 2022

Opinion

We have audited the financial statements of The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey (the "Charity") for the year ended 31 December 2022 which comprise Consolidated Statement of Financial Activities, including income and expenditure account, Charity Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Cash Flow Statement and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 December 2022 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note [1] to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

Independent Auditor's Report to the Members of the Ecclesiastical Parish of Hexham Abbey for the year ended 31 December 2022

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

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

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

Our responsibilities for the audit of the financial statements

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

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.
In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the charity's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities.
- any matters we identified having obtained and reviewed the charity's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations

Independent Auditor's Report to the Members of the Ecclesiastical Parish of Hexham Abbey for the year ended 31 December 2022

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud to be in relation to management override which, in common with all audits under ISAs (UK), we are required to perform specific procedures to respond to this risk.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Charities Act and pensions legislation.
In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty. The key laws and regulations we considered in this context related to the Health and Safety Act.

As a result of performing the above, in response to the risks identified, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations.
In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

Use of this report
This report is made solely to the Charity's trustees, as a body, in accordance with section 151 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's trustees as a body, for our audit work, for this report, or the opinions we have formed.

Dodd & Co Audit Ltd

Dodd & Co Audit Limited, Statutory Auditors
FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW
Date:

Dodd & Co Audit Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

Consolidated Statement of Financial Activities (incorporating income and expenditure account) for the Year Ended 31 December 2022

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Income from:					
Donations and Legacies	2	239,514	301,485	540,999	*1,055,235*
Trading Activities	3	-	615,154	615,154	*431,939*
Investments	4	-	15,372	15,372	*12,723*
Charitable activities	5	-	8,533	8,533	*7,075*
Other Income	6	23,357	13,955	37,312	*5,152*
Total		262,871	954,499	1,217,370	*1,512,124*
Expenditure on:					
Raising funds	3	-	521,577	521,577	*390,236*
Charitable activities	7	261,586	632,025	893,611	*1,099,387*
Other Expenditure	11	30,613	-	30,613	*3,484*
		292,199	1,153,602	1,445,801	*1,493,107*
Net income/(expenditure)		(29,328)	(199,103)	(228,431)	*19,017*
Net movement in funds		(29,328)	(199,103)	(228,431)	19,017
Reconciliation of funds:					
Total funds brought forward		102,820	2,998,148	3,100,968	*3,081,951*
Total funds carried forward		73,492	2,799,045	2,872,537	*3,100,968*

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

PCC Only Statement of Financial Activities (incorporating income and expenditure account) for the Year Ended 31 December 2022

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Income from:				
Donations and Legacies	239,514	365,399	604,913	*1,072,691*
Trading Activities	-	25,567	25,567	*26,273*
Investments	-	15,372	15,372	*12,723*
Charitable activities	-	8,533	8,533	*7,075*
Other Income	23,357	13,955	37,312	*5,152*
Total	262,871	428,826	691,697	*1,123,914*
Expenditure on:				
Raising funds	-	8,965	8,965	*2,912*
Charitable activities	261,586	630,275	891,861	*1,096,119*
Other Expenditure	30,613	-	30,613	*3,484*
	292,199	639,240	931,439	*1,102,515*
Net income/(expenditure)	(29,328)	(210,414)	(239,742)	21,399
Net movement in funds	(29,328)	(210,414)	(239,742)	21,399
Reconciliation of funds:				
Total funds brought forward	102,820	2,995,450	3,098,270	*3,076,871*
Total funds carried forward	73,492	2,785,036	2,858,528	*3,098,270*

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

Consolidated Balance Sheet
for the Year Ended 31 December 2022

	Note	2022		2021	
		£	£	£	£
NON-CURRENT ASSETS					
Tangible assets	13		206,202		317,552
Heritage assets	14		1,606,922		1,609,326
Investments	16		275,000		275,000
			2,088,124		2,201,878
CURRENT ASSETS					
Stocks		30,417		27,890	
Debtors	17	60,091		50,624	
Cash at bank and in hand		795,184		894,106	
		885,692		972,620	
CREDITORS: amounts falling due within one year	18	(101,279)		(73,530)	
NET CURRENT ASSETS			784,413		899,090
TOTAL ASSETS LESS CURRENT LIABILITIES			2,872,537		3,100,968
NET ASSETS			2,872,537		3,100,968
CHARITY FUNDS					
Restricted funds	19		73,492		102,820
Unrestricted funds	19		2,799,045		2,998,148
TOTAL FUNDS			2,872,537		3,100,968

The financial statements were approved by the Members on 23 April 2023 and signed on their behalf, by:

The Rev'd David Glover

The notes on pages 17 to 37 form part of these financial statements

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

PCC Only Balance Sheet
for the Year Ended 31 December 2022

	Note	£	2022 £	£	*2021* £
NON-CURRENT ASSETS					
Tangible assets	13		196,726		*315,485*
Heritage assets	14		1,606,922		*1,609,326*
Investments	15		40,693		*40,693*
Investment property	16		275,000		275,000
			2,119,341		*2,240,504*
CURRENT ASSETS					
Debtors	17	209,543		*247,099*	
Cash at bank and in hand		649,123		*756,378*	
		858,666		*1,003,477*	
CREDITORS: amounts falling due within one year	18	*(119,479)*		*(145,711)*	
NET CURRENT ASSETS			*739,187*		*857,766*
NET ASSETS			2,858,528		*3,098,270*
CHARITY FUNDS					
Restricted funds	19		73,492		*102,820*
Unrestricted funds			2,785,036		*2,995,450*
TOTAL FUNDS			2,858,528		*3,098,270*

The financial statements were approved by the Members on 23 April 2023 and signed on their behalf, by:



The Rev'd David Glover

The notes on pages 17 to 37 form part of these financial statements

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

Group Cash Flow Statement
for the Year Ended 31 December 2022

	Note	2022 £	2021 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	24	(103,978)	133,832
Cash flows from investing activities:			
Dividends, interest and rents from investments		15,372	12,723
Purchase of property, plant and equipment		(12,720)	(29,376)
Purchase of heritage assets		2,404	2,119
Net cash provided by (used in) investing activities		5,056	(14,534)
Change in cash and cash equivalents in the reporting period		(98,922)	119,298
Cash and cash equivalents at the beginning of the reporting period		894,106	774,808
Cash and cash equivalents at the end of the reporting period	25	**795,184**	**894,106**

Analysis of changes in net debt:

	1 January 2022	Cash-flows	New finance leases	Other non-cash changes	31 December 2022
Cash	894,106	(98,922)	-	-	795,184
Total	894,106	(98,922)	-	-	795,184

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the PCC and its subsidiary undertakings.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

1.2 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Members in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Members for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.3 INCOME

All income is included in the Statement of Financial Activities when the charity has entitlement to the funds, probability of receipt and the amount can be measured with sufficient reliability.

For legacies, entitlement is when the legacy has been received or, if earlier, there is sufficient evidence that, in line with the SORP, it is probable that the legacy will be received and the value of the income can be measured with sufficient reliability.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Funds raised by events are accounted for gross of expenditure. Rental income from letting of church premises is accounted for on a receivable basis. Parochial fees due to the PCC for weddings, funerals etc. are accounted for on an event basis. Collections are recognised when made.

Grants are included as income when the income is received with the exception of grants to fund specific items of expenditure, where income is recognised in the period corresponding to the expenditure. Grants from the Heritage Lottery Fund are included as income when the conditions of probability, entitlement and measurability are met.

Interest on deposit accounts is recognised when received and not apportioned between financial years.

1. ACCOUNTING POLICIES

1.4 EXPENDITURE

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All resources expended are inclusive of irrecoverable VAT.

The Diocesan parish share is accounted for when payable and any quota unpaid at the year end is shown as a creditor in the balance sheet.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

Terminations and redundancy payments have been accounted for on a payable basis.

1.5 GOING CONCERN

These financial statements have been prepared on a going concern basis.

The trustees assess whether the use of the going concern basis is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

1.6 INVESTMENTS

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Dividends and interest are accounted for when due. Tax recoverable on such income is accrued for on the same basis.

1.7 STOCK

Stock is valued at the lower of cost and net realisable value.

1.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £2,500 are capitalised by the PCC. All assets costing more than £1,000 are capitalised by Hexham Abbey Trading Ltd.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property (other than heritage assets)	Not depreciated
Fixed equipment	10% straight line
Loose furniture and fittings	16.67% and 33.33% straight line
Office equipment	25% straight line
Other tangible fixed assets	2% straight line

Heritage Assets are not subject to depreciation but are subject to annual impairment review.

Consecrated and benefice properties are excluded from the financial statements in accordance with section 10 of the Charities Act 2011.

Moveable church furnishings held by the Churchwardens on special trust for the PCC and which require a faculty for disposal are treated as inalienable property. Prior to 2008, all expenditure incurred on consecrated or beneficial buildings and movable church furnishings, whether maintenance or improvement, was written off. The SORP requires all improvement costs to be capitalised. No attempt has been made in these accounts to capitalise costs incurred in previous years. This departure from the SORP is considered justifiable on the basis that the depreciated value of these costs is unlikely to be material in the context of the accounts.

No attempt has been made to value artefacts and other historic objects held by the PCC for a considerable number of years and for which information relating to their original costs is not available.

1.9 INVESTMENT PROPERTIES

Investment properties are included in the accounts at fair value. No depreciation is charged on investment properties in line with FRS 102.

1.10 BASIS OF CONSOLIDATION

The financial statements consolidate the accounts of the PCC and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

1.11 OPERATING LEASES

Leases in which substantially all the risks and rewards are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

2. DONATIONS AND LEGACIES	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Planned giving and income under gift aid	-	104,543	104,543	*95,457*
Service collections	-	12,550	12,550	*7,390*
Visitors' donations	-	76,860	76,860	*48,849*
Gift Aid reclaimed	-	21,637	21,637	*24,667*
The Mercers' Company	-	8,000	8,000	*8,000*
The Mercers' Charitable Foundation	15,000	-	15,000	*15,000*
Votive candles	-	9,157	9,157	*7,255*
Other donations	11,198	11,541	22,739	*21,157*
Listed place of Worship grant	-	55,674	55,674	*80,591*
Coronavirus Job Retention Scheme	-	-	-	*55,512*
Legacies	-	-	-	*5,000*
Grants receivable	213,316	1,523	214,839	*686,357*
	239,514	301,485	540,999	1,055,235

Of the £1,055,235 received in 2021, £392,592 related to PCC restricted funds and £662,643 related to unrestricted funds.

In addition to the income recorded above, donations of £6,288 (2021 - £3,002) were received from members of the public attending funerals and other services and paid over to various charities as agreed and announced at the services.

3. TRADING ACTIVITIES

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Trading income				
Income from café, gift shop and lettings	-	589,587	589,587	*406,066*
Car park receipts	-	10,358	10,358	*10,335*
Music in the Abbey	-	61	61	*400*
Tour fees	-	3,366	3,366	*2,163*
Other fundraising events	-	11,782	11,782	*12,975*
	-	615,154	615,154	*431,939*

Of the £431,939 received in 2021, £1,885 related to PCC restricted funds and £430,054 related to unrestricted funds.

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Trading expenses				
Staff costs	-	253,751	253,751	*214,778*
Special fundraising events	-	61	61	*725*
Car park	-	5,365	5,365	*605*
Costs relating to the café, gift shop and lettings	-	261,138	261,138	*173,386*
Music in the Abbey	-	745	745	*40*
Other fundraising expenses	-	517	517	*702*
	-	521,577	521,577	*390,236*

Of the £390,236 paid in 2021, £725 related to restricted funds and £389,511 related to unrestricted funds.

Net income from fundraising activities		93,577	93,577	*41,703*

4. INVESTMENT INCOME

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Dividends and interest	-	5,172	5,172	2,523
Rental income	-	10,200	10,200	10,200
	-	15,372	15,372	*12,723*

Of the £12,723 received in 2021, all related to unrestricted funds.

Notes to the financial statements
for the year ended 31 December 2022

5. INCOME FROM CHARITABLE ACTIVITIES

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Funeral and wedding fees and similar income	-	7,225	7,225	*7,075*
Income from school visits	-	1,308	1,308	-
	-	8,533	8,533	*7,075*

Of the £7,075 received in 2021, all related to unrestricted funds.

6. OTHER INCOME

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Choir fund	22,538	-	22,538	*615*
Bellringers	819	-	819	*863*
Other income	-	8,069	8,069	*3,674*
Insurance claim	-	5,886	5,886	-
	23,357	13,955	37,312	*5,152*

Of the £5,152 received in 2021, £1,478 related to restricted funds and £3,674 related to unrestricted funds.

7. EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct costs 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £	*Total funds 2021 £*
PCC costs	738,496	5,000	143,506	887,002	*1,093,852*
HATL costs	5,596	-	1,013	6,609	*5,535*
	744,092	5,000	144,519	893,611	*1,099,387*

Of the £1,099,387 paid in 2021, £489,570 related to restricted funds and £609,817 related to unrestricted funds.

8. DIRECT COSTS

	PCC Costs £	HATL Costs £	Total 2022 £	*Total funds 2021 £*
Diocesan parish share	105,000	-	105,000	*100,000*
Worship, ministry and mission	7,768	-	7,768	*5,928*
Church running and maintenance costs	101,222	-	101,222	*88,027*
Choir and organ expenses	4,184	-	4,184	*4,190*
Major repairs and capital projects	305,171	-	305,171	*490,049*
Staff costs	74,025	-	74,025	*66,930*
Priory building running and maintenance costs	28,139	-	28,139	*35,117*
Prior Leschman garden	321	-	321	*2,695*
Depreciation	112,666	5,596	118,262	*121,368*
	738,496	5,596	744,092	*914,304*

9. GRANT FUNDING OF ACTIVITIES

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Mission and ministry activities	-	4,650	4,650	*4,650*
Outreach activities	-	350	350	*350*
	-	5,000	5,000	*5,000*

Included within the grants paid were the following grants of £500 or more:

Mission and ministry activities

NDAS (Northumberland Domestic Abuse Services) £930
WERS (West End Refugee Service) £930
The Children's Society £620
SEDCU (Supporting the Education of Disadvantaged Children in Uganda) £620
St. Pauls Children's Project £620
West Northumberland Food Bank £930

10. SUPPORT COSTS

	PCC Costs £	HATL Costs £	Total 2022 £	*Total funds 2021 £*
Premises costs	19,342	-	19,342	*14,767*
Office costs	6,549	-	6,549	*10,631*
Health and safety	2,602	-	2,602	*1,272*
Advertising and publicity	888	-	888	*1,986*
Staff costs	76,362	-	76,362	*74,646*
Professional fees	17,965	1,013	18,978	*53,327*
Auditor's remuneration	9,220	-	9,220	*8,927*
Depreciation	5,808	-	5,808	*5,815*
Other	4,770	-	4,770	*8,712*
	143,506	1,013	144,519	*180,083*

11. OTHER EXPENDITURE

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Bell ringers	360	-	360	*514*
Choir fund	23,801	-	23,801	-
Other expenditure	6,452	-	6,452	*2,752*
Robson Drive capital repairs	-	-	-	*218*
	30,613	-	30,613	*3,484*

Of the £3,484 paid in 2021, £3,266 related to restricted funds and £218 related to unrestricted funds.

12. STAFF COSTS

Staff costs were as follows:

	2022	*2021*
	£	*£*
Wages and salaries	385,771	*334,741*
National Insurance	8,080	*13,199*
Pension contributions	6,326	*5,846*
Death in service	1,067	*2,568*
	401,244	*356,354*

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

	2022	*2021*
	£	*£*
Employed by PCC	8	*7*
Employed by Hexham Abbey Heritage Trading Limited	32	*24*
	40	*31*
Employed by PCC - Full Time	-	-
Employed by PCC - Part Time	8	*7*
Employed by Hexham Abbey Heritage Trading Limited - Full Time	4	*4*
Employed by Hexham Abbey Heritage Trading Limited - Part Time	28	*20*
	40	31

No employee received remuneration amounting to more than £60,000 in either year.

One of the part time employees, John Mitchell is also a Member of the PCC.

During the year, no PCC member received any remuneration or benefits in kind (2021 - £Nil).

During the year, one PCC member received reimbursement of expenses totalling £1,892 (2021 - £2,544) for travel, telephone and hospitality relating to his work on funerals and visiting mercers.

Key management personnel remuneration amounted to £86,538 in the year (2021 - £81,637).

In the prior year both Hexham Abbey PCC and Hexham Abbey Trading Limited used the Government's Coronavirus Job Retention scheme which resulted in grants of £55,512 to cover staff costs. No grants were received in 2022

13. TANGIBLE FIXED ASSETS - Group

	Freehold property £	Fixtures & fittings £	Total £
Group			
Cost			
At 1 January 2022	52,501	781,153	833,654
Additions	-	12,720	12,720
At 31 December 2022	52,501	793,873	846,374
Depreciation			
At 1 January 2022	-	516,102	516,102
Charge for the year	-	124,070	124,070
At 31 December 2022	-	640,172	640,172
Net book value			
At 31 December 2022	52,501	153,701	206,202
At 31 December 2021	*52,501*	*265,051*	*317,552*

13. TANGIBLE FIXED ASSETS (continued) - PCC Only

	Freehold property £	Fixtures & fittings £	Total £
PCC			
Cost			
At 1 January 2022	52,501	760,587	813,088
Additions	-	(285)	(285)
At 31 December 2022	52,501	760,302	812,803
Depreciation			
At 1 January 2022	-	497,603	497,603
Charge for the year	-	118,474	118,474
At 31 December 2022	-	616,077	616,077
Net book value			
At 31 December 2022	52,501	144,225	196,726
At 31 December 2021	*52,501*	*262,984*	*315,485*

The net book value for freehold property is made up of one property:

1. The Parish Centre - A former cottage used as offices and meeting rooms. This property is maintained by the PCC and was brought into the financial statements approximately 15 years ago.

Notes to the financial statements
for the year ended 31 December 2022

14. HERITAGE ASSETS

	Henry Perlee Parker Painting	Land and Buildings £	Total £
Group			
Market value			
At 1 January 2022	15,000	1,594,326	1,609,326
Additions	-	(2,404)	(2,404)
At 31 December 2022	15,000	1,591,922	1,606,922

	Henry Perlee Parker Painting	Land and Buildings £	Total £
PCC			
Market value			
At 1 January 2022	15,000	1,594,326	1,609,326
Additions	-	(2,404)	(2,404)
At 31 December 2022	15,000	1,591,922	1,606,922

The net book value for land and buildings is made up of the following properties:
The Priory Buildings and adjoining land - Acquired for the Hexham Abbey Project and leased to Hexham Abbey Heritage, until 31 December 2017 when they were transferred to Hexham Abbey PCC. Expenditure on refurbishment of the Priory Buildings, but not expenditure on the exhibition or on furniture or equipment (except where this cannot practicably be separated from expenditure on the buildings), has been treated as relating to a heritage asset, which, having an indefinite life, is not subject to depreciation.
The Henry Perlee Parker Painting - Included at valuation, which was carried out by Anderson and Garland Valuers on 21 June 2004. The Members' consider that the current valuation of the painting will not be substantially different to the valuation carried out in 2004. The painting was reclassified from investments to heritage assets in the prior year, as this is a more accurate reflection of the assets use and purpose.

Details of transactions relating to heritage assets for the past seven years are as follows:

	Additions £
2016-2017	(2,469)
2018	(2,565)
2019	(2,565)
2020	(2,565)
2021	(2,119)
2022	(2,404)

The PCC also owns The Deposition, a 16th century Flemish oil-on-canvas painting now known to be the centrepiece of a triptych. The painting is not presently kept in the Abbey, as the PCC has loaned the painting to a third party charity for exhibition. The characteristics and provenance of The Deposition mean that the trustees are unable to obtain a reliable estimate of valuation in accordance with FRS102, the range of valuations already having been obtained stretching from £80,000 to £150,000. On this basis, The Deposition has not been included as a heritage asset in the balance sheet.

15. FIXED ASSET INVESTMENTS

	Holding in subsidiary undertaking £
PCC	
Market value	
At 1 January 2022	*40,693*
Additions	-
At 31 December 2022	40,693

All the fixed asset investments are held in the UK.

16. INVESTMENT PROPERTY - Group and PCC Only

	Unrestricted
VALUATION	
At 1 January 2022	275,000
At 31 December 2022	**275,000**

All investment properties are freehold. Investment properties were last valued during the year ended 31 December 2022 based on the trustees estimate of fair value.

17. DEBTORS

	Group		PCC	
	2022	*2021*	**2022**	*2021*
	£	*£*	**£**	*£*
Trade debtors	9,815	*9,097*	124	*1,602*
Amounts owed by group undertakings	-	-	159,753	*204,852*
Other debtors	2,566	*1,096*	2,866	*1,096*
Prepayments and accrued income	47,710	*40,431*	46,800	*39,549*
	60,091	*50,624*	209,543	*247,099*

18. CREDITORS

Amounts falling due within one year

	Group		PCC	
	2022	*2021*	**2022**	*2021*
	£	*£*	**£**	*£*
Trade creditors	48,819	*22,097*	23,779	*13,745*
Amounts owed to group undertakings	-	-	78,026	*96,694*
Other taxation and social security	24,183	*8,816*	-	-
Accruals and deferred income	28,277	*42,617*	17,674	*35,272*
	101,279	*73,530*	119,479	*145,711*

19. STATEMENT OF FUNDS

Restricted funds

	Brought forward 2022 £	Income 2022 £	Expenditure 2022 £	Transfers 2022	Carried forward 2022 £
Choir fund	4,423	22,538	(23,801)	-	3,160
Hexham Abbey Guild of Bellringers	4,095	819	(360)	-	4,554
The Mercers' Charitable Foundation	-	15,000	(15,000)	-	-
Chorister Prizes	945	-	(200)	-	745
Abbey roof	47,135	-	(4,985)	-	42,150
Medieval Panel Paintings	10,359	11,360	(17,864)	-	3,855
Hexham Abbey Restoration Trust (HART)	-	110,000	(110,000)	-	-
Friends of Cathedral Music	3,711	-	(3,711)	-	-
The Mercers Company FR grant	17,424	-	(17,424)	-	-
The Ousley Church Music Trust	2,700	-	(1,620)	-	1,080
Gillian Dickinson Trust	2,568	-	-	-	2,568
Rothley Trust Grant	976	-	(976)	-	-
Miscellaneous	4,484	1,900	(2,126)	-	4,258
Addison bequest	4,000	-	-	-	4,000
Parish Support Grant	-	1,411	(1,411)	-	-
Hedley Trust	-	15,000	(15,000)	-	-
Knott Trust	-	3,000	(3,000)	-	-
Benefact Trust	-	2,500	(40)	-	2,460
C of E Grant Trust	-	1,560	-	-	1,560
DBF Youth Grant	-	495	(434)	-	61
Ballinger Trust	-	1,000	-	-	1,000
Leche Trust	-	3,000	(3,000)	-	-
SUEZ Trust	-	50,000	(50,000)	-	-
NHCT Grant	-	5,000	(5,000)	-	-
HAHD	-	15,000	(15,000)	-	-
St. Hilda's Trust	-	1,350	-	-	1,350
Saxon Fragments	-	1,938	(1,247)	-	691
	102,820	262,871	(292,199)	-	73,492

Comparative restricted funds

	Brought forward 2021 £	*Income 2021* £	*Expenditure 2021* £	*Transfers 2021*	*Carried forward 2021* £
Choir fund	3,808	615	-	-	4,423
Hexham Abbey Guild of Bellringers	3,702	900	(514)	7	4,095
Tyrrell Bequest	64,845	-	(64,845)	-	-
The Mercers' Charitable Foundation	-	15,000	(15,000)	-	-
Chorister Prizes	945	-	-	-	945
Abbey roof	47,204	-	(69)	-	47,135
Medieval panel paintings	10,359	-	-	-	10,359
Prior Leschman Garden	2,155	-	(2,155)	-	-
Hexham Abbey Restoration Trust (HART)	26,491	97,500	(123,991)	-	-
Friends of Cathedral Music grants	4,054	10,000	(10,343)	-	3,711
The Mercers Company FR grant	8,417	30,000	(20,993)	-	17,424
The Ousley Church Music Trust	2,700	-	-	-	2,700
Gillian Dickinson Grant	3,888	-	(1,320)	-	2,568
Rothley Trust Grant	976	-	-	-	976
Historic England Civic 19 Heritage at Risk Response Fund	18,375	6,125	(24,500)	-	-
William Leech	2,500	-	(2,500)	-	-
Culture Recovery Fund for Heritage	-	224,075	(224,075)	-	-
Miscellaneous	-	5,140	(656)	-	4,484
Addison bequest	-	4,000	-	-	4,000
All Churches Trust	-	2,600	(2,600)	-	-
	200,419	*395,955*	(493,561)	*7*	*102,820*

PCC Restricted Funds

Choir Fund – Funds raised from the activities of the Hexham Abbey Choir to be applied towards activities and purchases as specified by the Choir, including choir tours.

Hexham Abbey Guild of Bellringers - Funds raised from the activities of the Guild of Bellringers are to be applied towards activities and purchases as specified by the members of the Guild.

The Mercers' Charitable Foundation - Annual contributions towards the cost of insuring the Abbey.

Chorister Prizes – Donation to encourage the work of the choirs; to be organised in prize form divided in two parts separately and equally between boy and girl choristers, at the discretion of the Director of Music over a number of years.

Abbey Roof – Donations and funds raised for the repair of the Abbey roof, in addition to those earmarked or designated from legacies.

Medieval Panel Paintings - Donation received for the upkeep and refurbishment of the medieval panelled paintings within the Abbey and Priory buildings.

Hexham Abbey Restoration Trust (HART) - A charitable trust, which is separate to the charity and its subsidiaries, that awards grants to the Abbey to assist with restorative work, capital expenditure and unforseen repairs.

Friends of Cathedral music - A fund to help the purchase of new robes, new music and singing lessons for the choristers.

The Mercers Company FR grant - A grant to fund the position of a fundraising officer.

The Ousley Church Music Trust - a fund for choral outreach work to schools to encourage choral singing and choir membership.

Gillian Dickinson Trust - a fund for choral outreach work to schools to encourage choral singing and choir membership.

Rothley Trust Grant - a grant toward providing children's guides and information leaflets.

Miscellaneous - a combination of funds to help purchase performance lighting improvements and to go towards the museum of the moon production in 2023.

Addison Bequest - A bequest from the estate of John B Addison to be used for the benefit of the Church Music Fund.

Parish Support Grant - A cost of living support grant.

Hedley Trust - A grant towards the costs involved in stabilising the stonework of the Chancel East End.

Knott Trust - A grant to support the relaunching of our offer for schools and families.

Benefact Trust - A grant to support mental health and wellbeing of staff and volunteers.

Church of England Grant Trust - A grant to support the work of a Community Engemant Manager in welcoming schools and families.

DBF Youth Grant - A grant to increase visibility of of our offer to young people and children by improvements to the childrens corner.

Ballinger Trust - A grant to support the setting up and running of a games cafe and study space.

Leche Trust - A grant for conservation of paintings in Ogle and Leschman Chantries.

SUEZ Trust - A grant towards the East End masonry conservation and repair.

National Historic Churches Trust Grant - A grant towards the East End masonry conservation and repair.

HAHD - Hexham Abbey Heritage Developement Trust - A charitable trust which is separate to the charity and its subsiduaries, which exists to support the heritage of Hexham Abbey.

St. Hilda's Trust - A grant to support the setting up and running of a games cafe and study space.

Saxon Fragments - Donations towards conservation of Anglo-Saxon Crucifixion fragments.

Notes to the financial statements
for the year ended 31 December 2022

	Brought forward 2022 £	Income 2022 £	Expenditure 2022 £	Transfers in/out 2022 £	Carried forward 2022 £
Designated funds					
Property Maintenance and Conservation	149,509	-	-	250,000	399,509
Mission and Ministry	10,591	-	-	-	10,591
Outreach Work	8,372	-	-	-	8,372
Norman Hill Bequest (Vestments)	2,824	-	-	-	2,824
Fixed Assets (Freehold Land and Buildings & fixtures & fittings)	587,265	-	(108,712)	(10,894)	467,659
Fixed Assets (Information Screens)	5,287	-	(2,690)	10,946	13,543
Fixed Assets (Heritage Assets)	1,609,326	-	(2,404)		1,606,922
The Mercers' Company (Other)	-	8,000	(8,000)	-	-
Abbey Roof replacement Watson bequest	250,000	-	-	(250,000)	-
Abbey Roof Ann Edwards legacy	14,917	-	-	-	14,917
Prior Leschman Garden (Disposal of Lowgate)	8,678	-	(321)	-	8,357
Nora Horne Roof replacement	50,000	-	-	-	50,000
	2,696,769	8,000	(122,127)	52	2,582,694
General fund					
General funds - all funds	301,379	946,499	(1,031,475)	(52)	216,351
Total Unrestricted funds	2,998,148	954,499	(1,153,602)	-	2,799,045

Transfers during the year reflect the combining of designated funds for the same purpose and to ensure the carried forward balances agree to the net book values of assets held by the charity, to meet the costs of replacement.

Comparative funds

	Brought forward 2021 £	*Income 2021 £*	*Expenditure 2021 £*	*Transfers in/out 2021 £*	*Carried forward 2021 £*
Designated funds					
Property Maintenance and Conservation	149,509	-	-	-	149,509
Mission and Ministry	10,591	-	-	-	10,591
Outreach Work	8,372	-	-	-	8,372
Music in the Abbey	999	-	(999)	-	-
Norman Hill Bequest (Vestments)	2,824	-	-	-	2,824
Fixed Assets (Freehold Land and Buildings & fixtures & fittings)	682,381	-	(124,492)	29,376	587,265
Fixed Assets (Information Screens)	7,977	-	(2,690)	-	5,287
Fixed Assets (Heritage Assets)	1,611,441	-	-	(2,115)	1,609,326
The Mercers' Company (Other)		8,000	(8,000)	-	-
Abbey Roof replacement Watson bequest	250,000	-	-	-	250,000
Abbey Roof Ann Edwards legacy	14,917	-	-	-	14,917
Prior Leschman Garden (Disposal of Lowgate)	9,218	-	(540)	-	8,678
Nora Horne Roof replacement	50,000	-	-	-	50,000
	2,798,229	*8,000*	*(136,721)*	*27,261*	*2,696,769*
General fund					
General funds - all funds	83,303	1,108,169	(862,825)	(27,268)	301,379
Total Unrestricted funds	*2,881,532*	*1,116,169*	*(999,546)*	*(7)*	*2,998,148*

DESIGNATED FUNDS

Property Maintenance and Conservation Fund – Mindful of the unique building and its heritage that is Hexham Abbey, a fund designated for maintenance and conservation costs of this very special building, including portions of a number of legacies

Mission and Ministry Fund – A fund designated to ensure money is available when required for identified projects of a religious nature.

Outreach Work – A fund designated to ensure money is available when required for identified projects connected with social welfare for the community and people of Hexham and further afield.

Music in the Abbey – A fund for the running of the Music in the Abbey concert series, to provide a working balance of £1,000.

Norman Hill Bequest – The balance of a legacy from the Reverend Norman Hill for the commissioning of new vestments and altar linen.

Fixed Assets Freehold Land and Buildings and Fixtures and Fittings – Includes The Parish Centre and 29 Robson Drive and fixtures and fittings.

Fixed Assets (Heritage Assets) – The Priory Buildings and adjoining land.

Fixed Assets (Information Screens) - Information screens in the slype and porch entrances to the abbey.

The Mercers' Company - An annual contribution towards the general running costs of the Abbey.

Abbey Roof (Margaret Watson Bequest and Ann Edwards legacy) – The major part of an unrestricted bequest from the estate of Mrs Margaret Watson and part of an unrestricted bequest from the estate of Ann Edwards designated for the repair of the Abbey roof.

Prior Leschman Garden – The net proceeds from the disposal of Lowgate Church, designated as a contribution towards the redevelopment of the Prior Leschman garden as a medieval herb garden to complement the refurbishment of the Priory Buildings.

Nora Horne Legacy (Abbey Roof replacement) - This is a legacy received by Hexham Abbey PCC which has been designated by the trustees for the replacement of the Abbey roof.

SUMMARY OF FUNDS

	Brought forward £	Incoming resources £	Resources expended £	Transfers in/out £	Other	Carried forward £
Designated funds	2,696,769	8,000	(122,127)	52	-	2,582,694
General funds	301,379	946,499	(1,031,475)	(52)		216,351
	2,998,148	954,499	(1,153,602)	-	-	2,799,045
Restricted funds	102,820	262,871	(292,199)			73,492
	3,100,968	1,217,370	(1,445,801)	-	-	2,872,537

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	*Restricted funds 2021* £	*Unrestricted funds 2021* £	*Total funds 2021* £
Tangible fixed assets	-	206,202	206,202	-	*317,552*	*317,552*
Heritage assets	-	1,606,922	1,606,922	-	*1,609,326*	*1,609,326*
Investment properties	-	275,000	275,000	-	*275,000*	*275,000*
Current assets	73,492	812,200	885,692	*102,820*	*869,800*	*972,620*
Creditors due within one year	-	(101,279)	(101,279)	-	*(73,530)*	*(73,530)*
	73,492	2,799,045	2,872,537	*102,820*	*2,998,148*	*3,100,968*

21. SUBSIDIARY UNDERTAKINGS

Company name	Country	Control	Description
Hexham Abbey Trading Ltd	England & Wales	100%	Company limited by shares, of which the PCC of Hexham Abbey is the sole shareholder, with a £40,693 ordinary shareholding. Company number 07719334.

Hexham Abbey Trading Ltd is a separate non-charitable company which undertakes the day-to-day delivery of services in the buildings, including the operation of the café and the letting of rooms in the buildings. It also manages the Abbey Shop in its existing premises alongside the Abbey. It operates on a commercial basis but may make qualifying charitable donations to the PCC equivalent to its entire profit, thus reducing its corporation tax liability to nil. In 2022 it made a qualifying charitable donation to Hexham Abbey PCC of £64,437 of which all was outstanding at the end of the year.

The results and balance sheets of the subsidiary are summarised below:

Summary of income and expenditure

	Hexham Abbey Trading Limited	
	2022	*2021*
	£	*£*
Total income for the year	597,246	*532,240*
Total expenditure in the year	(521,498)	*(394,099)*
Total	75,748	*138,141*

Balance sheet summary

	Hexham Abbey Trading	
	2022	*2021*
	£	*£*
Fixed assets	-	*2,067*
Heritage assets	-	-
Investments	-	-
Current assets	159,753	*270,426*
Current liabilities	-	*(229,365)*
Total	159,753	*43,128*

22. RELATED PARTY TRANSACTIONS

Donations from members of £9,641.50 were received during the year. There are no further related party transactions during the year.

23. Capital commitments

At the balance sheet date the PCC had no capital commitments.

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

	2022	2021
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(228,431)	19,017
Depreciation charges	124,070	127,183
Dividends, interest and rents from investments	(15,372)	(12,723)
(Increase)/decrease in stocks	(2,527)	7,210
(Increase)/decrease in debtors	(9,467)	72,611
Increase/(decrease) in creditors	27,749	(79,466)
Net cash provided by (used in) operating activities	(103,978)	133,832

25. Analysis of cash and cash equivalents

	2022	2021
Cash at bank and in hand	795,184	894,106

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF HEXHAM ABBEY

England & Wales - Charity number 1132444

Accounts

Charity Number: 1132444

HEXHAM ABBEY
HERITAGE • WORSHIP • COMMUNITY

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF HEXHAM ABBEY

REPORT OF THE MEMBERS OF THE PCC AND

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

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The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

1. Reference and Administrative Details of the Charity, its Members and Advisors

PCC Membership

Incumbent:

The Rev'd David Glover

Assistant Curates:
The Rev'd Elaine Ryder (from 12th April 2021)
The Rev'd Henry Hope (from 3rd July 2021)

PCC Lay Chair:
Mrs Helen Milner MBE

Churchwardens
Mr Richard Snow (until APCM 2021)
Mrs Rachael Haywood Smith (re-elected APCM 2021)
Mrs Jane Pikett (re-elected at APCM 2021)
Mrs Helen Milner MBE (re-elected APCM 2021)
Mr Richard Thornton (re-elected APCM 2021)
Mr Malcolm Thompson (elected APCM 2021)

Representatives on Hexham Deanery Synod (serving a three-year term, 2020-2023)
Mrs June Olliver (re-elected APCM 2020)
Ms Carol Wilson (re-elected APCM 2020)
Mr John Mitchell (elected APCM 2020)
Mrs Linda Rowell (elected APCM 2021)

Elected Members:
Mrs Jill Hughes (until APCM 2021)
Mr Tony May (re-elected APCM 2021)
Ms Lynne Thomson (re-elected APCM 2021)
Mr Malcolm Thompson (until APCM 2021 when he became Churchwarden)
Mr Peter Cockerill – Hon Treasurer (until APCM 2021)
Mr William Tyson (re-elected at APCM 2020)
Mrs Frances Stride - PCC Secretary (elected at APCM 2020)
Mrs Fiona Finnon (elected at APCM 2020)
Mrs Vivien Drydon (elected at APCM 2021)
Mrs Caroline Jackson (co-opted at APCM 2021)

Charity registered number
1132444

1. Reference and Administrative Details of the Charity, its Members and Advisors (contd)

Principal Office

Hexham Abbey Parish Centre
Beaumont Street
Hexham
Northumberland
NE46 3NB

Independent Auditor

Dodd & Co Limited
FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

Bankers

Barclays Bank plc
Priestpopple
Hexham
Northumberland
NE46 1PE

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
WEST MALLING
Kent
ME19 4JQ

Incumbent

The Revd David Glover

2. Report to the PCC Members for the Year Ended 31 December 2021

The Parochial Church Council (the PCC) submits its annual report and the audited financial statements of the Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey (the charity) for the year ended 31 December 2021. The PCC confirms that the annual report and financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 published on 16 July 2014.

The financial statements of Hexham Abbey Trading Ltd, as a subsidiary undertaking, are consolidated into the PCC's accounts in accordance with the provisions of the SORP.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution
The PCC is a corporate body established by the Church of England. The PCC operates under the Parochial Church Councils (Powers) Measure 1956 as amended. Having annual gross income of over £100,000, the PCC is, as required, registered with the Charity Commission.

The principal object of the charity is the promotion of the gospel of Jesus Christ according to the doctrines and practices of the Church of England and through service to the wider community.

Method of appointment or election of members
The appointment of PCC members is governed and set out in the Church Representation Rules. The PCC comprises 17 members (3 clergy, 5 Churchwardens, 4 Deanery Synod Representatives, 6 elected members and 1 co-opted member).

Policies adopted for the induction and training of members
New PCC members are given a copy of the PCC's policies, told about diocesan training events, and are supported in their understanding of the work of the PCC by the Rector and Lay Chair. Every new PCC member undergoes a DBS check and Safeguarding training.

Organisational structure and decision making
The PCC has an agreed governance policy detailing where decisions can be made by sub-committees, Standing Committee, PCC or the Rector. The day to day management of the Abbey is delegated to the Standing Committee.

Sub-committees work under the vision and mission of the Abbey and the overall direction of the Rector, Churchwardens and PCC. They undertake areas of work on the PCC's behalf and report back to the PCC to whom they are responsible. The chair and members of each sub-committee are appointed by the PCC. The sub-committees can co-opt additional members for specific tasks during the course of the year. Each sub-committee has at least one member of the PCC

In 2021, in addition to the Standing Committee, the PCC had the following 2 sub-committees: Property Committee and Safeguarding Committee. In addition, the PCC had the following working groups: Music in the Abbey, Christmas Fair Group and Conservation Advisory Group.

The PCC is the sole shareholder of Hexham Abbey Trading Ltd (HATL), a company which is responsible for the operation of the refectory cafe and the letting of rooms in the Priory Buildings, as well as the Abbey Shop, which it manages in its existing premises alongside the Abbey. It operates on a commercial basis and makes qualifying charitable donations to the PCC equivalent to its entire net profit, thus reducing its corporation tax liability to nil.

2. Report to the PCC Members for the Year Ended 31 December 2021 (contd)

Risk management
An analysis of existing controls to minimise the major risks to which the PCC is exposed has been undertaken and controls are reviewed on a regular basis.

OBJECTIVES AND ACTIVITIES

Policies and objectives
The PCC works with the incumbent, the Rev'd David Glover in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical.

It is committed to enabling as many people as possible to worship at Hexham Abbey and to become part of the church community. During the Covid-19 pandemic it was committed to ensuring the provision of on-line worship when in person worship was not possible. The PCC has contact, through its database, with many more individuals who see themselves as connected with the life of the Abbey and it keeps in regular contact with them. The PCC maintains an overview of worship at the Abbey and makes suggestions about how services and outreach serve the needs of people who live in the parish and the wider area.

When planning its activities for the year, the PCC has considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. In particular, it tries to enable ordinary people to live out their faith as part of the Abbey's parish community through its Vision: of a world where God's love is enjoyed, celebrated and shared. And its Mission Action Plan which states that, inspired by Andrew, Wifrid and Etheldreda, we seek to grow in breadth and numbers, in faith and learning, in prayer and generosity.

To facilitate this work, the PCC maintains the fabric of the Abbey, the Parish Centre and the Priory Buildings (Carnaby Building and former Magistrates' Court Building) and adjoining land. It also employs a number of staff and enjoys the service of over one hundred and fifty volunteers.

Going concern
After making appropriate enquiries, the PCC forecasts and projections for the next twelve months show that the charity expects to continue in operational existence for that period

Grant making policies
Helping those in need is a demonstration of the Christian faith. The PCC has a policy for choosing the charities it supports, to which it gives 5% of the income it receives from planned giving.

2. Report to the PCC Members for the Year Ended 31 December 2021 (contd)

Safeguarding
On behalf of the PCC, the Safeguarding Committee keeps constantly abreast of developments in Church of England and Diocesan safeguarding policies and practices and implements them accordingly.

ACHIEVEMENTS AND PERFORMANCE
Statistics 2021 (2020)

- 247 (247) people on the Church Electoral Roll
- 150 (0) communicants on Easter Eve and Easter Day
- 279 (0) total attending services on Easter Eve and Easter Day
- 967 (746) at special Advent services for congregation and local community
- 145 (0) at special Advent services for schools or civic organisations
- 221 (183) communicants on Christmas Eve and Christmas Day
- 519 (381) total attending services on Christmas Eve and Christmas Day
- 11 (4) baptisms conducted
- 7 (1) couples married in church
- 59 (32) funerals were conducted, of which 34 (16) were held in the Abbey
- 0 (0) adults and 0 (0) young persons were confirmed

All numbers (except the Electoral Roll) have continued to be affected by Covid-19, which caused very significant disruption to Church life especially form 1 January 2021 to Palm Sunday 2021 when the church was closed for worship.

In October the average attendance in church, each week, for all regular services was 191 adults and 44 children In addition to this approximately 30 people joined in October on-line services

During lockdown (January 1st - Palm Sunday 2021) when the Abbey closed for worship approximately 130 people joined in Zoom worship each Sunday and about 38 people participating each Wednesday. About 60 people joined the on-line Lent Course during the 5 weeks of Lent.

Review of activities
Due to the Covid-19 pandemic the Abbey's activities continued to be disrupted during 2021. However, an ever increasing number of activities and events began to return although there was some further disruption to activities with the onset of the Omicron variant from mid November until the end of the year.
Hexham Abbey's mission is promoted through the work of the PCC and its sub-committees, the ongoing life of the Church, and with the support of the Abbey's staff team. There are also many people who volunteer to undertake many different and varied tasks to support the life, mission and ministry of the Abbey, for which the PCC is very grateful.

Music
Under the leadership of Michael Haynes, Director of Music, music has continued to flourish in the Abbey despite Covid-19 restrictions. Live Choral music was not permitted until Palm Sunday 2021 but the choirs were able to rehearse on-line and produced online recordings for the benefit of Zoom services. From Easter 2021 the full choral programme began to return, with some adjustments to ensure COVID security. The choirs have undergone some restructuring and music remains a very strong and vital part of Abbey life. As well as its huge contribution to Sunday morning and evening worship the Choir has returned to singing Evensong twice weekly in term-time and has contributed to a number of other significant events including 4 Christmas Carol Services. The Verger, Louise Weaver, and the curate, The Rev'd Henry Hope now offer logistical and social support to enhance the welfare and overall experience of the children in the choir. The PCC continues to see the supporting of music as a top priority.

Young People
Due to Covid-19 almost all of our children and young people's work had to be suspended for the first 4 months of 2021. However, following the gradual easing of restrictions, Abbey Tots Praise, Messy Church and a new Sunday Morning Cloister Club began to run successfully. All are lead and supported by an excellent team of volunteers with further support from the clergy. The PCC recognises this work as crucial to the mission of the Abbey and is committed to seeing it flourish. As mentioned earlier, support of the children and young people in the choir, and the development of choir social activities, has been enhanced by the PCC agreeing to increase Louise Weaver's (Verger) hours to support the choir.

2. Report to the PCC Members for the Year Ended 31 December 2021 (contd)

There have been some excellent children's holiday activities organised by Cath Newson who, alongside her work as Fundraiser, is now also the Abbey's Community Engagement Manager. This includes working with schools and developing and delivering the Abbey's offer for educational visits.

Due to the Covid restrictions no school visits to the Abbey were possible in 2021 and Clergy were unable to conduct live assemblies, with one exception. However, good links were re-stablished with the Sele School, Hexham First School and Hexham Middle School and the Rector delivered an on-line Christmas assembly to the Middle School. The Abbey was able to offer two Christmas Eve services for children, support Churches Together in Hexham's Nativity Trail and supported, both financially and practically, the Hexham Holiday club.

Pastoral Work
The usual pastoral support of clergy, lay ministers and Pastoral Visitors continued to be hugely affected by Covid-19 with visits not being possible to nursing homes or, in general, hospitals. An increased number of visits were possible to private homes and both the Pastoral Visiting Group and the Home Communion team were re-constituted and began to operate again. The Abbey also established a new Bereavement Team which supports a regular Memorial Service and organises a Bereavement Coffee Morning in the week following the service. The weekly Pew Sheet continues to offer excellent communication to members of the congregation and others.

Local Community Outreach
We continue to nurture supportive relationships with West Northumberland Food Bank, Northumberland Domestic Abuse Service, the Hexahm Community Partnership, and other projects within the Hexham area. The PCC has been keen to forge closer relationships with the Town Council and to engage fully in shared initiatives which benefit the wider community.
The Abbey held a magnificent "On Angels' Wings" exhibition which drew huge numbers from the local community and the wider region and helped people to reflect on the Pandemic. All donations received were given to The North East Air Ambulance Service (50%) and Tynedale Hospice at Home (50%). Throughout the pandemic the PCC was keen for the Abbey to be as accessible to the community as possible. In April and May 2021 the Abbey permitted a local hotel to offer hospitality on the Cloister lawn and also supported a very successful Hexham Book Festival and a scaled down version of the Hexham Abbey Music Festival. The Abbey held 2 very effective Christmas Fairs and organised Covid safe Carol services to meet wide community need.

The Abbey continues to allocate 5% of its Planned Giving to charities. In addition to supporting the Hexham Holiday Club, the bulk of the remainder went to the following charities:

20% NDAS; 20% WERS; 20% West Northumberland Foodbank; 20% DEC Appeal for Afghanistan; 20% SEDCU.

Major Grants
In 2020 the PCC was successful in applying for a grant from the Cultural Recovery Major Works Fund for £364,389 to renew a large part of the Abbey Roof and the work on site began in the autumn 2020 and was completed in Spring 2021. The PCC was hugely grateful to the Hexham Abbey Restoration Trust which funded the remainder of the project (£187,500).

The PCC continues to grateful to the Mercers Company both for financially supporting a Fundraising Manager, to shape a fundraising strategy and to raise money for major works identified by the Quinquennial Report, and for its regular grant which covers most of the cost of insuring the Abbey each year.

Other Staff News
We welcomed the Rev'd David Glover as our new Rector in May 2020, during the Abbey's first Institution Service via Zoom. David joined the service from the Abbey but everyone else was on line.

Auction Winstanley retired as Verger in the summer and Zoe Robinson was made redundant but

2. Report to the PCC Members for the Year Ended 31 December 2021 (contd)

The Abbey was successful in applying for a grant of £291,900 from the Cultural Recovery Fund to support the reopening and recovery of our whole site during 2021. This included a £128,000 contribution to our reserves and £163,900 towards our core costs during the recovery period.
A number of other smaller grants were received in support of Abbey activities, including music.
The PCC continues to be grateful to the Mercers Company both for financially supporting a Fundraising Manager, to shape a fundraising strategy and to raise money for major works identified by the Quinquennial Report, and for its regular grant which covers most of the cost of insuring the Abbey each year.

Other developments

In April 2021 the Abbey welcomed the Rev'd Elaine Ryder, a House for Duty Curate, who joined the Abbey in order to complete her training. In July 2021 the Abbey welcomed the Rev'd Henry Hope as a new Assistant Curate. The Rev'd Hope is living in the Parish owned house in Robson Drive, with rent being paid to the parish by the Diocese of Newcastle.
The Abbey has taken very seriously a commitment to addressing the climate change crisis and is seeking to adhere to the Church of England's policies on net zero targets.

FINANCIAL REVIEW

The accounts for the year ended 31 December 2021 have been prepared in accordance with the accounting policies set out in note 1.1 to the accounts and comply with the Charities Act 2011, Financial Reporting Standard (FRS) 102 and the Charity Commission's Statement of Recommended Practice (SORP) applicable to charities.

Main Sources of Funds

The PCC relies heavily on support, gifts and donations received from its congregation, benefactors, visitors and fundraising events for which it is deeply grateful. This year the PCC has also benefited from significant grants from the Cultural Recovery Fund to support core costs (£291,900), the Coronavirus Job Retention Scheme grants (£55,512), business grants of £80,357 received in relation to Covid-19 and grants to support specific key projects.

Performance for the year

The PCC's consolidated accounts incorporating the accounts of Hexham Abbey Trading Limited show a surplus for the year of £19,017, the main components for which was operational expenditure of £1,493,107 (£1,365,924 plus £127,183 depreciation charge) offset by grants, donations and other income of £1,512,124.
The PCC's consolidated designated funds stand at £2,696,769 which includes £2,201,878 in fixed assets. At the end of the year the PCC's general unrestricted fund stood at £301,379 and the free reserves stand at £796,270 at the year end, including designated funds.

Reserves and Investment Policies

The PCC does not intend to build up large reserves. However, it faces particular uncertainties at present, so to minimise the risk of being unable to meet all its financial obligations as they fall due, including full payment of the diocesan parish share, it aims to hold sufficient liquid general fund resources to meet one year's operating costs. Cash required for immediate use is held in current accounts with a main clearing bank. Cash not required for immediate use is held in interest-bearing accounts with either a main clearing bank or an equivalent institution. The PCC has taken action to reduce its exposure to risk so that, as far as possible, deposits are guaranteed under the Financial Services Compensation Scheme.

The PCC's ethical investment policy guides all investment decisions.

2. Report to the PCC Members for the Year Ended 31 December 2021 (contd)

STATEMENT OF PCC's RESPONSIBILTIES

The Members of the PCC are responsible for preparing the Members' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in operation.

The Members are responsible for keeping proper accounting records that are sufficient to show and explain the charity and the group's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Church Representation Rules as amended. The Members are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The PCC is responsible for the maintenance and integrity of the financial information included on the group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report was approved by the PCC on 24th April 2022 and signed on their behalf by:



The Rev'd David Glover
Chaplain to the Queen
Rector of Hexham Abbey

Independent Auditor's Report to the Members of the Ecclesiastical Parish of Hexham Abbey for the year ended 31 December 2021

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 December 2021 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note [1] to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

Independent Auditor's Report to the Members of the Ecclesiastical Parish of Hexham Abbey for the year ended 31 December 2021

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

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

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

Our responsibilities for the audit of the financial statements

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

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.
In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the charity's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities.
- any matters we identified having obtained and reviewed the charity's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected

Independent Auditor's Report to the Members of the Ecclesiastical Parish of Hexham Abbey for the year ended 31 December 2021

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud to be in relation to management override which, in common with all audits under ISAs (UK), we are required to perform specific procedures to respond to this risk.

We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Charities Act and pensions legislation.
In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty. The key laws and regulations we considered in this context related to the Health and Safety Act.

As a result of performing the above, in response to the risks identified, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations.
In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

Use of this report
This report is made solely to the Charity's trustees, as a body, in accordance with section 151 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's trustees as a body, for our audit work, for this report, or the opinions we have formed.

Dodd & Co Ltd

Dodd & Co Limited, Statutory Auditors
FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW
Date: 20 May 2022

Dodd & Co Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

Consolidated Statement of Financial Activities (incorporating income and expenditure account) for the Year Ended 31 December 2021

	Note	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Income from:					
Donations and Legacies	2	392,592	662,643	1,055,235	*771,810*
Trading Activities	3	1,885	430,054	431,939	*219,697*
Investments	4	-	12,723	12,723	*15,379*
Charitable activities	5	-	7,075	7,075	*2,797*
Other Income	6	1,478	3,674	5,152	*3,445*
Total		395,955	1,116,169	1,512,124	*1,013,128*
Expenditure on:					
Raising funds	3	725	389,511	390,236	*330,300*
Charitable activities	7	489,570	609,817	1,099,387	*765,962*
Other Expenditure	11	3,266	218	3,484	*5,042*
		493,561	999,546	1,493,107	*1,101,304*
Net income/(expenditure)		(97,606)	116,623	19,017	*(88,176)*
Transfers between funds		7	(7)	-	-
Net movement in funds		(97,599)	116,616	19,017	(88,176)
Reconciliation of funds:					
Total funds brought forward		200,419	2,881,532	3,081,951	*3,170,127*
Total funds carried forward		102,820	2,998,148	3,100,968	*3,081,951*

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

PCC Only Statement of Financial Activities (incorporating income and expenditure account) for the Year Ended 31 December 2021

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Income from:				
Donations and Legacies	392,592	680,099	1,072,691	*652,470*
Trading Activities	1,885	24,388	26,273	*16,840*
Investments	-	12,723	12,723	*15,379*
Charitable activities	-	7,075	7,075	*2,797*
Other Income	1,478	3,674	5,152	*3,445*
Total	395,955	727,959	1,123,914	*690,931*
Expenditure on:				
Raising funds	725	2,187	2,912	*7,678*
Charitable activities	489,570	606,549	1,096,119	*762,122*
Other Expenditure	3,266	218	3,484	*5,042*
	493,561	608,954	1,102,515	*774,842*
Net income/(expenditure)	(97,606)	119,005	21,399	(83,911)
Extraordinary items	-	-	-	-
Transfers between funds			-	-
Net movement in funds	(97,606)	119,005	21,399	(83,911)
Reconciliation of funds:				
Total funds brought forward	200,426	2,876,445	3,076,871	*3,160,782*
Total funds carried forward	102,820	2,995,450	3,098,270	*3,076,871*

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

Consolidated Balance Sheet
for the Year Ended 31 December 2021

	Note	£	2021 £	£	*2020* *£*
NON-CURRENT ASSETS					
Tangible assets	13		317,552		*415,358*
Heritage assets	14		1,609,326		*1,611,445*
Investments	16		275,000		*275,000*
			2,201,878		*2,301,803*
CURRENT ASSETS					
Stocks		27,890		*35,101*	
Debtors	17	50,624		*123,235*	
Cash at bank and in hand		894,106		*774,808*	
		972,620		*933,144*	
CREDITORS: amounts falling due within one year	18	(73,530)		*(152,996)*	
NET CURRENT ASSETS			899,090		*780,148*
TOTAL ASSETS LESS CURRENT LIABILITIES			3,100,968		*3,081,951*
NET ASSETS			3,100,968		*3,081,951*
CHARITY FUNDS					
Restricted funds	19		102,820		*200,419*
Unrestricted funds	19		2,998,148		*2,881,532*
TOTAL FUNDS			3,100,968		*3,081,951*

The financial statements were approved by the Members on 24 April 2022 and signed on their behalf, by:

The Rev'd David Glover

The notes on pages 17 to 37 form part of these financial statements

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

PCC Only Balance Sheet
for the Year Ended 31 December 2021

	Note	£	2021 £	£	*2020* £
NON-CURRENT ASSETS					
Tangible assets	13		315,485		*410,541*
Heritage assets	14		1,609,326		*1,611,445*
Investments	15		40,693		*40,693*
Investment property	16		275,000		275,000
			2,240,504		*2,337,679*
CURRENT ASSETS					
Debtors	17	247,099		*197,267*	
Cash at bank and in hand		756,378		*682,750*	
		1,003,477		*880,017*	
CREDITORS: amounts falling due within one year	18	*(145,711)*		*(140,825)*	
NET CURRENT ASSETS			857,766		*739,192*
NET ASSETS			3,098,270		*3,076,871*
CHARITY FUNDS					
Restricted funds	19		102,820		*200,426*
Unrestricted funds			2,995,450		*2,876,445*
TOTAL FUNDS			3,098,270		*3,076,871*

The financial statements were approved by the Members on 24 April 2022 and signed on their behalf, by:

The Rev'd David Glover

The notes on pages 17 to 37 form part of these financial statements

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

Group Cash Flow Statement
for the Year Ended 31 December 2021

	Note	2021 £	2020 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	25	133,832	9,153
Cash flows from investing activities:			
Dividends, interest and rents from investments		12,723	15,379
Purchase of property, plant and equipment		(29,376)	(1,063)
Purchase of heritage assets		2,119	2,565
Net cash provided by (used in) investing activities		(14,534)	16,881
Change in cash and cash equivalents in the reporting period		119,298	26,034
Cash and cash equivalents at the beginning of the reporting period		774,808	748,774
Cash and cash equivalents at the end of the reporting period	26	**894,106**	**774,808**

Analysis of changes in net debt:

	1 January 2021	Cash-flows	New finance leases	Other non-cash changes	31 December 2021
Cash	774,808	119,298	-	-	894,106
Finance lease obligations	(1,508)	1,508	-	-	-
Total	773,300	120,806	-	-	894,106

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the PCC and its subsidiary undertakings.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

1.2 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Members in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Members for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.3 INCOME

All income is included in the Statement of Financial Activities when the charity has entitlement to the funds, probability of receipt and the amount can be measured with sufficient reliability.

For legacies, entitlement is when the legacy has been received or, if earlier, there is sufficient evidence that, in line with the SORP, it is probable that the legacy will be received and the value of the income can be measured with sufficient reliability.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Funds raised by events are accounted for gross of expenditure. Rental income from letting of church premises is accounted for on a receivable basis. Parochial fees due to the PCC for weddings, funerals etc. are accounted for on an event basis. Collections are recognised when made.

Grants are included as income when the income is received with the exception of grants to fund specific items of expenditure, where income is recognised in the period corresponding to the expenditure. Grants from the Heritage Lottery Fund are included as income when the conditions of probability, entitlement and measurability are met.

1. ACCOUNTING POLICIES

1.4 EXPENDITURE

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All resources expended are inclusive of irrecoverable VAT.

The Diocesan parish share is accounted for when payable and any quota unpaid at the year end is shown as a creditor in the balance sheet.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

Terminations and redundancy payments have been accounted for on a payable basis.

1.5 GOING CONCERN

The Charity has considered whether the use of going concern basis is appropriate. To do this, they have considered whether there are any material uncertainties as to the Charity's ability to continue as a going concern.

Following the COVID-19 outbreak, the trustees have prepared detailed budgets to take into account the uncertainties surrounding the pandemic and its effect on their ability to operate. As a result of this review, the trustees remain confident that there are sufficient financial resources available to see the Charity through until normal operations resume and are satisfied that there are no material uncertainties about the Charity's ability to continue as a going concern.

1.6 INVESTMENTS

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Dividends and interest are accounted for when due. Tax recoverable on such income is accrued for on the same basis.

1.7 STOCK

Stock is valued at the lower of cost and net realisable value.

1.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £2,500 are capitalised by the PCC. All assets costing more than £1,000 are capitalised by Hexham Abbey Trading Ltd.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property (other than heritage assets)	Not depreciated
Fixed equipment	10% straight line
Loose furniture and fittings	16.67% and 33.33% straight line
Office equipment	25% straight line
Other tangible fixed assets	2% straight line

Heritage Assets are not subject to depreciation but are subject to annual impairment review.

Consecrated and benefice properties are excluded from the financial statements in accordance with section 10 of the Charities Act 2011.

Moveable church furnishings held by the Churchwardens on special trust for the PCC and which require a faculty for disposal are treated as inalienable property. Prior to 2008, all expenditure incurred on consecrated or beneficial buildings and movable church furnishings, whether maintenance or improvement, was written off. The SORP requires all improvement costs to be capitalised. No attempt has been made in these accounts to capitalise costs incurred in previous years. This departure from the SORP is considered justifiable on the basis that the depreciated value of these costs is unlikely to be material in the context of the accounts.

No attempt has been made to value artefacts and other historic objects held by the PCC for a considerable number of years and for which information relating to their original costs is not available.

1.9 INVESTMENT PROPERTIES

Investment properties are included in the accounts at fair value. No depreciation is charged on investment properties in line with FRS 102.

1.10 BASIS OF CONSOLIDATION

The financial statements consolidate the accounts of the PCC and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

1.11 OPERATING LEASES

Leases in which substantially all the risks and rewards are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

2. DONATIONS AND LEGACIES	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Planned giving and income under gift aid	-	95,457	95,457	*99,011*
Service collections	-	7,390	7,390	*2,838*
Visitors' donations	-	48,849	48,849	*27,123*
Gift Aid reclaimed	37	24,630	24,667	*37,950*
The Mercers' Company	-	8,000	8,000	*8,000*
The Mercers' Charitable Foundation	15,000	-	15,000	*15,000*
Votive candles	-	7,255	7,255	*4,111*
Other donations	3,255	17,902	21,157	*98,413*
Listed place of Worship grant	-	80,591	80,591	*34,772*
Coronavirus Job Retention Scheme	-	55,512	55,512	*133,529*
Legacies	4,000	1,000	5,000	*300*
Grants receivable	370,300	316,057	686,357	*310,763*
	392,592	662,643	1,055,235	771,810

Of the £771,810 received in 2020, £303,716 related to PCC restricted funds and £468,094 related to unrestricted funds.

In addition to the income recorded above, donations of £3,002 (2020 - £735) were received from members of the public attending funerals and other services and paid over to various charities as agreed and announced at the services.

3. TRADING ACTIVITIES

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Trading income				
Income from café, gift shop and lettings	-	406,066	406,066	*203,629*
Car park receipts	-	10,335	10,335	*8,914*
Music in the Abbey	-	400	400	*732*
Tour fees	-	2,163	2,163	*292*
Other fundraising events	1,885	11,090	12,975	*6,130*
	1,885	430,054	431,939	*219,697*

Of the £219,697 received in 2020, all related to unrestricted funds.

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Trading expenses				
Staff costs	-	214,778	214,778	*217,010*
Special fundraising events	725	-	725	*900*
Car park	-	605	605	*3,792*
Costs relating to the café, gift shop and lettings	-	173,386	173,386	*105,842*
Music in the Abbey	-	40	40	*203*
Other fundraising expenses	-	702	702	*2,553*
	725	389,511	390,236	*330,300*

Of the £330,300 paid in 2020, £1,500 related to restricted funds and £328,800 related to unrestricted funds.

Net income from fundraising activities	1,160	40,543	41,703	*(110,603)*

4. INVESTMENT INCOME

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Dividends and interest	-	2,523	2,523	5,179
Rental income	-	10,200	10,200	10,200
	-	12,723	12,723	*15,379*

Of the £15,379 received in 2020, all related to unrestricted funds.

5. INCOME FROM CHARITABLE ACTIVITIES

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Funeral and wedding fees and similar income	-	7,075	7,075	*2,697*
Income from school visits	-	-	-	*100*
	-	7,075	7,075	*2,797*

Of the £2,797 received in 2020, all related to unrestricted funds.

6. OTHER INCOME

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Choir fund	615	-	615	*1,985*
Bellringers	863	-	863	*249*
Other income	-	3,674	3,674	*1,211*
	1,478	3,674	5,152	*3,445*

Of the £3,445 received in 2020, £2,234 related to unrestricted funds and £1,211 related to unrestricted funds.

7. EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct costs 2021 £	Grant funding of activities 2021 £	Support costs 2021 £	Total funds 2021 £	*Total funds 2020 £*
PCC costs	909,137	5,000	179,715	1,093,852	*759,538*
HATL costs	5,167	-	368	5,535	*6,424*
	914,304	5,000	180,083	1,099,387	*765,962*

Of the £765,962 paid in 2020, £266,738 related to restricted funds and £499,224 related to unrestricted funds.

8. DIRECT COSTS

	PCC Costs £	HATL Costs £	Total 2021 £	*Total funds 2020 £*
Diocesan parish share	100,000	-	100,000	*136,801*
Worship, ministry and mission	5,928	-	5,928	*3,070*
Church running and maintenance costs	88,027	-	88,027	*69,858*
Choir and organ expenses	4,190	-	4,190	*2,050*
Major repairs and capital projects	490,049	-	490,049	*191,285*
Staff costs	66,930	-	66,930	*74,514*
Priory building running and maintenance costs	35,117	-	35,117	*26,386*
Prior Leschman garden	2,695	-	2,695	*1,667*
Festival of flame	-	-	-	*2,572*
Depreciation	116,201	5,167	121,368	*120,272*
	909,137	5,167	914,304	*628,475*

9. GRANT FUNDING OF ACTIVITIES

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Mission and ministry activities	-	4,650	4,650	*5,000*
Outreach activities	-	350	350	-
	-	5,000	5,000	*5,000*

Included within the grants paid were the following grants of £500 or more:

Mission and ministry activities

NDAS (Northumberland Domestic Abuse Services) £930
WERS (West End Refugee Service) £930
West Northumberland food bank £930
NDBF for Botswana appeal £930

10. SUPPORT COSTS

	PCC Costs £	HATL Costs £	Total 2021 £	*Total funds 2020 £*
Premises costs	14,767	-	14,767	*9,326*
Office costs	10,631	-	10,631	*5,229*
Health and safety	1,272	-	1,272	*1,202*
Advertising and publicity	1,986	-	1,986	*1,328*
Staff costs	74,646	-	74,646	*64,910*
Professional fees	52,959	368	53,327	*34,329*
Auditor's remuneration	8,927	-	8,927	*8,868*
Depreciation	5,815	-	5,815	*2,107*
Other	8,712	-	8,712	*5,188*
	179,715	368	180,083	*132,487*

11. OTHER EXPENDITURE

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Bell ringers	514	-	514	*300*
Choir fund	-	-	-	*1,920*
Other expenditure	2,752	-	2,752	*2,822*
Robson Drive capital repairs	-	218	218	*-*
	3,266	218	3,484	*5,042*

Of the £5,042 paid in 2020, all related to restricted funds.

12. STAFF COSTS

Staff costs were as follows:

	2021	*2020*
	£	*£*
Wages and salaries	334,741	*327,975*
National Insurance	13,199	*12,573*
Pension contributions	5,846	*1,657*
Death in service	2,568	*1,300*
	356,354	*343,505*

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

	2021	*2020*
	£	*£*
Employed by PCC	7	*8*
Employed by Hexham Abbey Heritage Trading Limited	24	*25*
	31	*33*

Employed by PCC - Full Time	-
Employed by PCC - Part Time	7
Employed by Hexham Abbey Heritage Trading Limited - Full Time	4
Employed by Hexham Abbey Heritage Trading Limited - Part Time	20
	31

No employee received remuneration amounting to more than £60,000 in either year.

None of the employees were Members of the PCC.

During the year, no PCC member received any remuneration or benefits in kind (2020 - £Nil).

During the year, one PCC member received reimbursement of expenses totalling £2,544 (2020 - £Nil) for travel, telephone and hospitality relating to his work on funerals and visiting mercers.

Key management personnel remuneration amounted to £81,637 in the year (2020 - £73,776).

During the year both Hexham Abbey PCC and Hexham Abbey Trading Limited used the Government's Coronavirus Job Retention scheme which resulted in grants of £55,512 (2020 - £133,529) being received in the year ended 31 December 2021 to cover staff costs.

13. TANGIBLE FIXED ASSETS - Group

	Freehold property £	Fixtures & fittings £	Total £
Group			
Cost			
At 1 January 2021	52,501	751,777	804,278
Additions	-	29,376	29,376
At 31 December 2021	52,501	781,153	833,654
Depreciation			
At 1 January 2021	-	388,919	388,919
Charge for the year	-	127,183	127,183
At 31 December 2021	-	516,102	516,102
Net book value			
At 31 December 2021	52,501	265,051	317,552
At 31 December 2020	*52,501*	*362,857*	*415,358*

13. TANGIBLE FIXED ASSETS (continued) - PCC Only

	Freehold property £	Fixtures & fittings £	Total £
PCC			
Cost			
At 1 January 2021	52,501	733,627	786,128
Additions	-	26,960	26,960
At 31 December 2021	52,501	760,587	813,088
Depreciation			
At 1 January 2021	-	375,587	375,587
Charge for the year	-	122,016	122,016
At 31 December 2021	-	497,603	497,603
Net book value			
At 31 December 2021	52,501	262,984	315,485
At 31 December 2020	*52,501*	*358,040*	*410,541*

The net book value for freehold property is made up of one property:

1. The Parish Centre - A former cottage used as offices and meeting rooms. This property is maintained by the PCC and was brought into the financial statements approximately 15 years ago.

14. HERITAGE ASSETS

	Henry Perlee Parker Painting	Land and Buildings £	Total £
Group			
Market value			
At 1 January 2021	15,000	1,596,445	1,611,445
Additions	-	(2,119)	(2,119)
At 31 December 2021	15,000	1,594,326	1,609,326

	Henry Perlee Parker Painting	Land and Buildings £	Total £
PCC			
Market value			
At 1 January 2021	15,000	1,596,445	1,611,445
Additions	-	(2,119)	(2,119)
At 31 December 2021	15,000	1,594,326	1,609,326

The net book value for land and buildings is made up of the following properties:
The Priory Buildings and adjoining land - Acquired for the Hexham Abbey Project and leased to Hexham Abbey Heritage, until 31 December 2017 when they were transferred to Hexham Abbey PCC. Expenditure on refurbishment of the Priory Buildings, but not expenditure on the exhibition or on furniture or equipment (except where this cannot practicably be separated from expenditure on the buildings), has been treated as relating to a heritage asset, which, having an indefinite life, is not subject to depreciation.

The Henry Perlee Parker Painting - Included at valuation, which was carried out by Anderson and Garland Valuers on 21 June 2004. The Members' consider that the current valuation of the painting will not be substantially different to the valuation carried out in 2004. The painting was reclassified from investments to heritage assets in the prior year, as this is a more accurate reflection of the assets use and purpose.

Details of transactions relating to heritage assets for the past seven years are as follows:

	Additions £
2014	1,447,723
2015-2017	49,985
2018	(2,565)
2019	(2,565)
2020	(2,565)
2021	(2,119)

The PCC also owns The Deposition, a 16th century Flemish oil-on-canvas painting now known to be the centrepiece of a triptych. The painting is not presently kept in the Abbey, as the PCC has loaned the painting to a third party charity for exhibition. The characteristics and provenance of The Deposition mean that the trustees are unable to obtain a reliable estimate of valuation in accordance with FRS102, the range of valuations already having been obtained stretching from £80,000 to £150,000. On this basis, The Deposition has not been included as a heritage asset in the balance sheet.

15. FIXED ASSET INVESTMENTS

	Holding in subsidiary undertaking £
PCC	
Market value	
At 1 January 2021	*40,693*
Additions	-
At 31 December 2021	40,693

All the fixed asset investments are held in the UK.

16. INVESTMENT PROPERTY - Group and PCC Only

	Unrestricted
VALUATION	
At 1 January 2021	275,000
At 31 December 2021	**275,000**

All investment properties are freehold. Investment properties were last valued during the year ended 31 December 2021 based on the trustees estimate of fair value.

17. DEBTORS

	Group		PCC	
	2021	*2020*	**2021**	*2020*
	£	£	£	£
Trade debtors	9,097	*1,623*	1,602	*1,121*
Amounts owed by group undertakings	-	-	204,852	*75,458*
Other debtors	1,096	*106,360*	1,096	*105,436*
Prepayments and accrued income	40,431	*15,252*	39,549	*15,252*
	50,624	*123,235*	247,099	*197,267*

18. CREDITORS

Amounts falling due within one year

	Group		PCC	
	2021	*2020*	**2021**	*2020*
	£	£	£	£
Trade creditors	22,097	*114,864*	13,745	*110,126*
Amounts owed to group undertakings	-	-	96,694	*19,699*
Other taxation and social security	8,816	*10,285*	-	*(3,945)*
Other creditors	-	*1,257*	-	-
Accruals and deferred income	42,617	*26,590*	35,272	*14,945*
	73,530	*152,996*	145,711	*140,825*

19. STATEMENT OF FUNDS

Restricted funds

	Brought forward 2021 £	Income 2021 £	Expenditure 2021 £	Transfers 2021	Carried forward 2021 £
Choir fund	3,808	615	-	-	4,423
Hexham Abbey Guild of Bellringers	3,702	900	(514)	7	4,095
Tyrrell Bequest	64,845	-	(64,845)	-	-
The Mercers' Charitable Foundation	-	15,000	(15,000)	-	-
Chorister Prizes	945	-	-	-	945
Abbey roof	47,204	-	(69)	-	47,135
Medieval Panel Paintings	10,359	-	-	-	10,359
Prior Leschman Garden	2,155	-	(2,155)	-	-
Hexham Abbey Restoration Trust (HART)	26,491	97,500	(123,991)	-	-
Friends of Cathedral Music	4,054	10,000	(10,343)	-	3,711
The Mercers Company FR grant	8,417	30,000	(20,993)	-	17,424
The Ousley Church Music Trust	2,700	-	-	-	2,700
Gillian Dickinson Trust	3,888	-	(1,320)	-	2,568
Rothley Trust Grant	976	-	-	-	976
Historic England Civic 19 Heritage at Risk Response Fund	18,375	6,125	(24,500)	-	-
William Leech	2,500	-	(2,500)	-	-
Culture Recovery Fund for Heritage	-	224,075	(224,075)	-	-
Miscellaneous	-	5,140	(656)	-	4,484
Addison bequest	-	4,000	-	-	4,000
All Churches Trust	-	2,600	(2,600)	-	-
	200,419	395,955	(493,561)	7	102,820

Comparative restricted funds

	Brought forward 2020 £	*Income 2020 £*	*Expenditure 2020 £*	*Transfers 2020*	*Carried forward 2020 £*
Choir fund	3,743	1,985	(1,920)	-	3,808
Hexham Abbey Guild of Bellringers	3,697	305	(300)	-	3,702
Tyrrell Bequest	83,406	-	(10,378)	(8,183)	64,845
The Mercers' Charitable Foundation	-	15,000	(15,000)	-	-
Chorister Prizes	945	-	-	-	945
Abbey roof	41,203	6,001	-	-	47,204
Medieval panel paintings	2,006	8,353	-	-	10,359
Prior Leschman Garden	3,822	-	(1,667)	-	2,155
Hexham Abbey Restoration Trust (HART)	-	101,920	(75,429)	-	26,491
Friends of Cathedral Music grants	4,697	-	(643)	-	4,054
Sequestration fund	1,468	758	(2,226)	-	-
Festival of Flame	-	2,850	(2,850)	-	-
The Mercers Company FR grant	22,528	-	(22,528)	8,417	8,417
The Ousley Church Music Trust	-	2,700	-	-	2,700
Gillian Dickinson Grant	-	3,888	-	-	3,888
Rothley Trust Grant	-	1,000	(24)	-	976
Historic England Civic 19 Heritage at Risk Response Fund	-	18,375	-	-	18,375
Culture Recovery Fund for Heritage	-	140,315	(140,315)	-	-
William Leech	-	2,500	-	-	2,500
	167,515	*305,950*	(273,280)	*234*	*200,419*

PCC Restricted Funds

Choir Fund – Funds raised from the activities of the Hexham Abbey Choir to be applied towards activities and purchases as specified by the Choir, including choir tours.

Hexham Abbey Guild of Bellringers - Funds raised from the activities of the Guild of Bellringers are to be applied towards activities and purchases as specified by the members of the Guild.

Tyrrell Bequest – A bequest from the estate of Mrs Marjorie Tyrrell to be applied "towards such improvement to and restoration of the fabric of Hexham Abbey as the Rector and Churchwardens in their absolute discretion think fit and with the wish that the residuary estate be applied firstly to towards the provision of stained glass in the windows at the south end of the south transept of Hexham Abbey".

The Mercers' Charitable Foundation - Annual contributions towards the cost of insuring the Abbey.

Chorister Prizes – Donation to encourage the work of the choirs; to be organised in prize form divided in two parts separately and equally between boy and girl choristers, at the discretion of the Director of Music over a number of years.

Abbey Roof – Donations and funds raised for the repair of the Abbey roof, in addition to those earmarked or designated from legacies.

Medieval Panel Paintings - Donation received for the upkeep and refurbishment of the medieval panelled paintings within the Abbey and Priory buildings.

Prior Leschman Garden - For redevelopment of the Prior Leschman garden, including a medieval herb garden, to complement the redevelopment of the priory buildings.

Hexham Abbey Restoration Trust (HART) - A charitable trust, which is separate to the charity and its subsidiaries, that awards grants to the Abbey to assist with restorative work, capital expenditure and unforseen repairs.

Friends of Cathedral music - A fund to help the purchase of new robes, new music and singing lessons for the choristers.

The Mercers Company FR grant - A grant to fund the position of a fundraising officer.

The Ousley Church Music Trust - a fund for choral outreach work to schools to encourage choral singing and choir membership.

Gillian Dickinson Trust - a fund for choral outreach work to schools to encourage choral singing and choir membership.

Rothley Trust Grant - a grant toward providing children's guides and information leaflets.

Historic England Covid-19 Heritage at Risk Response Fund - A grant to fund work required to improve the damp conditions of the Crypt.

Culture Recovery Fund for Heritage - A grant to fund significant roof replacement works

William Leech - a fund to support the cost of music staff for the running of the Abbey choirs and to fund the purchase of new music stands

Miscellaneous - a combination of funds to help purchase performance lighting improvements and to go towards the museum of the moon production in 2023.

Addison Bequest - A bequest from the estate of John B Addison to be used for the benefit of the Church Music Fund.

All Churches Trust - A grant awarded under the Hope Beyond programme to provide live streaming equipment.

Notes to the financial statements
for the year ended 31 December 2021

	Brought forward 2021 £	Income 2021 £	Expenditure 2021 £	Transfers in/out 2021 £	Carried forward 2021 £
Designated funds					
Property Maintenance and Conservation	149,509	-	-	-	149,509
Mission and Ministry	10,591	-	-	-	10,591
Outreach Work	8,372	-	-	-	8,372
Music in the Abbey	999	-	(999)	-	-
Norman Hill Bequest (Vestments)	2,824	-	-	-	2,824
Fixed Assets (Freehold Land and Buildings & fixtures & fittings)	682,381	-	(124,492)	29,376	587,265
Fixed Assets (Information Screens)	7,977	-	(2,690)	-	5,287
Fixed Assets (Heritage Assets)	1,611,441	-	-	(2,115)	1,609,326
The Mercers' Company (Other)		8,000	(8,000)	-	-
Abbey Roof replacement Watson bequest	250,000	-	-	-	250,000
Abbey Roof Ann Edwards legacy	14,917	-	-	-	14,917
Prior Leschman Garden (Disposal of Lowgate)	9,218	-	(540)	-	8,678
Nora Horne Roof replacement	50,000	-	-	-	50,000
	2,798,229	8,000	(136,721)	27,261	2,696,769
General fund					
General funds - all funds	83,303	1,108,169	(862,825)	(27,268)	301,379
Total Unrestricted funds	2,881,532	1,116,169	(999,546)	(7)	2,998,148

Comparative funds

	Brought forward 2020 £	*Income 2020 £*	*Expenditure 2020 £*	*Transfers in/out 2020 £*	*Carried forward 2020 £*
Designated funds					
Property Maintenance and Conservation:					
Watson, Edwards & Emerson bequests	13,495	-	-	-	*13,495*
Other	136,014	-	-	-	*136,014*
Mission and Ministry fund	10,591	-	-	-	*10,591*
Outreach work	8,372	-	-	-	*8,372*
Music in the Abbey	1,000	1,796	(1,797)	-	*999*
Norman Hill Bequest (Vestments)	2,824	-	-	-	*2,824*
Fixed Assets (Freehold land and buildings and fixtures and fittings)	802,102	-	(120,784)	1,063	682,381
Fixed Assets (Heritage Assets)	1,614,010	-	-	(2,569)	*1,611,441*
Fixed Assets (Information Screens)	9,572	-	(1,595)	-	*7,977*
The Mercers' Company	-	8,000	(8,000)	-	-
Abbey roof - Margaret Watson bequest	250,000	-	-	-	*250,000*
Abbey roof - Ann Edwards legacy	14,917	-	-	-	*14,917*
Prior Leschman Garden (Disposal of Lowgate)	9,218	-	-	-	*9,218*
Nora Horne Legacy (Abbey Roof replacement)	50,000	-	-	-	*50,000*
	2,922,115	*9,796*	*(132,176)*	*(1,506)*	*2,798,229*
General fund					
General funds - all funds	*80,497*	*697,382*	*(695,848)*	*1,272*	*83,303*
Total Unrestricted funds	*3,002,612*	*707,178*	*(828,024)*	*(234)*	*2,881,532*

DESIGNATED FUNDS

Property Maintenance and Conservation Fund – Mindful of the unique building and its heritage that is Hexham Abbey, a fund designated for maintenance and conservation costs of this very special building, including portions of a number of legacies

Mission and Ministry Fund – A fund designated to ensure money is available when required for identified projects of a religious nature.

Outreach Work – A fund designated to ensure money is available when required for identified projects connected with social welfare for the community and people of Hexham and further afield.

Music in the Abbey – A fund for the running of the Music in the Abbey concert series, to provide a working balance of £1,000.

Norman Hill Bequest – The balance of a legacy from the Reverend Norman Hill for the commissioning of new vestments and altar linen.

Fixed Assets Freehold Land and Buildings and Fixtures and Fittings – Includes The Parish Centre and 29 Robson Drive and fixtures and fittings.

Fixed Assets (Heritage Assets) – The Priory Buildings and adjoining land.

Fixed Assets (Information Screens) - Information screens in the slype and porch entrances to the abbey.

The Mercers' Company - An annual contribution towards the general running costs of the Abbey.

Henry Bell grant – Grants from the Henry Bell Trust designated for the Education and Community Officer's work with visiting schools.

Abbey Roof (Margaret Watson Bequest and Ann Edwards legacy) – The major part of an unrestricted bequest from the estate of Mrs Margaret Watson and part of an unrestricted bequest from the estate of Ann Edwards designated for the repair of the Abbey roof.

Prior Leschman Garden – The net proceeds from the disposal of Lowgate Church, designated as a contribution towards the redevelopment of the Prior Leschman garden as a medieval herb garden to complement the refurbishment of the Priory Buildings.

Nora Horne Legacy (Abbey Roof replacement) - This is a legacy received by Hexham Abbey PCC which has been designated by the trustees for the replacement of the Abbey roof.

SUMMARY OF FUNDS

	Brought forward £	Incoming resources £	Resources expended £	Transfers in/out £	Other	Carried forward £
Designated funds	2,798,229	8,000	(136,721)	27,261	-	2,696,769
General funds	83,303	1,108,169	(862,825)	(27,268)		301,379
	2,881,532	1,116,169	(999,546)	(7)	-	2,998,148
Restricted funds	200,419	395,955	(493,561)	7		102,820
	3,081,951	1,512,124	(1,493,107)	-	-	3,100,968

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	*Restricted funds 2020* £	*Unrestricted funds 2020* £	*Total funds 2020* £
Tangible fixed assets	-	317,552	317,552	-	*415,358*	*415,358*
Heritage assets	-	1,609,326	1,609,326	-	*1,611,445*	*1,611,445*
Investment properties	-	275,000	275,000	-	*275,000*	*275,000*
Current assets	102,820	869,800	972,620	*200,419*	*732,725*	*933,144*
Creditors due within one year	-	(73,530)	(73,530)	-	*(152,996)*	*(152,996)*
	102,820	2,998,148	3,100,968	*200,419*	*2,881,532*	*3,081,951*

21. SUBSIDIARY UNDERTAKINGS

Company name	Country	Control	Description
Hexham Abbey Trading Ltd	England & Wales	100%	Company limited by shares, of which the PCC of Hexham Abbey is the sole shareholder, with a £40,693 ordinary shareholding. Company number 07719334.

Hexham Abbey Trading Ltd is a separate non-charitable company which undertakes the day-to-day delivery of services in the buildings, including the operation of the café and the letting of rooms in the buildings. It also manages the Abbey Shop in its existing premises alongside the Abbey. It operates on a commercial basis but may make qualifying charitable donations to the PCC equivalent to its entire profit, thus reducing its corporation tax liability to nil. In 2021 it made a qualifying charitable donation to Hexham Abbey PCC of £140,523, of which all was outstanding at the end of the year.

The results and balance sheets of the subsidiary are summarised below:

Summary of income and expenditure

	Hexham Abbey Trading Limited	
	2021	*2020*
	£	£
Total income for the year	532,240	*339,035*
Total expenditure in the year	(394,099)	*(330,402)*
Total	138,141	*8,633*

Balance sheet summary

	Hexham Abbey Trading Limited	
	2021	*2020*
	£	*£*
Fixed assets	2,067	*4,818*
Current assets	270,426	*148,020*
Current liabilities	(229,365)	*(107,328)*
Total	43,128	*45,510*

22. RELATED PARTY TRANSACTIONS

Donations from members of £4,713 were received during the year. There are no further related party transactions during the year.

23. Capital commitments

At the balance sheet date the PCC had no capital commitments.

24. COMMITMENTS UNDER OPERATING LEASES

Future minimum lease payments	**2021**	2020
Other		
Not later than one year	-	2,805
Later than one year and not later than five years	-	-
Total	-	2,805

Operating lease payments of £1,508 were recognised as an expense during the year.

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

	2021	2020
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	19,017	(88,176)
Depreciation charges	127,183	122,379
Dividends, interest and rents from investments	(12,723)	(15,379)
(Increase)/decrease in stocks	7,210	3,029
(Increase)/decrease in debtors	72,611	(86,577)
Increase/(decrease) in creditors	(79,466)	73,877
Net cash provided by (used in) operating activities	133,832	9,153

26. Analysis of cash and cash equivalents

	2021	2020
Cash at bank and in hand	894,106	774,808

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF HEXHAM ABBEY

England & Wales - Charity number 1132444

Accounts

Charity Number: 1132444

HEXHAM ABBEY
HERITAGE • WORSHIP • COMMUNITY

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF HEXHAM ABBEY

REPORT OF THE MEMBERS OF THE PCC AND

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

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17. Notes to the Financial Statements

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

1. Reference and Administrative Details of the Charity, its Members and Advisors

PCC Membership

Incumbent:
In Vacancy until 14th May 2020
The Rev'd David Glover (from 14th May 2020)
Honorary Associate Priest:
The Rev'd Claire Robson (until 22nd September 2020)
PCC Lay Chair:
Mrs Helen Milner MBE

Churchwardens
Mr Simon Caudwell (to APCM 2020)
Mrs Rachael Haywood Smith (re-elected APCM 2020)
Mr Richard Snow (re-elected APCM 2020)
Mrs Jane Pikett (re-elected APCM 2020)
Mrs Helen Milner MBE (re-elected APCM 2020)
Mr Richard Thornton (elected APCM 2020)

Representatives on Hexham Deanery Synod (serving a three-year term, 2020-2023)
Mr Hedley Everett (until APCM 2020)
Mr David Ratcliff (until APCM 2020)
Mrs Wendy Nott (until APCM 2020)
Mrs June Olliver (re-elected APCM 2020)
Ms Carol Wilson (re-elected APCM 2020)
Mr John Mitchell (elected APCM 2020)

Elected Members:
Mrs Michelle Mackie (to APCM 2020)
Mrs Jill Hughes (APCM 2018)
Mr Tony May (APCM 2018)
Ms Lynne Thomson (APCM 2018)
Mr Malcolm Thompson (APCM 2019)
Peter Cockerill – Hon Treasurer (re-elected at APCM 2020)
Mr William Tyson (re-elected at APCM 2020)
Mrs Frances Stride - PCC Secretary from 17th November 2020 (elected at APCM 2020)
Mrs Fiona Finnon (elected at APCM 2020)
Mrs Valerie Fawdry (elected at APCM 2020, resigned 17th November 2020)

In Attendance:
Mrs Esther Russell - PCC Secretary (until 14th February 2020)
Mrs Rachel Ogilvie - Finance Officer

Charity registered number
1132444

1. Reference and Administrative Details of the Charity, Its Members and Advisors (contd)

Principal Office

Hexham Abbey Parish Centre
Beaumont Street
Hexham
Northumberland
NE46 3NB

Independent Auditor

Dodd & Co Limited
FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
Carlisle
CA1 2RW

Bankers

Barclays Bank plc
Priestpopple
Hexham
Northumberland
NE46 1PE

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

Incumbent

In Vacancy until 14th May 2020
The Revd David Glover from 14th May 2020

2. Report to the PCC Members for the Year Ended 31 December 2020

The Parochial Church Council (the PCC) submits its annual report and the audited financial statements of the Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey (the charity) for the year ended 31 December 2020. The PCC confirms that the annual report and financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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.

The financial statements of Hexham Abbey Trading Ltd, as a subsidiary undertaking, are consolidated into the PCC's accounts in accordance with the provisions of the SORP.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution
The PCC is a corporate body established by the Church of England. The PCC operates under the Parochial Church Councils (Powers) Measure 1956 as amended. Having annual gross income of over £100,000, the PCC is, as required, registered with the Charity Commission.

The principal object of the charity is the promotion of the gospel of Jesus Christ according to the doctrines and practices of the Church of England and through service to the wider community.

Method of appointment or election of members
The appointment of PCC members is governed and set out in the Church Representation Rules. The PCC comprises 17 members (1 clergy, 5 Churchwardens, 3 Deanery Synod Representatives, 8 elected members).

Policies adopted for the induction and training of members
New PCC members are given a copy of the PCC's policies, told about diocesan training events, and are supported in their understanding of the work of the PCC by the Rector and Lay Chair. Every new PCC member undergoes a DBS check.

Organisational structure and decision making
The PCC has an agreed governance policy detailing where decisions can be made by sub-committees, Standing Committee, PCC or the Rector. The day to day management of the Abbey is delegated to the Standing Committee.

Sub-committees work under the vision and mission of the Abbey and the overall direction of the Rector, Churchwardens and PCC. They undertake areas of work on the PCC's behalf and report back to the PCC to whom they are responsible. The chair and members of each sub-committee are appointed by the PCC. The sub-committees can co-opt additional members for specific tasks during the course of the year. Each sub-committee has at least one member of the PCC.
In 2020, in addition to the Standing Committee, the PCC had the following 4 sub-committees: Property Committee, Safeguarding Committee, Social Committee, and Fundraising Committee. In addition, the PCC had the following working groups: Music in the Abbey, Christmas Fair Group and Conservation Advisory Group.

The PCC is the sole shareholder of Hexham Abbey Trading Ltd (HATL), a company which is responsible for the operation of the refectory cafe and the letting of rooms in the Priory Buildings, as well as the Abbey Shop, which it manages in its existing premises alongside the Abbey. It operates on a commercial basis and makes qualifying charitable donations to the PCC equivalent to its entire taxable profit, thus reducing its corporation tax liabillity to nil.

Risk management
An analysis of existing controls to minimise the major risks to which the PCC is exposed has been undertaken and controls are reviewed on a regular basis.

OBJECTIVES AND ACTIVITIES

Policies and objectives
The PCC works with the incumbent, the Rev'd David Glover in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical.

It is committed to enabling as many people as possible to worship at Hexham Abbey and to become part of the church community. During the Covd-19 pandemic it was committed to ensuring the provision of on-line worship when in person worship was not possible. The PCC has contact, through its database, with many more individuals who see themselves as connected with the life of the Abbey and it keeps in regular contact with them. The PCC maintains an overview of worship at the Abbey and makes suggestions about how services and outreach serve the needs of people who live in the parish and the wider area.

When planning its activities for the year, the PCC has considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. In particular, it tries to enable ordinary people to live out their faith as part of the Abbey's parish community through its Vision: of a world where God's love is enjoyed, celebrated and shared. And its Mission Action Plan which states that, inspired by Andrew, Wilfrid and Etheldreda, we seek to grow in breadth and numbers, in faith and learning, in prayer and generosity.

To facilitate this work, the PCC maintains the fabric of the Abbey, the Parish Centre and the Priory Buildings (Carnaby Building and former Magistrates' Court Building) and adjoining land. It also employs a number of staff and enjoys the service of over one hundred and fifty volunteers.

Going concern
After making appropriate enquiries, the PCC forecasts and projections for the next twelve months show that the charity expects to continue in operational existence for that period, taking into account reasonable possible changes in performance and the potential impact on the charity of possible future scenarios arising from the impact of COVID-19. This also considers the effectiveness of available measures to assist in mitigating the impact, which have included raising funds through a Bounce Back Appeal, a temporary reduction in staff working hours, appropriate use of HM Government's Covid-19 furlough scheme and a reduction in the amount of 'Parish Share' to be contributed to the Diocese in 2021. The charity has a positive cash position and is forecasting for this to continue to be the case. The Trustees remain confident that the uncertainties caused by COVID-19 do not cast significant doubt on the charity's ability to continue as a going concern. Based on the factors set out above the trustees believe that it remains appropriate to prepare the financial statements on a going concern basis. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Grant making policies
Helping those in need is a demonstration of the Christian faith. The PCC has a policy for choosing the charities it supports, to which it gives 5% of the income it receives from planned giving.

2. Report to the PCC Members for the Year Ended 31 December 2020 (contd)

Safeguarding
On behalf of the PCC, the Safeguarding Committee keeps constantly abreast of developments in Church of England and Diocesan safeguarding policies and practices and implements them accordingly.

ACHIEVEMENTS AND PERFORMANCE
Statistics 2020 (2019)
- 247 (247) people on the Church Electoral Roll
- 0 (278) communicants on Easter Eve and Easter Day
- 0 (425) total attending services on Easter Eve and Easter Day
- 746 (1,265) at special Advent services for congregation and local community
- 0 (600) at special Advent services for schools or civic organisations
- 183 (370) communicants on Christmas Eve and Christmas Day
- 381 (1,500) total attending services on Christmas Eve and Christmas Day
- 4 (15) baptisms conducted
- 1 (10) couples married in church
- 32 (53) funerals were conducted, of which 16 (28) were held in the Abbey
- 0 (0) adults and 0 (0) young persons were confirmed

All numbers (except the Electoral Roll) have been hugely affected by Covid-19, which caused very significant disruption to Church life from March 2020 onwards.

In October the average weekly attendance in church for all services was 200 adults and 14 children. In addition to this approximately 40 people joined in October Zoom services.

During lockdown when the Abbey closed for worship approximately 130 people joined in Zoom worship each Sunday and about 50 people participating each Wednesday.

Review of activities
Due to the Covid-19 pandemic the Abbey's activities were severley curtailed in 2020.
Hexham Abbey's mission is promoted through the work of the PCC and its sub-committees, the ongoing life of the Church, and with the support of the Abbey's staff team. There are also many people who volunteer to undertake many different and varied tasks to support the life, mission and ministry of the Abbey, for which the PCC is very grateful.

Music
Under the leadership of Michael Haynes, Director of Music, assisted by Keith Dale, music has continued to flourish in the Abbey despite Covid-19 restrictions. Live Choral music was not permitted from March to the end of August and in November but the choirs were able to rehearse on-line and produced online recordings for the benefit of Zoom services. When choral singing was permitted the choirs adjusted to singing in smaller groups and supported Abbey worship wonderfully. This included supporting two new style Sunday evening services and a big programme of Covid secure Christmas Carol services. The PCC has seen the supporting of music during the pandemic as a top prioroity.

Almost all other muisc events in the Abbey were not possible in 2020 becasue of the Covid-19 pandemic.

2. Report to the PCC Members for the Year Ended 31 December 2020 (contd)

Young People
Due to Covid-19 almost all of our children and young people's work had to be suspended. With no prospect of school visits being possible for the foreseeable future the Abbey's Educational Officer, Zoe Robinson, was, regrettably, made redundant in August. Messy Church and Tots Praise met at the beginning of the year and Tots Praise was able to resume briefly in the Autumn but in a very limited way due to Covid restrictions.

Due to the Covid restrictions no school visits to the Abbey were possible after February 2020 and Clergy were not able to visit in schools. No children's Christmas activities were able to take place in the Abbey although the Abbey did support Churches Together in Hexham's Nativity Trail. The Abbey also supported, both financially and practically, the Hexham Holiday club.

Pastoral Work
The usual pastoral support of clergy, lay ministers and Pastoral Visitors was hugely affected by Covid-19 with visits not being possible to nursing homes or, for the most part, private homes. The Pastoral Visiting Group continued to support people by phone and met as a team a number of times during the year. An enhanced Pew Sheet, telephone support, and then a considerable pattern of online Zoom worship, a weekly "coffee morning", and other online activities enabled people to feel supported and connected.

Local Community Outreach
We continue to nurture supportive relationships with West Northumberland Food Bank, Northumberland Domestic Abuse Service, the Community Partnership, Hexham Youth Initiative and Hexham East Stakeholder Group.

The usual shared activities such as the Christmas Lights' Switch on and the Christmas Markets were not possible in 2020 due to Covid. However the Abbey reached out to the community through Zoom worship, its enhanced pew sheet and ensuring that the Abbey was as available as possible to the community when regulations allowed. The Abbey held restricted but effective Christmas Fairs and organised enough Covid safe Carol services to meet wide community need.

The Abbey continues to allocate 5% of its Planned Giving to charities. In addition to supporting the Hexham Holiday Club, the bulk of the remainder went to the following charities:
20% The Calvert Trust at Kielder; 20% NDAS; 20% WERS; 20% West Northumberland Foodbank
20% Hexham Priory School.

Major Grants
We were successful in applying for a grant from the Cultural Recovery Major Works Fund for £357,000 to renew a large part of the Abbey Roof and the work on site began in the Autumn 2020 and will be completed in Spring 2021. The PCC is hugely grateful to the Hexham Abbey Restoration Trust which is funding the remainder of the project.

The PCC continues to be grateful to the Mercers Company both for financially supporting a Fundraising Manager, to shape a fundraising strategy and to raise money for major works identified by the Quinquennial Report, and for its regular grant which covers most of the cost of insuring the Abbey each year.

Other Staff News
We welcomed the Rev'd David Glover as our new Rector in May 2020, during the Abbey's first Institution Service via Zoom. David joined the service from the Abbey but everyone else was on line. Austion Winstanley retired as Verger in the summer and Zoe Robinson was made redundant but successfully found another position very quickly.

2. Report to the PCC Members for the Year Ended 31 December 2020 (contd)

Plans for 2021
We welcome Henry Hope in the summer as a training Curate.

FINANCIAL REVIEW
The accounts for the year ended 31 December 2020 have been prepared in accordance with the accounting policies set out in note 1.1 to the accounts and comply with the Charities Act 2011, Financial Reporting Standard (FRS) 102 and the Charity Commission's Statement of Recommended Practice (SORP) applicable to charities.

Main Sources of Funds
The PCC relies heavily on support, gifts and donations received from its congregation, benefactors, visitors and fundraising events for which it is deeply grateful. This year we also received an excellent response to our Covid Bounce Back Appeal. The PCC has also benefited from significant grants to support key projects, as well as the Coronavirus Job Retention Scheme grants totalling £133,529 and business grants received in relation to Covid-19.

Performance for the year
The PCC's consolidated accounts incorporating the accounts of Hexham Abbey Trading Limited show a deficit for the year of £88,176, the main components of which was operational expenditure of £1,101,304 (£978,925 plus £122,379 depreciation charge), offset by grants, donations and other income of £1,013,128.

The PCC's consolidated designated funds stand at £2,798,229 which includes £2,301,803 in fixed assets. At the end of the year the PCC's general unrestricted fund stood at £83,303 and free reserves stood at £579,729 at the year end, including designated funds.

Reserves and Investment Policies

The PCC does not intend to build up large reserves. However, it faces particular uncertainties at present, so to minimise the risk of being unable to meet all its financial obligations as they fall due, including full payment of the diocesan parish share, it aims to hold sufficient liquid general fund resources to meet one year's operating costs. Cash required for immediate use is held in current accounts with a main clearing bank. Cash not required for immediate use is held in interest-bearing accounts with either a main clearing bank or an equivalent institution. The PCC has taken action to reduce its exposure to risk so that deposits are guaranteed under the Financial Services Compensation Scheme.

The PCC's ethical investment policy guides all investment decisions.

2. Report to the PCC Members for the Year Ended 31 December 2020 (contd)

STATEMENT OF PCC's RESPONSIBILTIES

The Members of the PCC are responsible for preparing the Members' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in operation.

The Members are responsible for keeping proper accounting records that are sufficient to show and explain the charity and the group's transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Church Representation Rules as amended. The Members are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The PCC is responsible for the maintenance and integrity of the financial information included on the group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report was approved by the Members on 18 April 2021 and signed on their behalf by:



The Rev'd David Glover

Independent Auditor's Report to the Members of the Ecclesiastical Parish of Hexham Abbey

Opinion

We have audited the financial statements of The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey (the "Charity") for the year ended 31 December 2020 which comprise Consolidated Statement of Financial Activities, Charity Statement of Financial Activities, Consolidated Summary Income and Expenditure Account, Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Cash Flow Statement and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 December 2020 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note [1] to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

Independent Auditor's Report to the Members of the Ecclesiastical Parish of Hexham Abbey

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

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

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

Our responsibilities for the audit of the financial statements

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

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.
In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the charity's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities.
- any matters we identified having obtained and reviewed the charity's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or

Independent Auditor's Report to the Members of the Ecclesiastical Parish of Hexham Abbey

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud to be in relation to management override which, in common with all audits under ISAs (UK), we are required to perform specific procedures to respond to this risk.

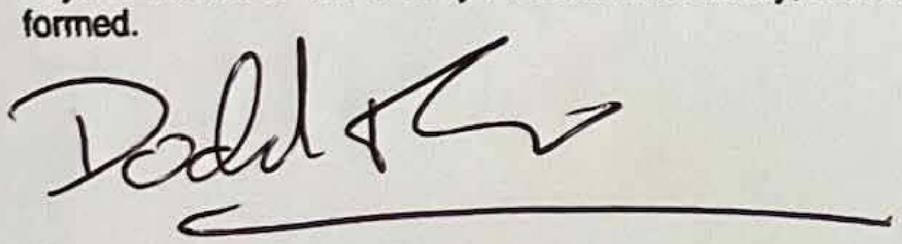
We also obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Charities Act and pensions legislation.
In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty. The key laws and regulations we considered in this context related to the Health and Safety Act.

As a result of performing the above, in response to the risks identified, we did not identify any key audit matters related to the potential risk of fraud or non-compliance with laws and regulations.
In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

Use of this report
This report is made solely to the Charity's trustees, as a body, in accordance with section 151 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's trustees as a body, for our audit work, for this report, or the opinions we have formed.



Dodd & Co Limited, Statutory Auditors
FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW
Date:

Dodd & Co Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

Consolidated Statement of Financial Activities (incorporating income and expenditure account) for the Year Ended 31 December 2020

	Note	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Income from:					
Donations and Legacies	2	303,716	468,094	771,810	*536,732*
Trading Activities	3	-	219,697	219,697	*554,642*
Investments	4	-	15,379	15,379	*11,487*
Charitable activities	5	-	2,797	2,797	*6,655*
Other Income	6	2,234	1,211	3,445	*30,944*
Total		305,950	707,178	1,013,128	*1,140,460*
Expenditure on:					
Raising funds	3	1,500	328,800	330,300	*491,379*
Charitable activities	7	266,738	499,224	765,962	*802,023*
Other Expenditure	11	5,042	-	5,042	*25,853*
		273,280	828,024	1,101,304	*1,319,255*
Other recognised gains/(losses):					
Gains/losses on revaluation of investment assets		-	-	-	(36,072)
Net income/(expenditure)		32,670	(120,846)	(88,176)	*(214,867)*
Transfers between funds		234	(234)	-	-
Net movement in funds		32,904	(121,080)	(88,176)	(214,867)
Reconciliation of funds:					
Total funds brought forward		167,515	3,002,612	3,170,127	*3,384,994*
Total funds carried forward		200,419	2,881,532	3,081,951	*3,170,127*

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

PCC Only Statement of Financial Activities (incorporating income and expenditure account) for the Year Ended 31 December 2020

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Income from:				
Donations and Legacies	303,716	348,754	652,470	*574,249*
Trading Activities	-	16,840	16,840	*31,482*
Investments	-	15,379	15,379	*11,487*
Charitable activities	-	2,797	2,797	*6,655*
Other Income	2,234	1,211	3,445	*30,944*
Total	305,950	384,981	690,931	*654,817*
Expenditure on:				
Raising funds	1,500	6,178	7,678	*14,894*
Charitable activities	266,738	495,384	762,122	*799,681*
Other Expenditure	5,042	-	5,042	*25,852*
	273,280	501,562	774,842	*840,427*
Other recognised gains/(losses):				
Gains/losses on revaluation of investment assets	-	-	-	*- 36,072*
Net income/(expenditure)	32,670	(116,581)	(83,911)	*- 221,682*
Transfers between funds	234	(234)	-	-
Net movement in funds	32,904	(116,815)	(83,911)	*- 221,682*
Reconciliation of funds:				
Total funds brought forward	167,522	2,993,260	3,160,782	*3,382,464*
Total funds carried forward	200,426	2,876,445	3,076,871	*3,160,782*

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

Consolidated Balance Sheet
for the Year Ended 31 December 2020

	Note		2020		*2019*
		£	£	£	£
NON-CURRENT ASSETS					
Tangible assets	13		415,358		*536,674*
Heritage assets	14		1,611,445		*1,614,010*
Investments	16		275,000		*275,000*
			2,301,803		*2,425,684*
CURRENT ASSETS					
Stocks		35,101		*38,130*	
Debtors	17	123,235		*36,658*	
Cash at bank and in hand		774,808		*748,774*	
		933,144		*823,562*	
CREDITORS: amounts falling due within one year	18	(152,996)		*(77,862)*	
NET CURRENT ASSETS			780,148		*745,700*
TOTAL ASSETS LESS CURRENT LIABILITIES			3,081,951		*3,171,384*
CREDITORS: amounts falling due after more than one year	19		-		*(1,257)*
NET ASSETS			3,081,951		*3,170,127*
CHARITY FUNDS					
Restricted funds	20		200,419		*167,515*
Unrestricted funds	20		2,881,532		*3,002,612*
TOTAL FUNDS			3,081,951		*3,170,127*

The financial statements were approved by the Members on 18 April 2021 and signed on their behalf, by:

The Rev'd David Glover

The notes on pages 17 to 37 form part of these financial statements

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

PCC Only Balance Sheet
for the Year Ended 31 December 2020

	Note		2020		*2019*
		£	£	£	£
NON-CURRENT ASSETS					
Tangible assets	13		410,541		*527,596*
Heritage assets	14		1,611,445		*1,614,010*
Investments	15		40,693		*1*
Investment property	16		275,000		275,000
			2,337,679		*2,416,607*
CURRENT ASSETS					
Debtors	17	197,267		*138,873*	
Cash at bank and in hand		682,750		*660,230*	
		880,017		*799,103*	
CREDITORS: amounts falling due within one year	18	*(140,825)*		*(54,928)*	
NET CURRENT ASSETS			739,192		*744,175*
NET ASSETS			3,076,871		*3,160,782*
CHARITY FUNDS					
Restricted funds	20		200,426		*167,522*
Unrestricted funds			2,876,445		*2,993,260*
TOTAL FUNDS			3,076,871		*3,160,782*

The financial statements were approved by the Members on 18 April 2021 and signed on their behalf, by:

The Rev'd David Glover

The notes on pages 17 to 37 form part of these financial statements

The Parochial Church Council of the Ecclesiastical Parish of Hexham Abbey

Group Cash Flow Statement
for the Year Ended 31 December 2020

	Note	2020 £	2019 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	25	9,153	(71,790)
Cash flows from investing activities:			
Dividends, interest and rents from investments		15,379	11,487
Purchase of property, plant and equipment		(1,063)	(11,414)
Purchase of heritage assets		2,565	2,565
Proceeds from sale of investments		-	-
Net cash provided by (used in) investing activities		16,881	2,638
Change in cash and cash equivalents in the reporting period		26,034	(69,152)
Cash and cash equivalents at the beginning of the reporting period		748,774	817,926
Cash and cash equivalents at the end of the reporting period	26	**774,808**	**748,774**

Analysis of changes in net debt:

	1 January 2020	Cash-flows	New finance leases	Other non-cash changes	31 December 2020
Cash	748,774	26,034	-	-	774,808
Finance lease obligations	(3,770)	2,262	-	-	(1,508)
Total	745,004	28,296	-	-	773,300

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the PCC and its subsidiary undertakings.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

1.2 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Members in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Members for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.3 INCOME

All income is included in the Statement of Financial Activities when the charity has entitlement to the funds, probability of receipt and the amount can be measured with sufficient reliability.

For legacies, entitlement is when the legacy has been received or, if earlier, there is sufficient evidence that, in line with the SORP, it is probable that the legacy will be received and the value of the income can be measured with sufficient reliability.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Funds raised by events are accounted for gross of expenditure. Rental income from letting of church premises is accounted for on a receivable basis. Parochial fees due to the PCC for weddings, funerals etc. are accounted for on an event basis. Collections are recognised when made.

Grants are included as income when the income is received with the exception of grants to fund specific items of expenditure, where income is recognised in the period corresponding to the expenditure. Grants from the Heritage Lottery Fund are included as income when the conditions of probability, entitlement and measurability

1. ACCOUNTING POLICIES

1.4 EXPENDITURE

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All resources expended are inclusive of irrecoverable VAT.

The Diocesan parish share is accounted for when payable and any quota unpaid at the year end is shown as a creditor in the balance sheet.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

Terminations and redundancy payments have been accounted for on a payable basis.

1.5 GOING CONCERN

The Charity has considered whether the use of going concern basis is appropriate. To do this, they have considered whether there are any material uncertainties as to the Charity's ability to continue as a going concern.

Following the COVID-19 outbreak, the trustees have prepared detailed budgets to take into account the uncertainties surrounding the pandemic and its effect on their ability to operate. As a result of this review, the trustees remain confident that there are sufficient financial resources available to see the Charity through until normal operations resume and are satisfied that there are no material uncertainties about the Charity's ability to continue as a going concern.

1.6 INVESTMENTS

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Dividends and interest are accounted for when due. Tax recoverable on such income is accrued for on the same basis.

1.7 STOCK

Stock is valued at the lower of cost and net realisable value.

1.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £2,500 are capitalised by the PCC. No capitalisation de minimis has been applied in Hexham Abbey Trading Ltd.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property (other than heritage assets)	Not depreciated
Fixed equipment	10% straight line
Loose furniture and fittings	16.67% and 33.33% straight line
Office equipment	25% straight line
Other tangible fixed assets	2% straight line

Heritage Assets are not subject to depreciation but are subject to annual impairment review.

Consecrated and benefice properties are excluded from the financial statements in accordance with section 10 of the Charities Act 2011.

Moveable church furnishings held by the Churchwardens on special trust for the PCC and which require a faculty for disposal are treated as inalienable property. Prior to 2008, all expenditure incurred on consecrated or beneficial buildings and movable church furnishings, whether maintenance or improvement, was written off. The SORP requires all improvement costs to be capitalised. No attempt has been made in these accounts to capitalise costs incurred in previous years. This departure from the SORP is considered justifiable on the basis that the depreciated value of these costs is unlikely to be material in the context of the accounts.

No attempt has been made to value artefacts and other historic objects held by the PCC for a considerable number of years and for which information relating to their original costs is not available.

1.9 INVESTMENT PROPERTIES

Investment properties are included in the accounts at fair value. No depreciation is charged on investment properties in line with FRS 102.

1.10 BASIS OF CONSOLIDATION

The financial statements consolidate the accounts of the PCC and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

1.11 OPERATING LEASES

Leases in which substantially all the risks and rewards are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

2. DONATIONS AND LEGACIES	**Restricted funds 2020**	**Unrestricted funds 2020**	**Total funds 2020**	*Total funds 2019*
	£	**£**	**£**	*£*
Planned giving and income under gift aid	-	99,011	99,011	*116,803*
Service collections	-	2,838	2,838	*16,432*
Visitors' donations	-	27,123	27,123	*31,125*
Gift Aid reclaimed	57	37,893	37,950	*30,620*
The Mercers' Company	-	8,000	8,000	*8,000*
The Mercers' Charitable Foundation	15,000	-	15,000	*15,000*
Votive candles	-	4,111	4,111	*11,310*
Other donations	15,111	83,302	98,413	*28,182*
Listed place of Worship grant	-	34,772	34,772	*38,479*
Coronavirus Job Retention Scheme	-	133,529	133,529	-
Legacies	-	300	300	-
Grants receivable	273,548	37,215	310,763	*240,781*
	303,716	468,094	771,810	536,732

Of the £536,732 received in 2019, £265,030 related to PCC restricted funds and £271,702 related to unrestricted funds.

In addition to the income recorded above, donations of £735 (2019 - £7,286) were received from members of the public attending funerals and other services and paid over to various charities as agreed and announced at the services.

3. TRADING ACTIVITIES

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Trading income				
Income from café, gift shop and lettings	-	203,629	203,629	*514,610*
Special fundraising events	-	-	-	*5,180*
Car park receipts	-	8,914	8,914	*7,682*
Music in the Abbey	-	732	732	*4,159*
Tour fees	-	292	292	*9,344*
Other fundraising events	-	6,130	6,130	*13,667*
	-	219,697	219,697	*554,642*

Of the £554,642 received in 2019, £3,618 related to restricted funds and £551,024 related to unrestricted funds.

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Trading expenses				
Staff costs	-	217,010	217,010	*242,607*
Special fundraising events	-	900	900	*2,856*
Car park	-	3,792	3,792	-
Costs relating to the café, gift shop and lettings	-	105,842	105,842	*234,697*
Music in the Abbey	-	203	203	*2,020*
Other fundraising expenses	1,500	1,053	2,553	*9,199*
	1,500	328,800	330,300	*491,379*

Of the £491,379 paid in 2019, £7,472 related to restricted funds and £483,907 related to unrestricted funds.

Net income from fundraising activities	(1,500)	(109,103)	(110,603)	*63,263*

4. INVESTMENT INCOME

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Dividends and interest	-	5,179	5,179	4,519
Rental income	-	10,200	10,200	6,968
	-	15,379	15,379	*11,487*

Of the £11,487 received in 2019, all related to unrestricted funds.

5. INCOME FROM CHARITABLE ACTIVITIES

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Funeral and wedding fees and similar income	-	2,697	2,697	*5,868*
Income from school visits	-	100	100	*787*
	-	2,797	2,797	*6,655*

Of the £6,655 received in 2019, all related to unrestricted funds.

6. OTHER INCOME

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Insurance claim	-	-	-	*2,148*
Choir fund	1,985	-	1,985	*15,461*
Bellringers	249	-	249	*797*
Other income	-	1,211	1,211	*12,538*
	2,234	1,211	3,445	*30,944*

Of the £30,944 received in 2019, £16,258 related to restricted funds and £14,686 related to unrestricted funds.

7. EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct costs 2020 £	Grant funding of activities 2020 £	Support costs 2020 £	Total funds 2020 £	*Total funds 2019 £*
PCC costs	622,847	5,000	131,691	759,538	*795,347*
HATL costs	5,628	-	796	6,424	*6,676*
	628,475	5,000	132,487	765,962	*802,023*

Of the £802,023 paid in 2019, £226,921 related to restricted funds and £575,102 related to unrestricted funds.

8. DIRECT COSTS

	PCC Costs £	HATL Costs £	Total 2020 £	*Total funds 2019 £*
Diocesan parish share	136,801	-	136,801	*134,119*
Worship, ministry and mission	3,070	-	3,070	*4,457*
Church running and maintenance costs	69,858	-	69,858	*74,157*
Choir and organ expenses	2,050	-	2,050	*9,368*
Major repairs and capital projects	191,285	-	191,285	*244,786*
Staff costs	74,514	-	74,514	*71,926*
Priory building running and maintenance costs	26,386	-	26,386	*24,508*
Priory Leschman garden	1,667	-	1,667	*4,737*
Festival of flame	2,572	-	2,572	*9,820*
Depreciation	114,644	5,628	120,272	*119,816*
	622,847	5,628	628,475	*697,694*

9. GRANT FUNDING OF ACTIVITIES

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Mission and ministry activities	-	5,000	5,000	*5,170*
Outreach activities	-	-	-	*108*
	-	5,000	5,000	*5,278*

Included within the grants paid were the following grants of £500 or more:

Mission and ministry activities

Calvert Trust Keilder £930
NDAS (Northumberland Domestic Abuse Services) £930
WERS (West End Refugee Service) £930
West Northumberland food bank £930
Priory School Hexham £930

10. SUPPORT COSTS

	PCC Costs £	HATL Costs £	Total 2020 £	*Total funds 2019 £*
Premises costs	9,326	-	9,326	*11,736*
Office costs	5,229	-	5,229	*5,906*
Health and safety	1,202	-	1,202	*1,001*
Advertising and publicity	1,328	-	1,328	*3,115*
Staff costs	64,910	-	64,910	*46,687*
Professional fees	33,533	796	34,329	*13,212*
Auditor's remuneration	8,868	-	8,868	*8,780*
Depreciation	2,107	-	2,107	*2,207*
Other	5,188	-	5,188	*6,407*
	131,691	796	132,487	*99,051*

11. OTHER EXPENDITURE

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Bell ringers	300	-	300	*1,358*
Choir fund	1,920	-	1,920	*14,185*
Other expenditure	2,822	-	2,822	-
Robson Drive capital repairs	-	-	-	*10,310*
	5,042	-	5,042	*25,853*

Of the £25,853 received in 2019, £15,543 related to restricted funds and £10,310 related to unrestricted

12. STAFF COSTS

Staff costs were as follows:

	2020	*2019*
	£	*£*
Wages and salaries	327,975	*361,634*
National Insurance	12,573	*19,324*
Pension contributions	1,657	*1,454*
Death in service	1,300	*1,085*
	343,505	*383,497*

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

	2020	*2019*
	£	*£*
Employed by PCC	8	*8*
Employed by Hexham Abbey Heritage Trading Limited	25	*25*
	33	*33*

Employed by PCC - Full Time	-
Employed by PCC - Part Time	8
Employed by Hexham Abbey Heritage Trading Limited - Full Time	8
Employed by Hexham Abbey Heritage Trading Limited - Part Time	17
	33

No employee received remuneration amounting to more than £60,000 in either year.

None of the employees were Members of the PCC.

During the year, no PCC member received any remuneration or benefits in kind (2019 - £Nil).
During the year, no PCC member received any reimbursement of expenses (2019 - £Nil).

Key management personnel remuneration amounted to £73,776 in the year.

During the year both Hexham Abbey PCC and Hexham Abbey Trading Limited used the Government's Coronavirus Job Retention scheme which resulted in grants of £133,529 being received in the year ended 31 December 2020 to cover staff costs.

13. TANGIBLE FIXED ASSETS - Group

	Freehold property £	Fixtures & fittings £	Total £
Group			
Cost			
At 1 January 2020	52,501	1,214,746	1,267,247
Additions	-	1,063	1,063
At 31 December 2020	52,501	1,215,809	1,268,310
Depreciation			
At 1 January 2020	-	730,573	730,573
Charge for the year	-	122,379	122,379
At 31 December 2020	-	852,952	852,952
Net book value			
At 31 December 2020	52,501	362,857	415,358
At 31 December 2019	*52,501*	*484,173*	*536,674*

13. TANGIBLE FIXED ASSETS (continued) - PCC Only

	Freehold property £	Fixtures & fittings £	Total £
PCC			
Cost			
At 1 January 2020	52,501	733,931	786,432
Additions	-	(304)	(304)
At 31 December 2020	52,501	733,627	786,128
Depreciation			
At 1 January 2020	-	258,836	258,836
Charge for the year	-	116,751	116,751
At 31 December 2020	-	375,587	375,587
Net book value			
At 31 December 2020	52,501	358,040	410,541
At 31 December 2019	*52,501*	*475,095*	*527,596*

The net book value for freehold property is made up of one property:

1. The Parish Centre - A former cottage used as offices and meeting rooms. This property is maintained by the PCC and was brought into the financial statements approximately 14 years ago.

14. HERITAGE ASSETS

	Henry Perlee Parker Painting	Land and Buildings £	Total £
Group			
Market value			
At 1 January 2020	15,000	1,599,010	1,614,010
Additions	-	(2,565)	(2,565)
At 31 December 2020	15,000	1,596,445	1,611,445

	Henry Perlee Parker Painting	Land and Buildings £	Total £
PCC			
Market value			
At 1 January 2020	15,000	1,599,010	1,614,010
Additions	-	(2,565)	(2,565)
At 31 December 2020	15,000	1,596,445	1,611,445

The net book value for land and buildings is made up of the following properties:
The Priory Buildings and adjoining land - Acquired for the Hexham Abbey Project and leased to Hexham Abbey Heritage, until 31 December 2017 when they were transferred to Hexham Abbey PCC. Expenditure on refurbishment of the Priory Buildings, but not expenditure on the exhibition or on furniture or equipment (except where this cannot practicably be separated from expenditure on the buildings), has been treated as relating to a heritage asset, which, having an indefinite life, is not subject to depreciation.
The Henry Perlee Parker Painting - Included at valuation, which was carried out by Anderson and Garland Valuers on 21 June 2004. The Members' consider that the current valuation of the painting will not be substantially different to the valuation carried out in 2004. The painting was reclassified from investments to heritage assets two years ago, as this is a more accurate reflection of the assets use and purpose.

Details of transactions relating to heritage assets for the past six years are as follows:

	Additions £
2014	1,447,723
2015-2017	49,985
2018	(2,565)
2019	(2,565)
2020	(2,565)

The PCC also owns The Deposition, a 16th century Flemish oil-on-canvas painting now known to be the centrepiece of a triptych. The painting is not presently kept in the Abbey, as the PCC has loaned the painting to a third party charity for exhibition. The characteristics and provenance of The Deposition mean that the trustees are unable to obtain a reliable estimate of valuation in accordance with FRS102, the range of valuations already having been obtained stretching from £80,000 to £150,000. On this basis, The Deposition has not been included as a heritage asset in the balance sheet.

15. FIXED ASSET INVESTMENTS

	Holding in subsidiary undertaking £
PCC	
Market value	
At 1 January 2020	*1*
Additions	40,692
At 31 December 2020	40,693

All the fixed asset investments are held in the UK.

16. INVESTMENT PROPERTY

	Unrestricted
VALUATION	
At 1 January 2020	275,000
Transfer	-
Disposals	-
Revaluation	
At 31 December 2020	**275,000**

All investment properties are freehold. Investment properties were last valued during the year ended 31 December 2020 based on the trustees estimate of fair value.

17. DEBTORS

	Group		PCC	
	2020	*2019*	**2020**	*2019*
	£	£	**£**	£
Trade debtors	1,623	*17,101*	1,121	*2,936*
Amounts owed by group undertakings	-	-	75,458	*117,598*
Other debtors	106,360	*8,158*	105,436	*6,940*
Prepayments and accrued income	15,252	*11,399*	15,252	*11,399*
	123,235	*36,658*	197,267	*138,873*

18. CREDITORS

Amounts falling due within one year

	Group		PCC	
	2020	*2019*	**2020**	*2019*
	£	£	**£**	£
Trade creditors	114,864	*32,200*	110,126	*13,360*
Amounts owed to group undertakings	-	-	19,699	*28,716*
Other taxation and social security	10,285	*21,763*	(3,945)	*59*
Other creditors	1,257	*1,883*	-	-
Accruals and deferred income	26,590	*22,016*	14,945	*12,793*
	152,996	*77,862*	140,825	*54,928*

19. CREDITORS

Amounts falling due after more than one year

	Group		PCC	
	2020	*2019*	**2020**	*2019*
	£	£	**£**	£
Hire purchase	-	*1,257*	-	-
	-	*1,257*	-	-

20. STATEMENT OF FUNDS

Restricted funds

	Brought forward 2020 £	Income 2020 £	Expenditure 2020 £	Transfers 2020	Carried forward 2020 £
Choir fund	3,743	1,985	(1,920)	-	3,808
Hexham Abbey Guild of Bellringers	3,697	305	(300)	-	3,702
Tyrrell Bequest	83,406	-	(10,378)	(8,183)	64,845
The Mercers' Charitable Foundation	-	15,000	(15,000)	-	-
Chorister Prizes	945	-	-	-	945
Abbey roof	41,203	6,001	-	-	47,204
Medieval panel paintings	2,006	8,353	-	-	10,359
Prior Leschman Garden	3,822	-	(1,667)	-	2,155
Hexham Abbey Restoration Trust (HART)	-	101,920	(75,429)	-	26,491
Friends of Cathedral Music grants	4,697	-	(643)	-	4,054
Sequestration fund	1,468	758	(2,226)	-	-
Festival of Flame	-	2,850	(2,850)	-	-
The Mercers Company FR grant	22,528	-	(22,528)	8,417	8,417
The Ousley Church Music Trust	-	2,700	-	-	2,700
Gillian Dickinson Grant	-	3,888	-	-	3,888
Rothley Trust Grant	-	1,000	(24)	-	976
Historic England Civic 19 Heritage at Risk Response Fund	-	18,375	-	-	18,375
Culture Recovery Fund for Heritage	-	140,315	(140,315)	-	-
William Leech	-	2,500	-	-	2,500
	167,515	305,950	(273,280)	234	200,419

Comparative restricted funds

	Brought forward 2019 £	*Income 2019 £*	*Expenditure 2019 £*	*Transfers 2019*	*Carried forward 2019 £*
Choir fund	*2,466*	*15,461*	*(14,184)*	-	*3,743*
Hexham Abbey Guild of Bellringers	*4,177*	*878*	*(1,358)*	-	*3,697*
Tyrrell Bequest	*83,406*	-	-	-	*83,406*
Friends of Hexham Abbey Music	-	*2,500*	*(2,500)*	-	-
The Mercers' Charitable Foundation	-	*15,000*	*(15,000)*	-	-
Chorister Prizes	*1,035*	-	*(090)*	-	*945*
Abbey roof	*34,231*	*7,492*	*(520)*	-	*41,203*
Medieval panel paintings	*2,006*	-	-	-	*2,006*
Prior Leschman Garden	*5,224*	*1,735*	*(3,137)*	-	*3,822*
Heritage and learning outreach	*(58)*	-	-	*58*	-
Hexham Abbey Restoration Trust (HART)	-	*192,421*	*(192,421)*	-	-
Friends of Cathedral Music grants	-	*8,000*	*(3,303)*	-	*4,697*
Sequestration fund	-	*1,468*	-	-	*1,468*
Festival of Flame	-	*9,950*	*(9,950)*	-	-
The Mercers Company FR grant	-	*30,000*	*(7,472)*	-	*22,528*
	132,487	*284,905*	(249,935)	*58*	*167,515*

PCC Restricted Funds

Choir Fund – Funds raised from the activities of the Hexham Abbey Choir to be applied towards activities and purchases as specified by the Choir, including choir tours.

Hexham Abbey Guild of Bellringers - Funds raised from the activities of the Guild of Bellringers are to be applied towards activities and purchases as specified by the members of the Guild.

Tyrrell Bequest – A bequest from the estate of Mrs Marjorie Tyrrell to be applied "towards such improvement to and restoration of the fabric of Hexham Abbey as the Rector and Churchwardens in their absolute discretion think fit and with the wish that the residuary estate be applied firstly to towards the provision of stained glass in the windows at the south end of the south transept of Hexham Abbey". The Rector and the churchwardens, in association with the PCC have earmarked the balance of this bequest for future restoration of the Phelps organ and general repair and maintenance of the fabric of the Abbey.

Friends of Hexham Abbey Music – Annual donation towards the salary of the Assistant Organist.

The Mercers' Charitable Foundation - Annual contributions towards the cost of insuring the Abbey.

Chorister Prizes – Donation to encourage the work of the choirs; to be organised in prize form divided in two parts separately and equally between boy and girl choristers, at the discretion of the Director of Music over a number of years.

Abbey Roof – Donations and funds raised for the repair of the Abbey roof, in addition to those earmarked or designated from legacies.

Medieval Panel Paintings - Donation received for the upkeep and refurbishment of the medieval panelled paintings within the Abbey and Priory buildings.

Prior Leschman Garden - For redevelopment of the Prior Leschman garden, including a medieval herb garden, to complement the redevelopment of the priory buildings.

Heritage and Learning Outreach - For paid-for activities, surplus funds from which can be re-used to invest in further activities and to broaden the range of people able to join in them.

Hexham Abbey Restoration Trust (HART) - A charitable trust, which is separate to the charity and its subsidiaries, that awards grants to the Abbey to assist with restorative work, capital expenditure and unforseen repairs.

Friends of Cathedral music - A fund to help the purchase of new robes, new music and singing lessons for the choristers.

Sequestration fund - Income collected through fees that would have been due to the DBF on behalf of the incumbent but held in benefit to the next incumbent in the interregnum.

Festival of Flame - Donations and grants received to fund an event whereby the Abbey was illuminated only by candelight.

The Mercers Company FR grant - A grant to fund the position of a fundraising officer.

The Ousley Church Music Trust - a fund for choral outreach work to schools to encourage choral singing and choir membership.

Gillian Dickinson Trust - a fund for choral outreach work to schools to encourage choral singing and choir membership.

Rothley Trust Grant - a grant toward providing children's guides and information leaflets.

Historic England Covid-19 Heritage at Risk Response Fund - A grant to fund work required to improve the damp conditions of the Crypt.

Culture Recovery Fund for Heritage - A grant to fund significant roof replacement works

William Leech - a fund to support the cost of music staff for the running of the Abbey choirs and to fund the purchase of new music stands

Notes to the financial statements
for the year ended 31 December 2020

	Brought forward 2020 £	Income 2020 £	Expenditure 2020 £	Transfers in/out 2020 £	Other 2020 £	Carried forward 2020 £
Designated funds						
Property Maintenance and Conservation:						
Watson, Edwards & Emerson bequests	13,495	-	-	-	-	13,495
Other	136,014	-	-	-	-	136,014
Mission and Ministry fund	10,591	-	-	-	-	10,591
Outreach work	8,372	-	-	-	-	8,372
Music in the Abbey	1,000	1,796	(1,797)	-	-	999
Norman Hill Bequest (Vestments)	2,824	-	-	-	-	2,824
Fixed Assets (Freehold land and buildings and fixtures and fittings)	802,102	-	(120,784)	1,063	-	682,381
Fixed Assets (Heritage Assets)	1,614,010	-	-	(2,569)	-	1,611,441
Fixed Assets (Information Screens)	9,572	-	(1,595)	-	-	7,977
The Mercers' Company	-	8,000	(8,000)	-	-	-
Abbey roof - Margaret Watson bequest	250,000	-	-	-	-	250,000
Abbey roof - Ann Edwards legacy	14,917	-	-	-	-	14,917
Prior Leschman Garden (Disposal of Lowgate)	9,218	-	-	-	-	9,218
Nora Horne Legacy (Abbey Roof replacement)	50,000	-	-	-	-	50,000
	2,922,115	9,796	(132,176)	(1,506)	-	2,798,229
General fund						
General funds - all funds	80,497	697,382	(695,848)	1,272	-	83,303
Total Unrestricted funds	3,002,612	707,178	(828,024)	(234)	-	2,881,532

Comparative funds

	Brought forward 2019 £	*Income 2019* £	*Expenditure 2019* £	*Transfers in/out 2019* £	*Gains /losses 2019*	*Carried forward 2019* £
Designated funds						
Property Maintenance and Conservation:						
Watson, Edwards & Emerson bequests	*20,995*	-	*(7,500)*	-	-	*13,495*
Other	*136,014*	-	-	-	-	*136,014*
Mission and Ministry fund	*12,591*	-	*(2,000)*	-	-	*10,591*
Outreach work	*10,372*	-	*(2,000)*	-	-	*8,372*
Music in the Abbey	*1,000*	*4,840*	*(2,220)*	*(2,620)*	-	*1,000*
Norman Hill Bequest (Vestments)	*3,031*	-	*(207)*	-	-	*2,824*
Fixed Assets (Freehold land and buildings and fixtures and fittings)	944,656	-	(120,428)	13,946	(36,072)	802,102
Fixed Assets (Heritage Assets)	*1,616,575*	-	-	*(2,565)*	-	*1,614,010*
Fixed Assets (Information Screens)	*11,167*	-	*(1,595)*	-	-	*9,572*
Alan Rowell bequest (choir robes)	*3,353*	-	-	*(3,353)*	-	-
The Mercers' Company	-	*8,000*	*(8,000)*	-	-	-
Henry Bell grant (Education work)	*2,005*	*700*	*(2,705)*	-	-	-
Abbey roof - Margaret Watson bequest	*250,000*	-	-	-	-	*250,000*
Abbey roof - Ann Edwards legacy	*14,917*	-	-	-	-	*14,917*
Prior Leschman Garden (Disposal of Lowgate)	*10,818*	-	*(1,600)*	-	-	*9,218*
Nora Horne Legacy (Abbey Roof replacement)	*50,000*		-		-	*50,000*
	3,087,494	*13,540*	*(148,255)*	*5,408*	*(36,072)*	*2,922,115*
General fund						
General funds - all funds	*165,013*	*842,014*	*(921,064)*	*(5,466)*	-	*80,497*
Total Unrestricted funds	*3,252,507*	*855,554*	*(1,069,319)*	*(58)*	*(36,072)*	*3,002,612*

DESIGNATED FUNDS

Property Maintenance and Conservation Fund – Mindful of the unique building and its heritage that is Hexham Abbey, a fund designated for maintenance and conservation costs of this very special building, including portions of a number of legacies

Mission and Ministry Fund – A fund designated to ensure money is available when required for identified projects of a religious nature.

Outreach Work – A fund designated to ensure money is available when required for identified projects connected with social welfare for the community and people of Hexham and further afield.

Music in the Abbey – A fund for the running of the Music in the Abbey concert series, to provide a working balance of £1,000.

Norman Hill Bequest – The balance of a legacy from the Reverend Norman Hill for the commissioning of new vestments and altar linen.

Fixed Assets Freehold Land and Buildings and Fixtures and Fittings – Includes The Parish Centre and 29 Robson Drive and fixtures and fittings.

Fixed Assets (Heritage Assets) – The Priory Buildings and adjoining land.

Fixed Assets (Information Screens) - Information screens in the slype and porch entrances to the abbey.

Alan Rowell bequest (choir robes) – A bequest from a former chorister designated for new choir robes.

The Mercers' Company - An annual contribution towards the general running costs of the Abbey.

Henry Bell grant – Grants from the Henry Bell Trust designated for the Education and Community Officer's work with visiting schools.

Abbey Roof (Margaret Watson Bequest and Ann Edwards legacy) – The major part of an unrestricted bequest from the estate of Mrs Margaret Watson and part of an unrestricted bequest from the estate of Ann Edwards designated for the repair of the Abbey roof.

Prior Leschman Garden – The net proceeds from the disposal of Lowgate Church, designated as a contribution towards the redevelopment of the Prior Leschman garden as a medieval herb garden to complement the refurbishment of the Priory Buildings.

Nora Horne Legacy (Abbey Roof replacement) - This is a legacy received by Hexham Abbey PCC which has been designated by the trustees for the replacement of the Abbey roof.

SUMMARY OF FUNDS

	Brought forward £	Incoming resources £	Resources expended £	Transfers in/out £	Other	Carried forward £
Designated funds	2,922,115	9,796	(132,176)	(1,506)		2,798,229
General funds	80,497	697,382	(695,848)	1,272		83,303
	3,002,612	707,178	(828,024)	(234)		2,881,532
Restricted funds	167,515	305,950	(273,280)	234		200,419
	3,170,127	1,013,128	(1,101,304)	-		3,081,951

Transfers

The transfers between funds represent wages of staff in restricted costs being paid for by the unrestricted CJRS grant, and £5,000 expenditure in 2019 that has been reclassified from unrestricted to the restricted Tyrell Bequest Fund.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	*Restricted funds 2019* £	*Unrestricted funds 2019* £	*Total funds 2019* £
Tangible fixed assets	-	415,358	415,358	-	*536,674*	*536,674*
Heritage assets	-	1,611,445	1,611,445	-	*1,614,010*	*1,614,010*
Investment properties	-	275,000	275,000	-	*275,000*	*275,000*
Current assets	200,419	732,725	933,144	*167,515*	*656,047*	*823,562*
Creditors due within one year	-	(152,996)	(152,996)	-	*(77,862)*	*(77,862)*
Creditors due in more than one year	-	-	-	-	*(1,257)*	*(1,257)*
	200,419	2,881,532	3,081,951	*167,515*	*3,002,612*	*3,170,127*

22. SUBSIDIARY UNDERTAKINGS

Company name	Country	Control	Description
Hexham Abbey Trading Ltd	England & Wales	100%	Company limited by shares, of which the PCC of Hexham Abbey is the sole shareholder, with a £40,693 ordinary shareholding. Company number 07719334.

Hexham Abbey Trading Ltd is a separate non-charitable company which undertakes the day-to-day delivery of services in the buildings, including the operation of the café and the letting of rooms in the buildings. It also manages the Abbey Shop in its existing premises alongside the Abbey. It operates on a commercial basis but may make qualifying charitable donations to the PCC equivalent to its entire profit, thus reducing its corporation tax liability to nil. In 2020 it made a qualifying charitable donation to Hexham Abbey PCC of £12,894, of which all was outstanding at the end of the year. Hexham Abbey Trading Limited converted a £40,692 debt to Hexham Abbey PCC into share capital, thereby increasing Hexham Abbey PCC's shareholding from £1 to £40,693.

The results and balance sheets of the subsidiary are summarised below:

Summary of income and expenditure

	Hexham Abbey Trading Limited	
	2020	*2019*
	£	£
Total income for the year	339,035	*528,777*
Total expenditure in the year	(330,402)	*(484,712)*
Total	8,633	*44,065*

Balance sheet summary

	Hexham Abbey Trading Limited	
	2020	*2019*
	£	*£*
Fixed assets	4,818	*9,079*
Current assets	148,020	*170,505*
Current liabilities	(107,328)	*(128,556)*
Long term liabilities	-	*(41,949)*
Total	45,510	*9,079*

23. RELATED PARTY TRANSACTIONS

Donations from members of £18,500 were received during the year. There are no further related party transactions during the year.

24. Capital commitments

At the balance sheet date the PCC had committed to the following VAT-exclusive capital expenditure:

Kaefer roof project contract amount	228,069
Less spent in year	(110,886)
	117,183

The contract is for major repair work to the Abbey roof.

25. COMMITMENTS UNDER OPERATING LEASES

Future minimum lease payments	**2020**	2019
Other		
Not later than one year	2,805	2,128
Later than one year and not later than five years	-	2,805
Total	2,805	4,933

Operating lease payments of £2,128 were recognised as an expense during the year.

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

	2020	2019
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(88,176)	(214,867)
Depreciation charges	122,379	122,023
(Gains)/Losses on investments		36,072
Dividends, interest and rents from investments	(15,379)	(11,487)
(Increase)/decrease in stocks	3,029	6,270
(Increase)/decrease in debtors	(86,577)	(14,881)
Increase/(decrease) in creditors	73,877	5,080
Net cash provided by (used in) operating activities	9,153	(71,790)

27. Analysis of cash and cash equivalents

	2020	2019
Cash at bank and in hand	774,808	748,774