THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST NICHOLAS, DURHAM

England & Wales · Charity number 1133809

Details

Other names	ST NICHOLAS, DURHAM PCC
Status	Registered
Legal form	Previously excepted
Registered	2010-01-27
Register	View on the Charity Commission register

Contact

Address	Church Office St Nicholas Church Market Place Durham DH1 3NJ
Phone	01913841180
Email	office@stnics.org.uk
Website	www.stnics.org.uk

Activities

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

Activities: Parish Church

Classification

- **How:** Makes Grants To Organisations, Provides Buildings/facilities/open Space, Provides Services
- **What:** Religious Activities
- **Who:** The General Public/mankind

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Geography

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

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£439,430	£403,135	-	-
2023-12-31	£416,934	£382,152	-	-
2022-12-31	£438,165	£435,402	-	-
2021-12-31	£336,792	£335,028	-	-
2020-12-31	£302,858	£317,600	-	-

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Trustees

Name	Role	Appointed
Abigail Taylor		2023-04-24
Amy Tharakan		2023-04-24
Andy Freer		2025-05-12
Ann Day		2025-05-12
Canon Dr JAMES HERBERT HARRISON		
DR ANGUS GOUDIE		
David Ross		2025-05-12
Dr Louise Harvey		2024-04-22
Fiona Cuthill		2023-04-24
Mary Anne Margaret Freer		2025-05-12
Peter Clark		2024-04-22
Rev Helen Miller		2025-07-03
Rev William Foulger		2023-09-10
Sarah Alsop		2023-04-24
Thomas Bray		2025-05-12
Timothy Stephen Packer		2017-04-23
Toby Donegan-Cross		2023-04-24

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THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST NICHOLAS, DURHAM

England & Wales - Charity number 1133809

Accounts

The Parochial Church Council of the Ecclesiastical Parish of St Nicholas, Durham

Report and Accounts
Year ended 31 December 2024

Stewardship
Active generosity

1 Lamb's Passage, London EC1Y 8AB
www.stewardship.org.uk

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST NICHOLAS, DURHAM

CHARITY INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2024

Members of the Parochial Church Council

Ex-officio members	Incumbent	Revd Dr Will Foulger
	Self-supporting Minister	Revd Baroness Maeve Sherlock (resigned July 2024)
	Wardens	Mary Anne Freer (resigned April 2024)
		Alan Smith (resigned April 2024)
		Louise Harvey (appointed April 2024)
		Peter Clark (appointed April 2024)
	General Synod	Angus Goudie
		Jamie Harrison
	Deanery Synod	Tim Packer
		Emma Clements
Elected Members	PCC Secretary	Naomi Stevens
		Sarah Alsop
		Sam Chapman
		Fiona Courtman
		Fiona Cuthill
		Phil Dawson
		Toby Donegan-Cross
		Elaine Duddy
		Jane Ghosh
		Wendy Hughes (resigned April 2024)
		Christopher Stokes
		Abi Taylor
		Amy Tharakan
		Richard Swann (resigned April 2024)

Charity Registration Number 1133809

Principal Address

St Nicholas' Church
Market Place
Durham
DH1 3NJ

Independent Examiner

Sarah Crispin ACA
Stewardship
1 Lamb's Passage
London
EC1Y 8AB

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Members' Annual Report

Year ended 31 December 2024

The members present their report and the unaudited financial statements of the Parochial Church Council for the year ended 31 December 2024.

Objectives and activities

The objectives of St Nicholas Church (known to all as 'St Nics') continue to be those of a city-centre Church of England church: to be a Christ-centred community that grows in discipleship, service and number. It seeks to achieve this through a vison focused around Discipleship, Evangelism, Justice and Service, under the broad rubric of being 'a church for everyone'. St Nics is also a designated 'resource church' for the wider Diocese of Durham. The church welcomed a new Vicar (from Sept 2023), Revd Dr Will Foulger, who has led us in a period of '40 weeks' of waiting and discernment before we begin any new initiatives. He initiated a vision and strategy process in 2023, and this is due to be completed in June 2025, at which point we will have a new set of priorities as an institution for the coming 10 years.

The PCC has the responsibility of co-operating with the incumbent in promoting in the parish all aspects of the mission of the church – pastoral, evangelistic, social and ecumenical.

In attempting to achieve its objectives, St Nics undertakes a number of different ministries, including:

Ministry as a Parish Church: We resource our members of all ages through regular Sunday services that include biblical preaching and teaching, worship, and the celebration of Holy Communion. Alongside these we hold daily prayer services (Tue - Fri at 8am), a wide range of midweek small groups for the cultivation of Christian discipleship, and many other ministries, including student work, dedicated children's and youth provision, music and worship ministry.

We have continued our established pattern of Sunday services – three Sunday services at 9am, 11am and 6.30 pm, as well as a once-per-month 4pm afternoon service on the fourth Sunday of every month, known as 'The 4', and which is open to those for whom our weekly services may not be convenient. We have continued to stream one service on a Sunday, aware that our online 'congregation' often numbers 50–100 views. If we include online numbers, we average a connection with 350 people every Sunday.

Other special events through the year include a children's holiday club, an introductory course to the Christian faith (Alpha) student weekend away, Christmas events, youth summer camp, and other social events.

The Diocese of Durham has been encouraging all its churches to consider the possibilities for starting new worshipping congregations in Durham, whether as additional services (such as 'The 4' – see above) or in other locations in addition to the church building. St Nics has been actively involved in exploratory conversations about this possibility through 2024, with a view to discerning whether there is scope to do this in the years ahead.

Sunday Worship In 2024 we appointed a worship and discipleship pastor (30hrs p/w), who oversees our sung worship on a Sunday and helps plan and deliver services and other events (e.g. Christmas). This role is paid for by Strategic Development Funding and the role runs until the funding cutoff at the end of 2025.

Small Groups Those who are involved in the life of the church are encouraged to join one of a network of Small Groups (SGs), hosted in members' homes. These groups play an important role in pastoral care, facilitating personal growth and encouraging an outward focus to our

Christian lives. The group leaders meet periodically for training and support. Our small group ministry is overseen by volunteer leaders, who in turn oversee a team of small group volunteer leaders.

Ministry Experience Volunteers (formerly Ministry Assistants): The Internship scheme at St Nics was started in the summer of 2010, and provides an opportunity for people to explore God's call in their lives while serving the church. The MEVs serve in various ministries in the church, as well as undertaking a course of accredited study at first year degree level through the local Lindisfarne College of Theology.

In September 2016, our Internship program became part of the Durham Diocese Church of England Ministerial Experience Scheme. This year we have had one MEV with us, Abi West.

Ministry with students: Our Student Ministry aims to welcome, integrate and disciple students as well as providing pastoral care. In 2024 we appointed a 15 hour p/w student worker, Phoebe Turner, paid for through SD Funding through the diocese of Durham. Phoebe has built on the excellent work done by Tim Riman last year and we have continued to provide a weekly student night where students eat, study the bible, and pray together.

Ministry with international students ('Amigos'): This ministry aims to encourage the churches in Durham to welcome and befriend international students whatever their faith, helping those who are Christians to find fellowship and grow in their faith, and taking the opportunity to share the Good News of Jesus with any who express an interest. 'Amigos' hosts a weekly regular meeting in addition to other activities. The group is staffed by volunteers.

Ministry with children and families: In the context of Durham Diocese where fewer than 6 churches are in regular contact with more than half a dozen children and young people, St Nics is privileged to work with a large number of children under the oversight of our Children and Families Worker, Kate Swann. We have over 100 children under 16 in some degree of regular attendance on a Sunday, and Kate Swann provides support to them and to their families by resourcing their Christian discipleship. An annual holiday club – this year undertaken during one half-term break in the year –attracted children who have no previous involvement in our church life. St Nics runs courses for parents on aspects of raising children in contemporary culture and informed by Christian faith.

Last year we restarted a toddler group – 'Little Stars' – which is held weekly here in church. This group has grown and now welcomes over 20 families each week.

Ministry with young adults Our Youth Missioner, Hannah Wilkinson, has continued her work with the Durham Sixth Form Centre that is located in our parish. As well as continuing to develop excellent relationships with staff, and maintain an innovative 'Big Questions' group for interested sixth formers, she has developed a wide-ranging mentor scheme. This draws in volunteers from the wider church membership who can offer expertise and reflection in a range of subject areas. This year also saw the establishment of a Christian Union in the school, which Hannah co-leads with a young person who is a student at the Sixth Form centre.

Hannah maintains a range of activities for young adults (11-18) already attending church including Sunday morning worship materials for those 11—13 and Sunday meetings for 13-18 year olds. We have seen a growth in the numbers of young people in the past year, with now on average 20 young people attending our 6.30pm Sunday service. Hannah's post is funded by the Diocese of Durham and the Church of England's Strategic Development Fund. Supplementary funding from St Nics has permitted members of the youth organisation to go on a summer camp – satellites - with youth from many other churches, as part of helping them to have a sense of the wider world of church possibilities. The Teenaid Fund shown in the financial statements receives income from the interest on the Patterson Fund, a bequest made to the church a number of years ago. The fund gives grants for activities that 'encourage the spiritual growth of young people in the church.'

Mission Giving: The church supported mission activities in 2024. This year total support came to £7.8k and included the Bible Society, the Church Missionary Society, Church Army, VDM (Manasseh & Catrin Tuyizere), Mission Aviation Fellowship and the Latvia Biblical Centre. We had visits from representatives of 4 of the projects we are supporting in 2024.

The International Mission Committee keeps our contacts with the international societies under review and reports back to PCC periodically. The congregation was involved through meeting and praying for a number of mission partners throughout the year, a regular monthly prayer meeting, intercessions for mission partners as part of the morning service and through the Church's monthly prayer diary.

Buildings: As a resource for the community we serve, the church buildings are available for hire for a number of specified purposes and this income is included in the accounts. In 2024 we appointed a volunteer buildings manager, Andy Bosomworth, to oversee our properties and their maintenance.

- The last Quinquennial Review was completed in 2021, the next one will be due in 2026.
- Significant works identified were repairs to the West Wall which were completed in 2024 (cost £16.6k) and replacement of the fire doors which will be completed in 2025 (total cost £11.7k)

Regional Mission: Our role as a parish church in the Diocese of Durham and part of the Anglican Communion continues to be an essential part of our church life. The clergy regularly attend Deanery Synod and Deanery Chapter meetings. Tim Packer, and Emma Clements served on the Deanery Synod, since the APCM of 2024, and will continue for another year. Jamie Harrison and Angus Goudie continue to serve on General Synod.

The Parish Offering is our contribution to the costs of mission for the Church of England in the Diocese of Durham. It pays for the stipend and employment cost of our clergy, provision of Diocesan resources such as the use of a house for our MEVs, and other aspects of church life. St Nics has made a net contribution to the share over and above the cost of these provisions, the level of contribution is reviewed every year and may go up or down depending on Church priorities and capacity to pay. The Parish Share is used to support mission and ministry throughout the Diocese. We give according to the Diocese's suggested 'guided pledge' and we have sought to give up to the suggested amount. In 2024 we gave £126k in Parish Offering and PCC continues to see the importance of helping to sustain mission in parts of our region that cannot at present support it on their own. The full £126k is included as an expense in the 2024 SOFA.

The Trustees have complied with the duty to have due regard to the public benefit guidance published by the Charity Commission.

Financial review

During the year, the PCC of St Nics made a surplus of £36.2k vs. a surplus in 2023 of £34.8k.

Donations including gift aid (excluding grants and legacies), increased by 7% compared to 2023 (£278.7k 2024 vs. £260.8k 2023). During the year there was a sermon series on giving over a number of weeks to encourage one off giving as part of the church's regular "Gift Day" but also to increase regular giving or start giving for those who were regular attendees. The aim in future is to give Gift Day a specific mission focus as it is present again in the 2025 budget. Our situation in 2024 was significantly improved by the receipt of a legacy to the value of £60.7k from the Elizabeth Hannah Coney Will Trust. We are extremely grateful for this form of giving, which allows the Church to benefit and continue transforming lives well after the donor has left.

It should be noted that the response to the Gift Day showed great generosity with £17343 raised in one-off donations and an increase of £13827 within 2024 from changes to regular donations. Additional to these donations will be the Gift Aid claimed amounting to £4575 in the year. These amounts are incorporated into “Donations of cash and similar” in 2024 rather than separated out as they were in 2023.

Rental income in 2024 was less than half of that received in 2023 (£9.9k in 2024 vs. £20.5k in 2023) and could be seen as a significant opportunity to grow in 2025.

The majority of costs incurred as part of Discipling Church are reimbursed by the Strategic Development Fund, via the Diocese, once a claim has been submitted. This income totalled £67.8k in 2024 (vs. £65.8k in 2023) whereas the costs incurred totalled £66.5k in 2024 (vs. £70.0k in 2023). Staff funded by the SDF include the Youth Missioner, the Tech Coordinator and the Mission Experience Volunteer (MEV). Also, and new for 2024, the Worship Pastor and the Student Worker. This funding will end in December 2025 and time has been spent in collaboration with the Diocese as to how this money is best spent during the remainder of the funding period to ensure the costs currently funded are sustained beyond that.

The Parish Offering for 2024 increased by £6k from 2023 to £126k as agreed by PCC. This represented a 5% increase on the previous year and was in line with the suggested amount proposed by the Diocese.

During the year the PCC was not awarded any significant grants. Of the £43.5k awarded in previous years towards transforming the Churchyard space into a Community Garden, £22.1k has been spent with the remainder committed to the replacement of the gates and gateposts and dropping the kerb to allow easier access. This will be seen as unbudgeted spend in 2025 but is covered by the grants.

Building works were much higher in 2024 compared with 2023 (£28.9k in 2024 vs. £8.9k in 2023), reflecting the significant number of urgent repairs required in the year and was expected after the Quinquennial Report in 2022.

Fixed Assets were added to at the end of the year by the purchase of a park bench for the Churchyard, the cost of which is covered by the grant but it will begin its depreciation in 2025.

During 2023 the café closed and so the income recognised in accounts as £9.7k in 2023 did not appear in 2024.

Reserves Policy

“It is the intention of PCC to try and maintain a balance on the designated “Reserve Fund” of approximately £50,000 to cope with unforeseen expenditure and ongoing cash flow management.”

At the year end, the church was above this figure (see balance sheet).

Acknowledgements

The PCC is very grateful to all those members of the congregation who give freely of their time and abilities in many different ways - assisting in the various activities mentioned above.

Thank you too for your financial gifts which enable St Nic’s to bring people to Jesus in so many different ways. We are most grateful for your support.

Grateful thanks as regards the finances are due to Kate Dawson, our Church Operations Manager, Elaine Duddy, our former treasurer who remains extremely valuable as a source of advice and good practice and Sarah Alsop who manages our SDF claims.

It has been very helpful to have the support of the Finance Committee over the past year. Thank you all for your support, the Finance Committee, the Standing Committee and to PCC.

Structure, governance and management

PCC: The Parochial Church Council (PCC) is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure. The PCC registered in September 2009 with the Charity Commission.

The method of appointment of PCC members is set out in the Church Representation Rules. All regular Church attendees are encouraged to register on the Electoral Roll and stand for election to the PCC. Members of the PCC are either ex-officio, elected by the APCM or co-opted by the PCC.

The PCC operates through a number of committees. These meet formally and informally between full meetings of the PCC and are served by members of the PCC and other members of the church. The Standing Committee (comprising the incumbent, wardens, deputy wardens, treasurer, PCC lay chairperson and PCC secretary) is the only committee required by law. It has the power to transact the business of the PCC between meetings, subject to any directions given by the Council.

In 2024 the PCC met on 9 occasions. In addition to regular reports covering ministry, finance, property, safeguarding and eco issues, the PCC continued to make prayer a regular and core part of its meetings.

In addition to the staff team and the PCC the church is blessed to have a team of retired and licensed clergy in addition to readers. At the end of 2024 this team included: Revd David Day, Revd Peter Johnson, Revd Steve Muneza, Revd Colin Patterson, Revd Philip Brookes, Revd Josh Cockayne, Revd Gavin Wakefield, Revd Fran Wakefield, Ruth Stokes, Andrew Trigger and Jamie Harrison. Baroness Sherlock of Durham ended her role as associate minister in 2024.

Staff team: By the end of 2024, the staff team reporting to the vicar and directly employed by the church, included: Kate Dawson (Church Operations Manager), Janet Dawson (Administrative Assistant), Kate Swann (Children and Families Worker), and Claire Morley (part-time cleaner).

The church staff includes further roles funded by the Strategic Development Fund money from the Church of England: these are Hannah Wilkinson (Youth Missioner), Chris Massa (Tech Coordinator) and Phoebe Turner (Student Worker) and Jess Riman (Worship and Discipleship Pastor)

Risk management: The PCC is of the opinion that the management structure, as detailed above, keeps under review and manages the various risks which the church faces. Risk in this context might be defined as "the threat that an event or action will adversely affect an organisation's ability to achieve its objectives and execute its strategies". These may be:

- Financial risk often seen as the most common category of risk. We manage this through budgets, internal financial controls and management accounts. Also, we are currently subject to an annual independent examination.
- Statutory and legal requirements for example, health and safety regulations, employment law and child and vulnerable adult safety regulations. We aim for the highest standards in these areas and they are kept under review by the Church Wardens, the Safeguarding Officer, the Operations Manager, the Treasurer and others with specific areas of knowledge.

- Operational risk this would threaten the church's ability to deliver its objectives owing to, for example, damage to the church building or loss of key personnel. With regard to the former, the church wardens liaise with property experts, fire safety officers and others. As regards personnel, the type of team ministry this church operates reduces the risks associated with one member of staff leaving.
- Reputational risk for example, unwelcome publicity would hinder the mission of the church. This is managed at many different levels e.g. by the staff team, PCC members and small group leaders.
- With regard to the PCC's obligations to safeguard children and vulnerable adults, the members of the PCC confirm that they have complied with their duties under section 5 of the Safeguarding and Clergy Discipline Measure 2016.

In line with current legislation, PCC subjects the annual accounts to an independent examination.

Administrative information

St Nicholas Church is situated in the Market Place, Durham. It is part of the Diocese of Durham within the Church of England. The correspondence address is Church Office, St Nicholas Church, Market Place, Durham DH1 3NJ. The website of the church can be accessed at www.stnics.org.uk

We are registered with the Charity Commission under the name of "The Parochial Church Council of the Ecclesiastical Parish of St Nicholas, Durham"; the registration number is 1133809.

Statement of Responsibilities of the Members of the Parochial Church Council

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

Charity law requires the PCC to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity as at the balance sheet date and of its incoming resources and application of resources for the financial year. In preparing these financial statements, the PCC are required to:

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

The PCC is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approval

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

Revd. WJ Foulger
Revd. WJ Foulger (May 2, 2025 07:56 GMT+1)

Revd Dr Will Foulger

Date: May 2, 2025

INDEPENDENT EXAMINER'S REPORT

TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST NICHOLAS, DURHAM
('the Charity')

I report to the members of the PCC (who are also the charity's trustees) on my examination of the accounts of the Charity for the year ended 31 December 2024 on pages 10 to 21 following, which have been prepared on the basis of the accounting policies set out on pages 12 and 13.

Responsibilities and basis of report

As members of the PCC you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England & Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Charity as required by section 130 of the Act; or

2. the accounts do not accord with those records; or

3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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

Sarah Crispin
Sarah Crispin (May 6, 2025 16:38 GMT+1)

Sarah Crispin ACA
Institute of Chartered Accountants in England and Wales

Stewardship
1 Lamb's Passage
London
EC1Y 8AB

Date: May 6, 2025

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST NICHOLAS, DURHAM

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2024 £	Total Funds 2023 £
INCOME AND ENDOWMENTS FROM:						
Donations and legacies	3	329,181	14,250	-	343,431	311,266
Charitable activities	4	71,534	6,590	-	78,124	69,971
Other trading activities	5	9,726	-	-	9,726	30,057
Investments	6	6,661	1,381	108	8,150	5,640
Total income and endowments		417,101	22,221	108	439,430	416,934
EXPENDITURE ON:						
Charitable activities	7	379,680	23,407	-	403,088	369,815
Raising funds	8	47	-	-	47	12,337
Total expenditure		379,727	23,407	-	403,135	382,152
Net income/(expenditure)		37,374	(1,186)	108	36,296	34,782
Transfers between funds	16	108	-	(108)	-	-
Net movement in funds		37,482	(1,186)	-	36,296	34,782
Reconciliation of funds:						
Total funds brought forward		250,953	71,674	5,073	327,700	292,917
Total funds carried forward	16	288,435	70,488	5,073	363,996	327,699

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

The notes on page 12-20 form part of these accounts.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST NICHOLAS, DURHAM

BALANCE SHEET

AS AT 31 DECEMBER 2024

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2024 £	Total Funds 2023 £
FIXED ASSETS						
Tangible assets	11	93,616	2,209	-	95,825	99,931
		93,616	2,209	-	95,825	99,931
CURRENT ASSETS						
Debtors	12	18,499	-	-	18,499	20,316
Cash at bank and in hand	13	194,728	68,280	5,073	268,080	223,407
		213,227	68,280	5,073	286,580	243,723
CREDITORS: Amounts falling due within one year	14	(18,408)	-	-	(18,408)	(15,955)
Net current assets / (liabilities)		194,819	68,280	5,073	268,171	227,768
Total assets less current liabilities		288,435	70,488	5,073	363,996	327,699
TOTAL NET ASSETS		288,435	70,488	5,073	363,996	327,699
FUND BALANCES	16					
Unrestricted Funds						
General funds		163,207	-	-	163,207	127,300
Designated funds		125,228	-	-	125,228	123,652
		288,435	-	-	288,435	250,952
Restricted Funds		-	70,488	-	70,488	71,674
Endowment Funds		-	-	5,073	5,073	5,073
		288,435	70,488	5,073	363,996	327,699

The financial statements were approved by the members of the PCC and were signed on its behalf by:

Revd. WJ Foulger
Revd. WJ Foulger (May 2, 2025 07:56 GMT+1)

Revd Dr Will Foulger

Date: May 2, 2025

Charity number: 1133809

The notes on page 12-20 form part of these accounts.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST NICHOLAS, DURHAM

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Statutory Information

The Parochial Church Council of St Nicholas, Durham is a charity registered with the Charity Commission in England & Wales. The charity's registered number and principal address can be found on the Charity Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention. The financial statements include all activities for which the PCC is legally responsible; the activities of informal gatherings of church members and groups that owe their main affiliation to another body and are excluded.

These financial statements have been prepared in accordance with The Church Accounting Regulations 2006, 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)' ("the Charities SORP"), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102") and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The Charities (Accounts and Reports) Regulations 2008 (the '2008 Regulations') requires charities to prepare their accounts in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005' but this accounting standard has since been withdrawn and has been replaced by the Charities SORP mentioned in the preceding paragraph. The charity has prepared these financial statements in accordance with the new Charities SORP; this departure from the 2008 Regulations is believed to be necessary for these financial statements to give a 'true and fair view'.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The PCC have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The PCC have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the PCC have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The PCC have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Income

Income (which includes planned giving, collections and other donations) is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part income is generally recognised when it is received by, or on behalf of, the PCC. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations and legacies includes:

i) Recoverable gift aid. This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.

ii) Legacies. Income from legacies is recognised when a distribution is received from the estate or, if earlier, when the charity has been notified that a distribution will be made and the amount receivable can be measured reliably.

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from the Strategic Development Fund via Durham Diocese to fund costs incurred as part of Discipling Church.

Income from other trading activities represents income receivable from activities undertaken to generate funds for the charity. It includes income from letting the church building & halls, and from the café.

Investment income represents income generated by the charity's assets and includes bank interest income.

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Contributions in respect of the diocesan parish share are included in the Statement of Financial Activities for all amounts agreed to being payable for the financial year. Any contributions that have not been paid over by the year end are included as a creditor.

2 Accounting Policies (cont.)

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

Expenditure on raising funds comprises the costs incurred on running the café.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the PCC in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the PCC for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects. Endowment funds are donations that are retained as capital in accordance with the donor's wishes. The nature of the restriction determines whether the endowments represent permanent endowments or expendable endowments.

e) Tangible fixed assets

Consecrated and beneficed property is not included in these financial statements by virtue of s.10(2) of the Charities Act 2011. All expenditure on consecrated or beneficed buildings is written off in the year in which it is incurred.

Movable church furnishings held by the incumbent and Churchwardens on special trust for the PCC and which require a faculty for disposal are capitalised in accordance with the policy set out below. These items are regarded as inalienable property and are listed in the church's inventory which can be inspected at any reasonable time. Inalienable property acquired prior to 2000 has not been capitalised as there is insufficient cost information available.

For inalienable property acquired prior to 2001 there is insufficient cost information available and therefore such assets are not valued in the accounts.

Items purchased or donated for the charity's own use since 1 January 2001 are capitalised when the cost of purchased items, or the fair value of donated items, is more than £2,000 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

Youth Centre renovation	Over 50 years
Fixtures & fittings	Over 4 years
Equipment	Over 4 years
Office Equipment	Over 4 years

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

f) Pension scheme arrangements

The charity contributes to the Church Workers Pension Fund, which is a multi-employer defined benefits pension scheme as described in Section 28 of FRS 102. The charity is not able to identify its share of the Scheme's assets and liabilities and, therefore, as permitted by FRS 102, the Scheme is accounted for as if it were a defined contribution pension scheme. Contributions to the Scheme are charged to the Statement of Financial Activities as they become payable. Futher information about the Scheme is disclosed in note 16 'Pension Commitments'.

g) Taxation

The charity has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

h) Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Except for loans, creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises liabilities for the principal of those loans that remains outstanding at the year end (i.e. the liabilities exclude any interest chargeable on the loans in future years).

i) Exemption from preparing a cashflow statement

The charity has taken advantage of an exemption conferred by the Charities SORP and has not prepared a cash flow statement.

j) Critical accounting estimates and areas of judgement

The members of the PCC do not consider that there are any material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

3 Donations and legacies

	2024	2023
	£	£
Donations of cash and similar	238,984	196,506
Gift Day donations	-	21,267
Other grants receivable	3,947	50,496
Legacies receivable	60,737	-
Gift aid recoverable	39,762	42,997
	343,431	311,266

4 Income from charitable activities

	2024	2023
	£	£
Discipling Church income	67,754	65,774
PCC Activities	875	1,711
Fees retained by PCC (Weddings & Funerals)	2,325	54
Children's & Youth events	6,729	2,380
Miscellaneous income	441	52
	78,124	69,971

5 Income from other trading activities

	2024	2023
	£	£
Café income	-	9,705
Rental income	9,726	20,352
	9,726	30,057

6 Investment income

	2024	2023
	£	£
Bank interest	7,990	5,480
Rental income	160	160
	8,150	5,640

7 Charitable expenditure

		2024	2023
		£	£
a	**Costs incurred directly on specific activities**		
	Ministry expenses:		
	Parish share	126,000	120,000
	Ministry staff employment costs	16,119	37,764
	Clergy expenses	2,186	2,145
	Home Ministry	20,858	17,882
	Discipling Church	66,452	71,171
		231,614	248,962
	Property expenses:		
	Operational costs for church	84,120	38,707
	Operational costs for Youth Centre	3,297	3,123
		87,416	41,830
	Grants payable (note 7c)	7,870	7,840
		326,900	298,632

7 Charitable expenditure (cont.)

b Costs incurred on support & administration

Governance costs		
Independent examiner's fee	2,832	2,250
Other	753	301
	3,585	2,551
Administrative & support staff employment costs	46,924	45,476
Church administration costs	19,364	16,064
Depreciation of tangible fixed assets	6,315	7,092
	76,188	71,183
Total expenditure	403,088	369,815

c Grants payable

	Institutions	Individuals	2024
	£	£	£
Grants for UK and overseas mission	7,870	-	7,870
	7,870	-	7,870

The comparatives for the previous year are as follows:

	Institutions	Individuals	2023
	£	£	£
Grants for UK and overseas mission	7,840	-	7,840
	7,840	-	7,840

The charity's principal grants to institutions comprised:

	2024	2023
	£	£
Church Missionary Society	2,000	2,000
Bible Society	1,500	1,500
Latvia Biblical Centre	1,800	1,800
Church Army (Friends of Bungokho)	1,000	1,000
Vereinigte Deutsche Missionshilfe (Manasseh & Catrin Tuyizere)	1,000	1,000
Mission Aviation Fellowship	540	540
Grants to institutions for less than £1,000 each	30	-
	7,870	7,840

8 Cost of raising funds

	2024	2023
	£	£
Café costs	47	12,337
	47	12,337

9 Analysis of staff costs, the cost of key management personnel and trustee remuneration and expenses

The average monthly number of employees during the year was 7.3 (2023: 9.7). Most of the charity's activities are carried out by volunteers.

No staff received salaries at a rate of more than £60,000 per annum.

The charity's key management comprise the members of the PCC. No member of the PCC received employment benefits in either the current or preceding year.

Revd Dr Will Foulger (who was a clergy member of the PCC) received a stipend from the Diocese and so he is not an employee; some of the Parish Share paid to the Diocese is used to help meet the cost of this stipend. The Diocese also provided him with accommodation (which is customary for clergy). The charity reimbursed expenses to Revd Dr Will Foulger; these costs are disclosed in note 7 'Charitable Expenditure' under the heading 'Clergy expenses'.

10 Acting as agent

On occasion the charity receives money on behalf of other charities, which it banks and then pays out to these charities. This income is received as agent for these other charities and the income, and the related payments, are excluded from the Statement of Financial Activities; any money that has not been distributed by the year end is recognised as a creditor.

During the year the charity acted as agent for the Janet Foster fund and, in that capacity:

a) received £nil (2023: £nil) and paid £2,000 (2023: £1,000)
b) at the year end the charity held £2,796 (2023: £4,796) on behalf of the trustees of the fund and this has been recognised as a creditor in the balance sheet.

11 Tangible fixed assets

	Youth Centre £	Fixtures & Fittings £	Equipment £	Office Equipment £	Total 2024 £
Cost					
At 1 January 2024	149,558	11,103	12,151	7,901	180,713
Additions	-	-	2,209	-	2,209
At 31 December 2024	149,558	11,103	14,360	7,901	182,922
Accumulated depreciation					
At 1 January 2024	58,422	9,316	6,984	6,060	80,782
Charge for the year	2,991	894	1,568	862	6,315
At 31 December 2024	61,413	10,210	8,552	6,922	87,097
Net book value					
At 31 December 2024	88,145	893	5,807	979	95,825
At 31 December 2023	91,136	1,787	5,167	1,841	99,931

12 Debtors

	2024 £	2023 £
Falling due within one year:		
Tax recoverable	12,151	12,010
Other debtors	2,120	2,599
Prepayments and accrued income	4,228	5,707
	18,499	20,316

13 Cash at Bank and in Hand

	2024 £	2023 £
Cash at bank with immediate access	268,080	223,407
	268,080	223,407

14 Creditors: liabilities falling due within one year

	2024 £	2023 £
Trade creditors	80	-
Pension liability	2,063	-
Accruals	5,179	7,049
Janet Foster fund	2,796	4,796
Grant obligations	8,290	4,110
	18,408	15,955

15 Pension commitments

The Church Workers Pension Fund (CWPF)

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

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

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

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

There is no sub-division of assets between employers in each section of the Pension Builder Scheme. The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and contributions are accounted for as if the Scheme were a defined contribution scheme. The pension contributions payable for the year, which have been charged to the Statement of Financial Activities, were £8,904 (2023: £10,514).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2022.

For the Pension Builder Classic section, the 2022 valuation revealed a surplus of £34.8m on the ongoing assumptions used. At the most recent annual review effective 1 January 2024, the Board chose to grant a discretionary bonus of 6.7% to both pensions not yet in payment and pensions in payment in respect of service prior to April 1997; and a bonus on pensions in payment in respect of post April 2006 service so that the pension increase was 5% (where usually it would be calculated based on inflation up to 2.5%). This followed improvements in the funding position over 2023. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the 2022 valuation revealed a surplus of £8.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

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

16 Funds

During the year the movements in the charity's funds were as follows:

	Opening balance 2024 £	Incoming resources 2024 £	Outgoing resources 2024 £	Transfers in the year 2024 £	Gains and losses 2024 £	Closing balance 2024 £
Designated Funds						
Reserve Fund	52,297	-	-	-	-	52,297
Ministry Assistants' Fund	1,000	-	-	-	-	1,000
St Nicholas' Estate Fund	1,672	36	-	-	-	1,707
Teen Aid	1,238	-	-	108	-	1,346
Maintenance Fund	30,848	655	-	-	-	31,503
Legacy	36,597	778	-	-	-	37,374
	123,652	1,469	-	108	-	125,228
General Unrestricted Funds	127,301	415,633	(379,727)	-	-	163,207
Total Unrestricted Funds	250,952	417,101	(379,727)	108	-	288,435
Restricted Funds						
Bells	366	-	-	-	-	366
Flower Fund	164	-	(22)	-	-	142
International Student Fund	1,256	4,112	-	-	-	5,368
Other restricted funds	975	-	-	-	-	975
SNACS - Main account	4,806	60	-	(2,002)	-	2,863
St Nic's Puppet Ministry	1,067	-	-	-	-	1,067
Vicar's Fund	2,923	62	-	-	-	2,985
Insulation of Upper Hall	6,127	130	-	-	-	6,258
Recovery Group	4,914	104	-	-	-	5,018
Churchyard	39,562	527	(14,948)	-	-	25,141
Streetlights	1,753	37	-	-	-	1,790
Satelites	-	6,590	(8,438)	2,002	-	155
Youth & Children	7,414	158	-	-	-	7,571
International Mission Council	-	4,085	-	-	-	4,085
Student Ministry	-	6,356	-	-	-	6,356
Big Question - Sixth Form Centre	347	-	-	-	-	347
	71,674	22,221	(23,407)	-	-	70,488
Endowment Funds						
Permanent						
Patterson Endowment Fund	5,073	108	-	(108)	-	5,073
	5,073	108	-	(108)	-	5,073
Aggregate of funds	327,699	439,430	(403,135)	-	-	363,996

The transfers referred to above were made for the following reasons:

a) From the SNACS & General Fund to the Satelites fund to subsidise the Youth trip to the Satelites event. This event meets the criteria of the SNACS fund.

b) Interest received by the Patterson Endowment Fundwas transferred to the Teenaid Fund in line with the endowment policy.

16 Funds (cont.)

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

	Unrestricted Funds				
	General funds £	Designated funds £	Restricted funds £	Endowment funds £	2024 £
Tangible fixed assets	93,616	-	2,209	-	95,825
Debtors	18,499	-		-	18,499
Cash at bank and in hand	69,500	125,228	68,280	5,073	268,080
Creditors falling due within one year	(18,408)	-	-	-	(18,408)
	163,207	125,228	70,488	5,073	363,996

In the previous year the movements in the charity's funds were as follows:

	Opening balance 2023 £	Incoming resources 2023 £	Outgoing resources 2023 £	Transfers in the year 2023 £	Gains and losses 2023 £	Closing balance 2023 £
Designated Funds						
Reserve Fund	50,860	1,437	-	-	-	52,297
Ministry Assistants' Fund	1,000	-	-	-	-	1,000
St Nicholas' Estate Fund	1,626	46	-	-	-	1,672
Teen Aid	1,071	-	-	167	-	1,238
Maintenance Fund	-	848	-	30,000	-	30,848
Legacy	35,591	1,006	-	-	-	36,597
	90,148	3,336	-	30,167	-	123,652
General Unrestricted Funds	172,059	359,480	(372,545)	(31,694)	-	127,301
Total Unrestricted Funds	262,207	362,817	(372,545)	(1,527)	-	250,952
Restricted Funds						
Bells	366	-	-	-	-	366
Flower Fund	182	-	(19)	-	-	164
International Student Fund	1,268	-	(12)	-	-	1,256
Other restricted funds	975	-	-	-	-	975
SNACS - Main account	6,174	132	-	(1,500)	-	4,806
St Nic's Puppet Ministry	1,067	-	-	-	-	1,067
Vicar's Fund	2,843	80	-	-	-	2,923
Insulation of Upper Hall	5,959	168	-	-	-	6,127
Recovery Group	4,779	135	-	-	-	4,914
Churchyard	2,000	41,337	(3,775)	-	-	39,562
Streetlights	-	1,827	(75)	-	-	1,753
Satelites	-	2,380	(5,574)	3,194	-	-
Youth & Children	-	7,414	-	-	-	7,414
	25,613	53,974	(9,607)	1,694	-	71,674

16 Funds (cont.)

Endowment Funds

Permanent						
Patterson Endowment Fund	5,097	143	-	(167)	-	5,073
	5,097	143	-	(167)	-	5,073
Aggregate of funds	292,917	416,934	(382,152)	-	-	327,699

Analysis of net assets by fund

In the previous year, the assets and liabilities of the various funds were as follows:

	Unrestricted Funds				
	General funds £	Designated funds £	Restricted funds £	Endowment funds £	2023 £
Tangible fixed assets	99,931	-	-	-	99,931
Debtors	18,866	-	1,450	-	20,316
Cash at bank and in hand	24,458	123,652	70,224	5,073	223,407
Creditors falling due within one year	(15,955)	-	-	-	(15,955)
	127,300	123,652	71,674	5,073	327,699

Restricted funds

Fund restrictions are included in the fund titles where possible. Where this is not clear, descriptions are given below:

Other restricted funds relates to other one off donations received for specific appeals.
The SNACS funds is for events which met the following criteria: a) a Christian ethos/ element b) an outdoor "education" element c) a residential element
The Vicar's Fund was money given during COVID specifically to help those suffering from financial hardship
The Streetlights Fund was transferred to St Nic's for the work carried out by this team.
The Satelites Fund was to subsidise the costs of a youth trip to the Satelites event

Designated funds

The Reserve Fund represents three months worth of essential costs and is set aside to ensure the charity is meeting its reserves policy
Ministry Assistants' Fund is designated for / set aside to fund ministry assistants
The St Nicholas' Estate Fund relates to Church Estates entity
The Teen Aid is to enable & encourage Christian growth of young people at St Nics by providing finance for Christian Centred activities.
The Maintenance Fund was designated to hold funding for any large amount of expenditure needed for the building.
The Legacy fund is a legacy left to St Nics in 2022 and is designated as such to allow a specific purpose to be designated for it by the PCC

Endowment funds

The Patterson Endowment Fund is part of the Church Estate entity and cannot be used. The interest received on this is transferred to the Teenaid fund as a requirement of the fund.

17 Transactions with related parties

During the year the charity:

a) received donations totalling £59,805 (2023: £68,517) from related parties (which includes members of the PCC and anyone closely connected to them).

b) No expenses (2023: £nil) were paid to, or for, non-clergy members of the PCC.

During the year the charity also made the following payments to, or for, related parties:

a) Phil Alsop, Kate Dawson & Kate Swann, all of whom are closely related to members of the PCC, received employment benefits totalling £34,976 (2023: £46,948) for providing operational services to the charity.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST NICHOLAS, DURHAM

DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Unrestricted funds General 2024 £	Designated 2024 £	Restricted 2024 £	Endowment 2024 £	Total 2024 £	Unrestricted funds General 2023 £	Designated 2023 £	Restricted 2023 £	Endowment 2023 £	Total 2023 £
INCOME AND ENDOWMENTS FROM:											
Donations and legacies	3	329,181	-	14,250	-	343,431	261,487	-	49,779	-	311,266
Charitable activities	4	71,534	-	6,590	-	78,124	67,591	-	2,380	-	69,971
Other trading activities	5	9,726	-	-	-	9,726	30,057	-	-	-	30,057
Investments	6	5,192	1,469	1,381	108	8,150	345	3,336	1,815	143	5,640
Total income and endowments		415,633	1,469	22,221	108	439,430	359,480	3,336	53,974	143	416,934
EXPENDITURE ON:											
Charitable activities:	7	379,680	-	23,407	-	403,088	360,208	-	9,607	-	369,815
Raising funds	8	47	-	-	-	47	12,337	-	-	-	12,337
Total Expenditure		379,727	-	23,407	-	403,135	372,545	-	9,607	-	382,152
Net income/(expenditure)		35,906	1,469	(1,186)	108	36,296	(13,065)	3,336	44,367	143	34,782
Transfers between funds	16	-	108	-	(108)	-	(31,694)	30,167	1,694	(167)	-
Net movement in funds		35,906	1,576	(1,186)	-	36,296	(44,759)	33,504	46,061	(24)	34,782
Reconciliation of funds:											
Total funds brought forward		127,301	123,652	71,674	5,073	327,700	172,059	90,148	25,613	5,097	292,917
Total funds carried forward	26	163,207	125,228	70,488	5,073	363,996	127,301	123,652	71,674	5,073	327,699

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST NICHOLAS, DURHAM

England & Wales - Charity number 1133809

Accounts

The Parochial Church Council of the Ecclesiastical Parish of St Nicholas, Durham

Report and Accounts
Year ended 31 December 2023

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THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST NICHOLAS, DURHAM

CHARITY INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2023

Members of the Parochial Church Council

Ex-officio members	Incumbent	Revd Dr Will Foulger (from September 2023)
	Curate	Revd Claire Elwood (resigned September 2023)
	Prior	Richard Briggs (resigned October 2023)
	Self-supporting Minister	Revd Baroness Maeve Sherlock
	Wardens	Mary Anne Freer
		Alan Smith
	General Synod	Angus Goudie
		Jamie Harrison
	Deanery Synod	Tim Packer
		Emma Clements (from April 2023)
	PCC Secretary	Ann Lipscombe (resigned March 2023)
Elected Members		Sam Chapman
		Jane Ghosh
		Naomi Stevens
		Phil Dawson
		Elaine Duddy
		Wendy Hughes
		Christopher Stokes
		Richard Swann
		Fiona Cuthill (from April 2023)
		Toby Dongean-Cross (from April 2023)
		Amy Tharakan (from April 2023)
		Lydia Francis-Holmes (from April 2023- resigned July 2023)
		Sarah Alsop (from April 2023)
		Abi Taylor (from April 2023)
		Fiona Courtman (from April 2023)
Charity Registration Number		1133809
Principal Address		St Nicholas' Church
		Market Place
		Durham
		DH1 3NJ
Independent Examiner		Sarah Crispin ACA
		Stewardship
		1 Lamb's Passage
		London
		EC1Y 8AB

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Members' Annual Report

Year ended 31 December 2023

The members present their report and the unaudited financial statements of the Parochial Church Council for the year ended 31 December 2023.

Objectives and activities

The objectives of St Nicholas Church (known to all as 'St Nics') continue to be those of a city-centre Church of England church: to be a Christ-centred community that grows in discipleship, service and number. It seeks to achieve this through a vision focused around Discipleship, Evangelism, Justice and Service, under the broad rubric of being 'a church for everyone'. St Nics is also a designated 'Resource Church' for the wider Diocese of Durham. This understanding was condensed into a vision statement shared with all attendees at the end of the 2022 year, in a 'Vision Sunday' in early January 2023. Since then, the church welcomed a new Vicar (from Sept 2023), Revd Dr Will Foulger, who has led us in a period of '40 weeks' of waiting and discernment before we begin any new initiatives.

The PCC has the responsibility of co-operating with the incumbent in promoting in the parish all aspects of the mission of the church – pastoral, evangelistic, social and ecumenical.

In attempting to achieve its objectives, St Nics undertakes a number of different ministries, including:

Ministry as a Parish Church: We resource our members of all ages through regular Sunday services that include biblical preaching and teaching, worship, and the celebration of Holy Communion. Alongside these we hold daily prayer services (Mon-Fri at 8am), a wide range of midweek small groups for the cultivation of Christian discipleship, and many other ministries, including student work, dedicated children's and youth provision, music and worship ministry.

We have continued our established pattern of Sunday services – three Sunday services at 9am, 11am and 6.30 pm, as well as a once-per-month 4pm afternoon service on the fourth Sunday of every month, known as 'The 4', and which is open to those for whom our weekly services may not be convenient. We have continued to stream at least one service on a Sunday, aware that our online 'congregation' often numbers 50–100 views (and therefore perhaps 100–200 people) spread far and wide, every Sunday.

Other special events through the year include a children's holiday club, student weekend away, youth summer camp, and other social events.

The Diocese of Durham has been encouraging all its churches to consider the possibilities for starting new worshipping congregations in Durham, whether as additional services (such as 'The 4' – see above) or in other locations in addition to the church building. St Nics has been actively involved in exploratory conversations about this possibility through 2023, with a view to discerning whether there is scope to do this in the years ahead.

Small Groups Those who are involved in the life of the church are encouraged to join one of a network of Small Groups (SGs), hosted in members' homes. These groups play an important role in pastoral care, facilitating personal growth and encouraging an outward focus to our Christian lives. The group leaders meet periodically for training and support. After our Prior, Richard Briggs, left St Nics we have put the 'Community of St Cuthbert' project on hold. The resources from the community are still available online.

Ministry Experience Volunteers (formerly Ministry Assistants): The Internship scheme at St Nics was started in the summer of 2010, and provides an opportunity for people to explore God's call in their lives while serving the church. The MEVs serve in various ministries in the church, as well as undertaking a course of accredited study at first year degree level through the local Lindisfarne College of Theology.

In September 2016, our Internship program became part of the Durham Diocese Church of England

Ministerial Experience Scheme. This year we have had one MEV with us, Amelia Enstone.

Ministry with students: Our Student Ministry aims to welcome, integrate and disciple students as well as providing pastoral care. After our student and international worker, Edmund Milwain, left his role in Summer 2023, we have been without a dedicated student worker or International worker. This year our student work has been led by an ordinand, on placement with us, Tim Riman. Under Tim's leadership the student work has re-established a thriving weekly student night where students eat, study the bible, and pray together.

Ministry with international students ('Amigos'): This ministry aims to encourage the churches in Durham to welcome and befriend international students whatever their faith, helping those who are Christians to find fellowship and grow in their faith, and taking the opportunity to share the Good News of Jesus with any who express an interest. 'Amigos' hosts a weekly regular meeting in addition to other activities. The group is staffed by volunteers.

Ministry with children and families: In the context of Durham Diocese where fewer than 6 churches are in regular contact with more than half a dozen children and young people, St Nics is privileged to work with a large number of children under the oversight of our Children and Families Worker, Kate Swann. We have over 80 children under 16 in some degree of regular attendance on a Sunday, and Kate Swann provides support to them and to their families by resourcing their Christian discipleship. An annual holiday club – this year undertaken during one half-term break in the year –attracted children who have no previous involvement in our church life. St Nics runs courses for parents on aspects of raising children in contemporary culture and informed by Christian faith.

This year we restarted a toddler group – 'Little Stars' – which is held weekly here in church. This group has grown and now welcomes over 12 families each week.

Ministry with young adults Our Youth Missioner, Hannah Wilkinson, has continued to develop involvement with the Durham Sixth Form Centre that is located in our parish. As well as continuing to develop excellent relationships with staff, and maintain an innovative 'Big Questions' group for interested sixth formers, she has developed a wide-ranging mentor scheme. This draws in volunteers from the wider church membership who can offer expertise and reflection in a range of subject areas. This year also saw the establishment of a Christian Union in the school, which Hannah co-leads with a young person who is a student at the Sixth Form centre.

Hannah maintains a range of activities for young adults (11-18) already attending church including Sunday morning worship materials for those 11—13 and Wednesday and Sunday meetings for 13-18 year olds. We have seen a growth in the numbers of young people in the past year, with now on average 14 young people attending our 6.30pm Sunday service. Hannah's post is funded by the Diocese of Durham and the Church of England's Strategic Development Fund. The expense fund provided as part of this funding has permitted youth to go on a summer camp with youth from many other churches, as part of helping them to have a sense of the wider world of church possibilities. The Teenaid Fund shown in the financial statements receives income from the interest on the Patterson Fund, a bequest made to the church a number of years ago. The fund gives grants for activities that 'encourage the spiritual growth of young people in the church.'

Mission Giving: The church supported mission activities in 2023. This year total support came to £7.8k and included the Bible Society, the Church Missionary Society, Church Army, VDM (Manasseh & Catrin Tuyizere), Mission Aviation Fellowship and the Latvia Biblical Centre.

The International Mission Committee keeps our contacts with the international societies under review and reports back to PCC periodically. The congregation was involved through meeting and praying for a number of mission partners throughout the year, a regular monthly prayer meeting, intercessions for mission partners as part of the morning service and through the Church's monthly prayer diary.

Buildings: As a resource for the community we serve, the church buildings are available for hire for a number of specified purposes and this income is included in the accounts.

The most recent Quinquennial Report was carried out in July 2021 and all immediate works required were carried out.

Regional Mission: Our role as a parish church in the Diocese of Durham and part of the Anglican Communion continues to be an essential part of our church life. The clergy regularly attend Deanery Synod and Deanery Chapter meetings. Tim Packer, and Emma Clements served on the Deanery Synod, since the APCM of 2023, and will continue for another year. Jamie Harrison and Angus Goudie continue to serve on General Synod .

The Parish Offering is our contribution to the costs of mission for the Church of England in the Diocese of Durham. It pays for the stipend and employing cost of our clergy, provision of Diocesan resources such as the use of a house for our MEVs, and other aspects of church life. St Nics has made a net contribution to the share over and above the cost of these provisions, though this may change in future years. The Parish Share is used to support mission and ministry throughout the Diocese. We give according to the Diocese's suggested 'guided pledge' and we have sought to give up to the suggested amount. In 2023 we gave £120k in Parish Offering and PCC continues to see the importance of helping to sustain mission in parts of our region that cannot at present support it on their own. The full £120k is included as an expense in the 2023 SOFA (see Note 7).

The Trustees have complied with the duty to have due regard to the public benefit guidance published by the Charity Commission.

Financial review

During the year, the PCC of St Nics made a surplus of £34.8k vs. a surplus in 2022 of £2.8k.

Donations including gift aid (excluding grants and legacies), increased by 4% compared to 2022 (£260.8k 2023 vs. £250.7k 2022). During the year there was a sermon series on giving over a number of weeks to encourage one off giving as part of the church's regular "Gift Day" but also to increase regular giving or start giving for those who were regular attendees. The aim in future is to give Gift Day a specific mission focus as it is present again in the 2024 budget.

Costs incurred as part of Discipling Church are reimbursed by the Strategic Development Fund, via the Diocese, once a claim has been submitted. These costs totalled £65.8k in 2023 (vs. £93.4k in 2022). The previously titled Ministry Assistants are now Ministry Experience Volunteers and form part of our Discipling Church staff. This funding will end in December 2025 and time has been spent in collaboration with the Diocese as to how this money is best spent during the remainder of the funding period to ensure the costs currently funded are sustained beyond that.

Parish Offering for 2023 increased by £20k from 2022 to £120k agreed by PCC. This represented a 20% increase on the previous year which was lower than the suggested amount due to recent Quinquennial Report. In 2024, St Nics have pledged £126k which met the suggestion of the Diocese.

During the year the PCC was awarded £40.3k in grants towards transforming the previously disused Churchyard space into a Community Garden, however only £3.8k of this has been spent. The remainder is expected to be spent in 2024. This will however, not match up with the income which has been received and recognised in 2023 so a deficit is to be expected in this area. Property expenses were 66% lower than 2022 (£75.8k). This was due to the large level of expenditure needed to the maintenance of the building in 2022 after the Quinquennial Report. A higher level of expenditure is expected in 2024 as projects are progressed and brought to fruition.

Fixed Assets were added to at the end of the year including 2 camcorders for live streaming services and a set of Silent Disco Equipment for future events at the church. These will begin their depreciation in 2024.

During the year the café closed and so the income recognised in accounts as £9.7k in 2023 will not appear again in 2024. This was due to various reasons which meant operation was not sustainable.

Reserves Policy

"It is the intention of PCC to try and maintain a balance on the designated "Reserve Fund" of approximately £50,000 to cope with unforeseen expenditure and ongoing cash flow management."

At the year end, the church was above this figure (see balance sheet).

Acknowledgements

The PCC is very grateful to all those members of the congregation who give freely of their time and abilities in many different ways - assisting in the various activities mentioned above.

Thank you too for your financial gifts which enable St Nic's to bring people to Jesus in so many different ways. We are most grateful for your support.

Grateful thanks as regards the finances are due to Kate Dawson, our Church Operations Manager, and Andy Freer, our Gift Aid Secretary.

It has been very helpful to have the support of the Finance Committee over the past year; especially during the period of vacancy. Thank you all for your support, the Finance Committee, the Standing Committee and to PCC.

Structure, governance and management

PCC: The Parochial Church Council (PCC) is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure. The PCC registered in September 2009 with the Charity Commission.

The method of appointment of PCC members is set out in the Church Representation Rules. All regular Church attendees are encouraged to register on the Electoral Roll and stand for election to the PCC. Members of the PCC are either ex-officio, elected by the APCM or co-opted by the PCC.

The PCC operates through a number of committees. These meet formally and informally between full meetings of the PCC and are served by members of the PCC and other members of the church. The Standing Committee (comprising the incumbent, wardens, deputy wardens, treasurer, PCC lay chairperson and PCC secretary) is the only committee required by law. It has the power to transact the business of the PCC between meetings, subject to any directions given by the Council.

In 2023 the PCC met on 9 occasions. In addition to regular reports covering ministry, finance, property, safeguarding and eco issues, the PCC continued to make prayer a regular and core part of its meetings.

The Revd Dr Richard Briggs left St Nics, and his role as Prior, in October 2023. Revd Claire Elwood's curacy ended in Summer 2023.

In addition to the staff team and the PCC the church is blessed to have a team of retired and licensed clergy in addition to readers. At the end of 2023 this team included: Revd David Day, Revd Peter Johnson, Revd Steve Muneza, Revd Colin Patterson, Revd Philip Brookes, Revd Josh Cockayne, Revd Gavin Wakefield, Revd Fran Wakefield, Ruth Stokes, Andrew Trigger and Jamie Harrison. Baroness Sherlock of Durham remains an Associate Minister.

Staff team: In 2023, the staff team reporting to the vicar and directly employed by the church, included: Kate Dawson (Church Operations Manager), Janet Dawson (Administrative Assistant), Kate Swann (Children and Families Worker), Stephanie Simants (part-time Worship Co-ordinator from August 2022),

and Claire Morley (part-time cleaner).

The church staff includes further roles funded by the Strategic Development Fund money from the Church of England: these are Hannah Wilkinson (Youth Missioner), and Phil Alsop (Tech Coordinator).

Risk management: The PCC is of the opinion that the management structure, as detailed above, keeps under review and manages the various risks which the church faces. Risk in this context might be defined as "the threat that an event or action will adversely affect an organisation's ability to achieve its objectives and execute its strategies". These may be:

- Financial risk often seen as the most common category of risk. We manage this through budgets, internal financial controls and management accounts. Also, we are currently subject to an annual independent examination.
- Statutory and legal requirements for example, health and safety regulations, employment law and child and vulnerable adult safety regulations. We aim for the highest standards in these areas and they are kept under review by the Church Wardens, the Safeguarding Officer, the Operations Manager, the Treasurer and others with specific areas of knowledge.
- With regard to the PCC's obligations to safeguard children and vulnerable adults, the members of the PCC confirm that they have complied with their duties under section 5 of the Safeguarding and Clergy Discipline Measure 2016.
- Operational risk this would threaten the church's ability to deliver its objectives owing to, for example, damage to the church building or loss of key personnel. With regard to the former, the church wardens liaise with property experts, fire safety officers and others. As regards personnel, the type of team ministry this church operates reduces the risks associated with one member of staff leaving.
- Reputational risk for example, unwelcome publicity would hinder the mission of the church. This is managed at many different levels e.g. by the staff team, PCC members and small group leaders.

In line with current legislation, PCC subjects the annual accounts to an independent examination.

Going Concern

Given our Reserves policy to maintain Reserves at a level of £50,000 to mitigate unforeseen circumstances, PCC believes that St Nics continues to be financially viable at present.

Statement of Responsibilities of the Members of the Parochial Church Council

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

Charity law requires the PCC to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity as at the balance sheet date and of its incoming resources and application of resources for the financial year. In preparing these financial statements, the PCC are required to:

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

The PCC is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements

comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Administrative information

St Nicholas Church is situated in the Market Place, Durham. It is part of the Diocese of Durham within the Church of England. The correspondence address is Church Office, St Nicholas Church, Market Place, Durham DH1 3NJ. The website of the church can be accessed at www.stnics.org.uk

We are registered with the Charity Commission under the name of "The Parochial Church Council of the Ecclesiastical Parish of St Nicholas, Durham"; the registration number is 1133809.

Approval

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

Revd Dr Will Foulger

Date:

INDEPENDENT EXAMINER'S REPORT

TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF

HE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST NICHOLAS, DURHAM ('the Charity')

I report to the members of the PCC (who are also the charity's trustees) on my examination of the accounts of the Charity for the year ended 31 December 2023 on pages 9 to 20 following, which have been prepared on the basis of the accounting policies set out on pages 11 and 12.

Responsibilities and basis of report

As members of the PCC you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England & Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Charity as required by section 130 of the Act; or

2. the accounts do not accord with those records; or

3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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

Sarah Crispin ACA
Institute of Chartered Accountants in England and Wales

Stewardship
1 Lamb's Passage
London
EC1Y 8AB

Date:

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST NICHOLAS, DURHAM

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2023 £	Total Funds 2022 £
INCOME AND ENDOWMENTS FROM:						
Donations and legacies	3	261,487	49,779	-	311,266	313,517
Charitable activities	4	67,591	2,380	-	69,971	96,971
Other trading activities	5	30,057	-	-	30,057	26,696
Investments	6	3,682	1,815	143	5,640	982
Total income and endowments		362,817	53,974	143	416,934	438,166
EXPENDITURE ON:						
Charitable activities	7	360,208	9,607	-	369,815	429,306
Raising funds	8	12,337	-	-	12,337	6,097
Total expenditure		372,545	9,607	-	382,152	435,402
Net income/(expenditure)		(9,729)	44,367	143	34,782	2,763
Transfers between funds	16	(1,527)	1,694	(167)	-	-
Net movement in funds		(11,255)	46,061	(24)	34,782	2,763
Reconciliation of funds:						
Total funds brought forward		262,207	25,613	5,097	292,917	290,154
Total funds carried forward	16	250,952	71,674	5,073	327,699	292,917

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing operations.

The notes on page 11-19 form part of these accounts.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST NICHOLAS, DURHAM

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2023 £	Total Funds 2022 £
FIXED ASSETS						
Tangible assets	11	99,931	-	-	99,931	102,225
		99,931	-	-	99,931	102,225
CURRENT ASSETS						
Debtors	12	18,866	1,450	-	20,316	32,783
Cash at bank and in hand	13	148,110	70,224	5,073	223,407	173,327
		166,976	71,674	5,073	243,723	206,110
CREDITORS: Amounts falling due within one year	14	(15,955)	-	-	(15,955)	(15,418)
Net current assets / (liabilities)		151,021	71,674	5,073	227,768	190,692
Total assets less current liabilities		250,952	71,674	5,073	327,699	292,917
TOTAL NET ASSETS		250,952	71,674	5,073	327,699	292,917
FUND BALANCES	16					
Unrestricted Funds						
General funds		127,300	-	-	127,300	172,059
Designated funds		123,652	-	-	123,652	90,148
		250,952	-	-	250,952	262,207
Restricted Funds		-	71,674	-	71,674	25,613
Endowment Funds		-	-	5,073	5,073	5,097
		250,952	71,674	5,073	327,699	292,917

The financial statements were approved by the members of the PCC and were signed on its behalf by:

Revd Dr Will Foulger

Date: _____

Charity number: 1133809

The notes on page 11-19 form part of these accounts.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST NICHOLAS, DURHAM

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Statutory Information

The Parochial Church Council of St Nicholas, Durham is a charity registered with the Charity Commission in England & Wales. The charity's registered number and principal address can be found on the Charity Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention. The financial statements include all activities for which the PCC is legally responsible; the activities of informal gatherings of church members and groups that owe their main affiliation to another body and are excluded.

These financial statements have been prepared in accordance with The Church Accounting Regulations 2006, 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)' ("the Charities SORP"), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102") and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The Charities (Accounts and Reports) Regulations 2008 (the '2008 Regulations') requires charities to prepare their accounts in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005' but this accounting standard has since been withdrawn and has been replaced by the Charities SORP mentioned in the preceding paragraph. The charity has prepared these financial statements in accordance with the new Charities SORP; this departure from the 2008 Regulations is believed to be necessary for these financial statements to give a 'true and fair view'.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The PCC have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The PCC have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the PCC have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The PCC have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Income

Income (which includes planned giving, collections and other donations) is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part income is generally recognised when it is received by, or on behalf of, the PCC. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations and legacies includes:

i) Recoverable gift aid. This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.

ii) Legacies. Income from legacies is recognised when a distribution is received from the estate or, if earlier, when the charity has been notified that a distribution will be made and the amount receivable can be measured reliably.

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from the Strategic Development Fund via Durham Diocese to fund costs incurred as part of Discipling Church.

Income from other trading activities represents income receivable from activities undertaken to generate funds for the charity. It includes income from letting the church building & halls, and from the café.

Investment income represents income generated by the charity's assets and includes bank interest income.

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Contributions in respect of the diocesan parish share are included in the Statement of Financial Activities for all amounts agreed to being payable for the financial year. Any contributions that have not been paid over by the year end are included as a creditor.

2 Accounting Policies (cont.)

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

Expenditure on raising funds comprises the costs incurred on running the café.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the PCC in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the PCC for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects. Endowment funds are donations that are retained as capital in accordance with the donor's wishes. The nature of the restriction determines whether the endowments represent permanent endowments or expendable endowments.

e) Tangible fixed assets

Consecrated and beneficed property is not included in these financial statements by virtue of s.10(2) of the Charities Act 2011. All expenditure on consecrated or beneficed buildings is written off in the year in which it is incurred.

Movable church furnishings held by the incumbent and Churchwardens on special trust for the PCC and which require a faculty for disposal are capitalised in accordance with the policy set out below. These items are regarded as inalienable property and are listed in the church's inventory which can be inspected at any reasonable time. Inalienable property acquired prior to 2000 has not been capitalised as there is insufficient cost information available.

For inalienable property acquired prior to 2001 there is insufficient cost information available and therefore such assets are not valued in the accounts.

Items purchased or donated for the charity's own use since 1 January 2001 are capitalised when the cost of purchased items, or the fair value of donated items, is more than £2,000 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

Youth Centre renovation	Over 50 years
Fixtures & fittings	Over 4 years
Equipment	Over 4 years
Office Equipment	Over 4 years

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

f) Pension scheme arrangements

The charity contributes to the Church Workers Pension Fund, which is a multi-employer defined benefits pension scheme as described in Section 28 of FRS 102. The charity is not able to identify its share of the Scheme's assets and liabilities and, therefore, as permitted by FRS 102, the Scheme is accounted for as if it were a defined contribution pension scheme. Contributions to the Scheme are charged to the Statement of Financial Activities as they become payable. Futher information about the Scheme is disclosed in note 16 'Pension Commitments'.

g) Taxation

The charity has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

h) Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Except for loans, creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises liabilities for the principal of those loans that remains outstanding at the year end (i.e. the liabilities exclude any interest chargeable on the loans in future years).

i) Exemption from preparing a cashflow statement

The charity has taken advantage of an exemption conferred by the Charities SORP and has not prepared a cash flow statement.

j) Critical accounting estimates and areas of judgement

The members of the PCC do not consider that there are any material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

3 Donations and legacies

	2023	2022
	£	£
Donations of cash and similar	196,506	199,530
Gift Day donations	21,267	12,465
Other grants receivable	50,496	27,238
Legacies receivable	-	35,591
Gift aid recoverable	42,997	38,693
	311,266	313,517

4 Income from charitable activities

	2023	2022
	£	£
Discipling Church income	65,774	93,434
PCC Activities	1,711	2,053
Fees retained by PCC (Weddings & Funerals)	54	1,258
Children's & Youth events	2,380	-
Miscellaneous income	52	225
	69,971	96,971

5 Income from other trading activities

	2023	2022
	£	£
Café income	9,705	3,381
Rental income	20,352	23,315
	30,057	26,696

6 Investment income

	2023	2022
	£	£
Bank interest	5,480	822
Rental income	160	160
	5,640	982

7 Charitable expenditure

	2023	2022
	£	£
a Costs incurred directly on specific activities		
Ministry expenses:		
Parish share	120,000	100,000
Ministry staff employment costs	37,764	26,806
Clergy expenses	2,145	4,134
Home Ministry	17,882	7,375
Discipling Church	71,171	100,756
	248,962	239,071
Property expenses:		
Operational costs for church	38,707	114,534
Operational costs for Youth Centre	3,123	2,733
	41,830	117,267
Grants payable (note 7c)	7,840	7,590
	298,632	363,927

7 Charitable expenditure (cont.)

b Costs incurred on support & administration

Governance costs		
Independent examiner's fee	2,250	960
Other	301	126
	2,551	1,086
Administrative & support staff employment costs	45,476	41,892
Church administration costs	16,064	14,166
Depreciation of tangible fixed assets	7,092	8,233
	71,183	65,378
Total expenditure	369,815	429,306

c Grants payable

	Institutions	Individuals	2023
	£	£	£
Grants for UK and overseas mission	7,840	-	7,840
	7,840	-	7,840

The comparatives for the previous year are as follows:

	Institutions	Individuals	2022
	£	£	£
Grants for UK and overseas mission	7,590	-	7,590
	7,590	-	7,590

The charity's principal grants to institutions comprised:

	2023	2022
	£	£
Church Missionary Society	2,000	2,000
Bible Society	1,500	1,500
Latvia Biblical Centre	1,800	1,800
Church Army (Friends of Bungokho)	1,000	1,000
Vereinigte Deutsche Missionshilfe (Manasseh & Catrin Tuyizere)	1,000	750
Mission Aviation Fellowship	540	540
	7,840	7,590

8 Cost of raising funds

	2023	2022
	£	£
Café costs	12,337	6,097
	12,337	6,097

9 Analysis of staff costs, the cost of key management personnel and trustee remuneration and expenses

The average monthly number of employees during the year was 9.7 (2022: 8). Most of the charity's activities are carried out by volunteers.

No staff received salaries at a rate of more than £60,000 per annum.

The charity's key management comprise the members of the PCC. No member of the PCC received employment benefits in either the current or preceding year.

Revd Dr Will Foulger, Revd Claire Elwood and Revd Dr Richard Briggs (who were clergy members of the PCC) received a stipend from the Diocese and so they are not employees; some of the Parish Share paid to the Diocese is used to help meet the cost of these stipends. Revd Claire Elwood was provided with accommodation (which is customary for clergy) and the cost of this accommodation to the PCC is disclosed in note 7 'Charitable Expenditure'. The charity also reimbursed expenses to Revd Dr Will Foulger, Revd Claire Elwood, and Revd Dr Richard Briggs; again these costs are disclosed in note 7 'Charitable Expenditure' under the heading 'Clergy expenses'.

10 Acting as agent

On occasion the charity receives money on behalf of other charities, which it banks and then pays out to these charities. This income is received as agent for these other charities and the income, and the related payments, are excluded from the Statement of Financial Activities; any money that has not been distributed by the year end is recognised as a creditor.

During the year the charity acted as agent for the Janet Foster fund and, in that capacity:

a) received £nil (2022: £nil) and paid £1,000 (2022: £nil)
b) at the year end the charity held £4,796 (2022: £5,796) on behalf of the trustees of the fund and this has been recognised as a creditor in the balance sheet.

11 Tangible fixed assets

	Youth Centre £	Fixtures & Fittings £	Equipment £	Office Equipment £	Total 2023 £
Cost					
At 1 January 2023	149,558	11,103	7,353	7,901	175,915
Additions	-	-	4,798	-	4,798
At 31 December 2023	149,558	11,103	12,151	7,901	180,713
Accumulated depreciation					
At 1 January 2023	55,431	7,403	6,493	4,363	73,690
Charge for the year	2,991	1,913	491	1,697	7,092
At 31 December 2023	58,422	9,316	6,984	6,060	80,782
Net book value					
At 31 December 2023	91,136	1,787	5,167	1,841	99,931
At 31 December 2022	94,127	3,700	860	3,538	102,225

12 Debtors

	2023 £	2022 £
Falling due within one year:		
Tax recoverable	12,010	8,541
Other debtors	2,599	4,900
Prepayments and accrued income	5,707	19,342
	20,316	32,783

13 Cash at Bank and in Hand

	2023 £	2022 £
Cash at bank with immediate access	223,407	173,327
	223,407	173,327

14 Creditors: liabilities falling due within one year

	2023 £	2022 £
Trade creditors	-	196
Pension liability	-	1,387
Accruals	7,049	8,039
Deferred income	-	-
Janet Foster fund	4,796	5,796
Grant obligations	4,110	-
	15,955	15,418

15 Pension commitments

The Church Workers Pension Fund (CWPF)

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

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

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

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

There is no sub-division of assets between employers in each section of the Pension Builder Scheme. The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and contributions are accounted for as if the Scheme were a defined contribution scheme. The pension contributions payable for the year, which have been charged to the Statement of Financial Activities, were £10,514 (2022: £7,444).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2022.

For the Pension Builder Classic section, the 2022 valuation revealed a surplus of £34.8m on the ongoing assumptions used. At the most recent annual review effective 1 January 2024, the Board chose to grant a discretionary bonus of 6.7% to both pensions not yet in payment and pensions in payment in respect of service prior to April 1997; and a bonus on pensions in payment in respect of post April 2006 service so that the pension increase was 5% (where usually it would be calculated based on inflation up to 2.5%). This followed improvements in the funding position over 2023. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the 2022 valuation revealed a surplus of £8.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

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

16 Funds

During the year the movements in the charity's funds were as follows:

	Opening balance 2023 £	Incoming resources 2023 £	Outgoing resources 2023 £	Transfers in the year 2023 £	Gains and losses 2023 £	Closing balance 2023 £
Designated Funds						
Reserve Fund	50,860	1,437	-	-	-	52,297
Ministry Assistants' Fund	1,000	-	-	-	-	1,000
St Nicholas' Estate Fund	1,626	46	-	-	-	1,672
Teen Aid	1,071	-	-	167	-	1,238
Maintenance Fund	-	848	-	30,000	-	30,848
Legacy	35,591	1,006	-	-	-	36,597
	90,148	3,336	-	30,167	-	123,652
General Unrestricted Funds	172,059	359,480	(372,545)	(31,694)	-	127,301
Total Unrestricted Funds	262,207	362,817	(372,545)	(1,527)	-	250,952
Restricted Funds						
Bells	366	-	-	-	-	366
Flower Fund	182	-	(19)	-	-	164
International Student Fund	1,268	-	(12)	-	-	1,256
Other restricted funds	975	-	-	-	-	975
SNACS - Main account	6,174	132	-	(1,500)	-	4,806
St Nic's Puppet Ministry	1,067	-	-	-	-	1,067
Vicar's Fund	2,843	80	-	-	-	2,923
Insulation of Upper Hall	5,959	168	-	-	-	6,127
Recovery Group	4,779	135	-	-	-	4,914
Churchyard	2,000	41,337	(3,775)	-	-	39,562
Streetlights	-	1,827	(75)	-	-	1,753
Satelites	-	2,380	(5,574)	3,194	-	-
Youth & Children	-	7,414	-	-	-	7,414
Big Question - Sixth Form Centre	-	500	(153)	-	-	347
	25,613	53,974	(9,607)	1,694	-	71,674
Endowment Funds						
Permanent						
Patterson Endowment Fund	5,097	143	-	(167)	-	5,073
	5,097	143	-	(167)	-	5,073
Aggregate of funds	292,917	416,934	(382,152)	-	-	327,699

The transfers referred to above were made for the following reasons:

a) From the SNACS & General Fund to the Satelites fund to subsidise the Youth trip to the Satelites event. This event meets the criteria of the SNACS fund.

b) Interest received by the Patterson Endowment Fund in 2022 & 2023 was transferred to the Teenaid Fund in line with the endowment policy.

16 Funds (cont.)

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

	Unrestricted Funds				
	General funds	Designated funds	Restricted funds	Endowment funds	2023
	£	£	£	£	£
Tangible fixed assets	99,931	-	-	-	99,931
Debtors	18,866	-	1,450	-	20,316
Cash at bank and in hand	24,458	123,652	70,224	5,073	223,407
Creditors falling due within one year	(15,955)	-	-	-	(15,955)
	127,300	123,652	71,674	5,073	327,699

In the previous year the movements in the charity's funds were as follows:

	Opening balance 2022	Incoming resources 2022	Outgoing resources 2022	Transfers in the year 2022	Gains and losses 2022	Closing balance 2022
	£	£	£	£	£	£
Designated Funds						
Reserve Fund	50,860	-	-	-	-	50,860
Ministry Assistants' Fund	1,000	-	-		-	1,000
Market Place Partnership, coffee loun	20,750	-	-	(20,750)	-	-
Market Place Partnership, PCC funds	2,503	-	-	(2,503)	-	-
St Nicholas' Estate Fund	1,618	8	-	-	-	1,626
Student Ministry	129	845	(936)	(38)	-	-
Teen Aid	1,071	-	-	-	-	1,071
Youth Centre - General	(4,235)	-	196	4,039	-	-
Maintenance Fund	30,011	-	(30,011)		-	-
Children & Families	(15)	-	(172)	187	-	-
Discipling Church	12,130	75,534	(74,542)	(13,122)	-	-
Youth Ministry	-	-	(42)	42	-	-
Legacy	-	35,591	-	-	-	35,591
	115,822	111,978	(105,507)	(32,145)	-	90,148
General Unrestricted Funds	143,855	280,734	(284,674)	32,145	-	172,059
Total Unrestricted Funds	259,677	392,712	(390,181)	-	-	262,207
Restricted Funds						
Bells	366	-	-	-	-	366
Flower Fund	15	200	(33)	-	-	182
International Student Fund	1,268	-	-	-	-	1,268
St Nic's Pics	229	-	-	(229)	-	-
Other restricted funds	975	13,724	(13,724)	-	-	975
PA Fund	321	-	(550)	229	-	-
SNACS - Main account	7,645	29	(1,500)	-	-	6,174
St Nic's Puppet Ministry	1,067	-	-	-	-	1,067
Vicar's Fund	2,830	13	-	-	-	2,843
Insulation of Upper Hall	5,931	28	-	-	-	5,959
Recovery Group	4,757	22	-	-	-	4,779
Churchyard	-	3,200	(1,200)	-	-	2,000
Café Fit Out	-	28,214	(28,214)	-	-	-
	25,404	45,430	(45,221)	-	-	25,613

16 Funds (cont.)

Endowment Funds

Permanent						
Patterson Endowment Fund	5,073	24	-	-	-	5,097
	5,073	24	-	-	-	5,097
Aggregate of funds	290,154	438,166	(435,402)	-	-	292,917

Analysis of net assets by fund

In the previous year, the assets and liabilities of the various funds were as follows:

	Unrestricted Funds				
	General funds £	Designated funds £	Restricted funds £	Endowment funds £	2022 £
Tangible fixed assets	102,225	-	-	-	102,225
Debtors	32,783	-	-	-	32,783
Cash at bank and in hand	52,469	90,148	25,613	5,097	173,327
Creditors falling due within one year	(15,418)	-	-	-	(15,418)
	172,059	90,148	25,613	5,097	292,917

Restricted funds

Fund restrictions are included in the fund titles where possible. Where this is not clear, descriptions are given below:

Other restricted funds relates to other one off donations received for specific appeals.
The SNACS funds is for events which met the following criteria: a) a Christian ethos/ element b) an outdoor "education" element c) a residential element
The Vicar's Fund was money given during COVID specifically to help those suffering from financial hardship
The Streetlights Fund was transferred to St Nic's for the work carried out by this team.
The Satelites Fund was to subsidise the costs of a youth trip to the Satelites event

Designated funds

The Reserve Fund represents three months worth of essential costs and is set aside to ensure the charity is meeting its reserves policy
Ministry Assistants' Fund is designated for / set aside to fund ministry assistants
The St Nicholas' Estate Fund relates to Church Estates entity
The Teen Aid is to enable & encourage Christian growth of young people at St Nics by providing finance for Christian Centred activities.
The Maintenance Fund was designated to hold funding for any large amount of expenditure needed for the building.
The Legacy fund is a legacy left to St Nics in 2022 and is designated as such to allow a specific purpose to be designated for it by the PCC

Endowment funds

The Patterson Endowment Fund is part of the Church Estate entity and cannot be used. The interest received on this is transferred to the Teenaid fund as a requirement of the fund.

17 Transactions with related parties

During the year the charity:

a) received donations totalling £68,517 (2022: £31,815) from related parties (which includes members of the PCC, any other members of key management and anyone closely connected to them).

b) No expenses (2022: £XX) were paid to, or for, non-clergy members of the PCC.

During the year the charity also made the following payments to, or for, related parties:

a) Phil Alsop, Kate Dawson & Kate Swann, all of whom are closely related to members of the PCC, received employment benefits totalling £46,948 (2022: £38,173) for providing operational services to the charity

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST NICHOLAS, DURHAM

DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES

FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	Unrestricted funds General 2023 £	Designated 2023 £	Restricted 2023 £	Endowment 2023 £	Total 2023 £	Unrestricted funds General 2022 £	Designated 2022 £	Restricted 2022 £	Endowment 2022 £	Total 2022 £
INCOME AND ENDOWMENTS FROM:											
Donations and legacies	3	261,487	-	49,779	-	311,266	250,488	35,591	27,438	-	313,517
Charitable activities	4	67,591	-	2,380	-	69,971	2,692	76,379	17,900	-	96,971
Other trading activities	5	30,057	-	-	-	30,057	26,696	-	-	-	26,696
Investments	6	345	3,336	1,815	143	5,640	858	8	92	24	982
Total income and endowments		359,480	3,336	53,974	143	416,934	280,734	111,978	45,430	24	438,166
EXPENDITURE ON:											
Charitable activities:	7	360,208	-	9,607	-	369,815	278,578	105,507	45,221	-	429,306
Raising funds	8	12,337	-	-	-	12,337	6,097	-	-	-	6,097
Total Expenditure		372,545	-	9,607	-	382,152	284,674	105,507	45,221	-	435,402
Net income/(expenditure)		(13,065)	3,336	44,367	143	34,782	(3,941)	6,471	209	24	2,763
Transfers between funds	16	(31,694)	30,167	1,694	(167)	-	32,145	(32,145)	-	-	-
Net movement in funds		(44,759)	33,504	46,061	(24)	34,782	28,204	(25,674)	209	24	2,763
Reconciliation of funds:											
Total funds brought forward		172,059	90,148	25,613	5,097	292,917	143,855	115,822	25,404	5,073	290,154
Total funds carried forward	26	127,300	123,652	71,674	5,073	327,699	172,059	90,148	25,613	5,097	292,917

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST NICHOLAS, DURHAM

England & Wales - Charity number 1133809

Accounts

Charity Registration Number: 1133809

St Nicholas' Church, Durham

Financial Statements

For the year ending

31 December 2022

JANE ASCROFT ACCOUNTANCY LIMITED
Chartered Accountants
Enterprise House
Harmire Enterprise Park
Barnard Castle
County Durham
DL12 8XP

St Nicholas' Church, Durham

Financial Statements

Year ended 31 December 2022

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St Nicholas' Church, Durham

Members' Annual Report

Year ended 31 December 2022

The members present their report and the unaudited financial statements of the Parochial Church Council for the year ended 31 December 2022.

Objectives and activities

The objectives of St Nicholas Church (known to all as 'St Nics') continue to be those of a city-centre Church of England church: to be a Christ-centred community that grows in discipleship, service and number. It seeks to achieve this through a vison focused around Discipleship, Evangelism, Justice and Service, under the broad rubric of being 'a church for everyone'. St Nics is also a designated 'resource church' for the wider Diocese of Durham. This understanding was condensed into a vision statement shared with all attendees at the end of the 2022 year, in a 'Vision Sunday' in early January 2023.

The PCC has the responsibility of co-operating with the incumbent in promoting in the parish all aspects of the mission of the church - pastoral, evangelistic, social and ecumenical. The incumbent, the Revd Arun Arora, left in July 2022 upon becoming the Bishop of Kirkstall, in the Diocese of Leeds. Since then the Prior, the Revd Dr Richard Briggs, has served as Acting Vicar while St Nics awaits the appointment of a new incumbent.

In attempting to achieve its objectives, St Nics undertakes a number of different ministries, including:

Ministry as a Parish Church: We resource our members of all ages through regular Sunday services that include biblical preaching and teaching, worship, and the celebration of Holy Communion. Alongside these we hold daily prayer services (usually now at 9am, and sometimes at lunchtime), a midweek communion service every Wednesday lunchtime, a wide range of midweek small groups for the cultivation of Christian discipleship, and many other ministries, including student work, dedicated children's and youth provision, music and worship ministry, and a social justice ministry centred in the new St Nics Cafe.

We have continued our established pattern of Sunday services - three Sunday services at 9am, 11am and 6.30 pm, as well as starting a once-per-month 4pm afternoon service on the fourth Sunday of every month, known as 'The 4', and which is open to those for whom our weekly services may not be convenient. We have continued to stream at least one and sometimes two services on a Sunday, aware that our online 'congregation' often numbers 50-100 views (and therefore perhaps 100-200 people) spread far and wide, every Sunday. In 2022 we were finally able to progress beyond any further COVID restrictions in our physical gatherings.

We have continued to provide opportunities for people to join Alpha courses (now once more face-to-face). On the first Monday evening of every month we hold an all-church prayer evening that has been steadily growing from around 20-25 regular attenders to around 35-40 regular attenders. Other special events through the year include a children's holiday club, student weekend away, youth summer camp, and other social events.

The Diocese of Durham has been encouraging all its churches to consider the possibilities for starting new worshipping congregations in Durham, whether as additional services (such as 'The 4' - see above) or in other locations in addition to the church building. St Nics has been actively involved in exploratory conversations about this possibility through 2022, with a view to discerning whether there is scope to do this in the years ahead. This work has involved our 'church planting curate', the Revd Claire Elwood, and others.

Small Groups: Those who are involved in the life of the church are encouraged to join one of a network of Spiritual Growth Groups, hosted in members' homes. These groups play an important role in pastoral care, facilitating personal growth and encouraging an outward focus to our Christian lives. The group leaders meet periodically for training and support. The groups are now understood to make up the 'Community of St Cuthbert', under the oversight of our Prior, who provides resource materials, works with groups leaders, and teaches regularly on the topics relating to the Christian life. Community of St Cuthbert material is made freely available to other churches beyond St Nics on our website.

Ministry Experience Volunteers (formerly Ministry Assistants): The Internship scheme at St Nics was started in the summer of 2010, and provides an opportunity for people to explore God's call in their lives while serving the church. The MEVs serve in various ministries in the church, as well as undertaking a course of accredited study at first year degree level through the local Lindisfarne College of Theology.

In September 2016, our Internship program became part of the Durham Diocese Church of England Ministerial Experience Scheme, working in partnership with St Chad's, Sunderland. In 2022 we said goodbye to Lydia Francis Holmes and Elisa Korner as our full time MEVS in July. Unfortunately we were not able to recruit further MEVs for 2022-23, but we anticipate resuming recruitment for 2023 once a new vicar is in place.

Ministry with students: Our Student Ministry aims to welcome, integrate and disciple students as well as providing pastoral care. After difficulty in recruiting a new student worker in 2021, we were pleased to appoint a recent Durham graduate, Edmund Milwain, to the combined post of Student Worker and 'Amigos' Worker (see below). Under Edmund's leadership the student work has re-established a good number of small groups, which are part of the Community of St Cuthbert, as well as seeking to offer welcome to many other students passing through Durham Market Square. A weekly student night event on Thursday offers a forum for St Nics students to meet, study, worship and pray together.

Ministry with international students ('Amigos'): Edmund Milwain has taken on responsibility for this area of our church work alongside his role as Student Worker, offering 8 hours per week dedicated to providing welcome and hospitality to those newly arrived in Durham from other cultures Durham University and New College receive over 3000 international students from 120 countries, along with their spouses and families. This ministry aims to encourage the churches in Durham to welcome and befriend international students whatever their faith, helping those who are Christians to find fellowship and grow in their faith, and taking the opportunity to share the Good News of Jesus with any who express an interest. 'Amigos' hosts a weekly regular meeting in addition to other activities.

Ministry with children and families: In the context of Durham Diocese where fewer than 6 churches are in regular contact with more than half a dozen children and young people, St Nics is privileged to work with a large number of children under the oversight of our Children and Families Worker, Kate Swann. We have over 50 under 11's in some degree of regular attendance on a Sunday, and Kate Swann provides support to them and to their families by resourcing their Christian discipleship. An annual holiday club - typically undertaken during one half-term break in the year - often attracts many more children who have no previous involvement in our church life. St Nics runs regular courses for parents on aspects of raising children in contemporary culture and informed by Christian faith.

The rapid growth in numbers of our 5-11 year old group has meant that some of the provision with under 5's has been reduced in 2022. The weekly 'Tiddlywinks' drop-in was paused and has not been restarted. However, repairs to the church chapel space have allowed the resumption of a weekly creche in the 11am Sunday service.

Ministry with young adults: Our Youth Missioner, Hannah Wilkinson, has continued to develop involvement with the Durham Sixth Form Centre that is located in our parish. As well as continuing to develop excellent relationships with staff, and maintain an innovative 'Big Questions' group for interested sixth formers, she has developed a wide-ranging mentor scheme. This draws in volunteers from the wider church membership who can offer expertise and reflection in a range of subject areas. She has also liaised with the Sixth Form Centre to develop a chaplaincy-style presence for up to two days a week, including offering the possibility for a Christian Union style group to meet.

Hannah maintains a range of activities for young adults (11-18) already attending church including Sunday morning worship materials for those 11-13 and Wednesday and Sunday meetings for 13-18 year olds. Hannah's post is funded by the Diocese of Durham and the Church of England's Strategic Development Fund for its funding of this post. The expense fund provided as part of this funding has permitted youth to go on a summer camp with youth from many other churches, as part of helping them to have a sense of the wider world of church possibilities. The Teenaid Fund shown in the financial statements receives income from the interest on the Patterson Fund, a bequest made to the church a number of years ago. The fund gives grants for activities that 'encourage the spiritual growth of young people in the church.' No grants were made in 2022.

Ministry of Social Justice: Michael McGuigan continues as our Social Justice Enabler, appointed in 2021. During 2022 Michael built up (including literally building) the new St Nics Cafe. This opened slightly behind schedule in late summer 2022, with short opening hours and a small team of volunteers. The appointment of first a Cafe Manager, who helped us to get the cafe open, and then instead a Cafe Supervisor, has allowed the St Nics Cafe to become a regular part of our church life, serving the wi der area. The Cafe us run by a Cafe Management Team, which reports to the church's PCC. Its finances are controlled within the church finances, rather than being a separate entity.

The purpose of the Cafe is to be a gateway to service, and Michael's role - now that the Cafe is open and established - is increasingly to develop the St Nics Justice Hub, whereby people can be put directly in touch with service providers for a range of social needs (such as debt counselling, financial aid, bereavement support, and others).

Mission Giving: The church supported mission activities in 2022. This year total support came to£7.6k and included the Bible Society, the Church Missionary Society, Church Army, VDM (Manasseh & Catrin Tuyizere), Mission Aviation Fellowship and the Latvia Biblical Centre.

The International Mission Committee keeps our contacts with the international societies under review and reports back to PCC periodically. The congregation was involved through meeting and praying for a number of mission partners throughout the year, a regular monthly prayer meeting, intercessions for mission partners as part of the morning service and through the Church's monthly prayer diary.

Buildings: As a resource for the community we serve, the church buildings are available for hire for a number of specified purposes and this income is included in the accounts.

Gateway World Shop continued throughout 2022 to occupy a corner of the building. Gateway paid a monthly rent for this space. It trades independently of the church and its figures are not included in our accounts. The Gateway Shop subsequently ceased trading in February 2023 as a result of pressures on the fair trade sector in terms of both supply and demand. No decision has yet been made on reassignment of the space occupied by the Gateway Shop. The space is fully a part of St Nics building.

Regional Mission: Our role as a parish church in the Diocese of Durham and part of the Anglican Communion continues to be an essential part of our church life. The clergy regularly attend Deanery Synod and Deanery Chapter meetings. Tim Packer, James Cochran and Alex Marklew served on the Deanery Synod, with the latter two both moving away from Durham during the course of 2022. New representatives will be elected in 2023. Jamie Harrison and Angus Goudie continue to serve on General Synod .

The Parish Offering is our contribution to the costs of mission for the Church of England in the Diocese of Durham. It pays for the stipend and employing cost of our clergy, provision of Diocesan resources such as the use of a house for our MEVs, and other aspects of church life. St Nics has made a net contribution to the share over and above the cost of these provisions, though this may change in future years. The Parish Share is used to support mission and ministry throughout the Diocese. In 2022 we we gave £100k in Parish Offering and PCC continues to see the importance of helping to sustain mission in parts of our region that cannot at present support it on their own. The full £100k is included as an expense in the 2022 SOFA (see Note 9).

The Trustees have complied with the duty to have due regard to the public benefit guidance published by the Charity Commission.

Financial review

2022 was a busy year for St Nics with the key financial impacts being around Discipling Church income and expenditure, Church Building maintenance and the new Justice Café fit out and commencement of trading.

The PCC is so very thankful for the financial support of the congregation; without whom none of the fantastic missional work carried out by St Nics could be completed. The key points to mention are:

- Church giving is up 1.5% or £4k excl grants and legacies
- Running Costs excl Discipling Church are up 102% or £59k
    - Mainly down to increased maintenance spend which was up 155% or £54k
- Discipling Church Income is up 63% or £36k
- Discipling Church expenditure is up 71% or £42k
- Café is making a gross profit
- Maintenance fund of £30k has been used for repair works and now stands at zero

Overall the Church balanced its costs and incomes by consuming the maintenance fund reserves (£30k), External grants of (£27k), and by paying a reduced parish share (£16k). The legacy received will be set aside in a designated fund until an appropriate use of the money is decided (£36k).

The below details the key movements from 2022.

INCOME

Donations & Legacies
Donations and legacies increased in 2022 on 2021 by £64.0k mainly due to a £35.6k legacy left to St Nics which was received in October 2022 and £26.5k from external grants (£10.3k for the Justice Café fit out, £9.4k VAT reclaim from the LPOWS relating to various building works carried out in 2022, £3.7k towards the High Level Window repair in the church and £3.2k towards the initial design of the Community Garden in the current Graveyard.

Planned (Regular) giving was £124.5k (2021: £122.2k) which was an increase of 3% (£4.5k), while Unplanned (Ad hoc) Giving was £23.4k (2021:£20.4k) which was an increase of 14% (£2.9k, this excludes Gift Day in both years).

St Nics continues to benefit from claims to HMRC for the 25% Gift Aid on donations made by donors who have signed a Gift Aid declaration from. Tax recoverable (Gift Aid) was £37.3k for the year (2021: £42.8k) which was a decrease of £4.1k (10%. This was mainly due to the lower Gift Day income than 2021 (Gift Day donations are included in Charitable Activities).

Charitable Activities
Income through charitable activities increased by 18% (£16.9k) to £108.2k in 2022 (2021: £91.3k). This was due to a decrease in Gift Day donations (2022: £12.5k from 2021: £33.3k, a decrease of £20.9k) offset by an increase in Discipling Church income (2022: £93.4k from 2021: £57.3k, an increase of £36.1k). The impact of the decrease in gift day giving on the net surplus has been offset overall by the legacy received.

Costs incurred as part of Discipling Church are reimbursed by the Strategic Development Fund, via the Diocese, once a claim has been submitted. During 2022, the £36.1k increase in claims was due to a number of factors. There was an increase of £23.9k for claims of salaries, as 2022 included a full year but roles were only filled and claimed for 6 months of 2021. 2022 also included a claim of £17.9k towards the fit out costs of the Justice Café. Finally, claims for Youth resources increased by £4.5k reflecting the post being filled for a full year. These increases were offset by a decrease of £10.8k (2022: £7.5k, 2021: £18.3k) in the MEV living costs allowance (Ministry Experience Volunteers) as no new MEVs were recruited from September 2022.

Other Trading Activities
During the start of the year, the lower hall was converted into a café space through which St Nics could carry out Justice work within the city. In August 2022 the Justice Café opened and in the last 4.5 months of 2022 generated sales of £3.4k. The PCC employ a café supervisor to run the café, while volunteers are involved in cooking, serving and listening to customers. The café is still in its infancy and taking related costs away from sales, made a Gross Profit (sales less cost of food, beverages, takeaway containers) of £1.6k, and a net loss of £2.1k (after including such other expenses as salaries, cleaning, advertising, equipment). Costs to set up were still incurred after opening and periods of closure contributed heavily to the loss. As the café moves into 2023, the financial outlook is hopeful as the menu, hours and activities attracting grants expand.

Investment Income
Investment income was £24.3k for 2022 (2021: £5.9k) which was an increase of 18.4k (309%). This was due to the hire of the Café space from February 2022 to Durham County Council as part of the Safer Women at Nights initiative. The space is hired three nights a week and offers a safe haven for those vulnerable in the city.

EXPENDITURE

Guided Pledge (Parish Offering)

The PCC's guided pledge agreed at £100k for 2022 which was paid in full, a decrease of £16.3k on 2021, which was reflective of the large amount of maintenance costs needed as identified in the Quinquennial Report in 2021.

Church Running Expenses

These costs include utilities, cleaning products, insurance, maintenance and the cost of running services; tech, music group, wine. Running costs were £117.8k (2021: 58.2k), an increase of £59.6k (102%).

This was mainly due to the significant level of maintenance costs incurred in 2022 totalling £89.2k (2021: £34.9k); an increase of £54.3k, 155%. £36.2k was spent on upgrading lighting in the church to LEDS (building on the 2021 commitment to upgrade the main lighting), £37.8k was spent on repair of some of the high level windows and roof repair (including scaffolding and specialist glazing), £8.4k of Architects Fees in relation to the various works carried out.

The cost of cleaning, utilities and insurance increased by £3,241 (25%). £1.2k was spend on a design for a new Community Garden in the Churchyard behind the youth centre. Significantly more costs are likely to be incurred on the development of this in 2023.

Youth Centre

Youth centre costs include utilities, insurance and depreciation. There were no additions or disposals in the year.

Home Ministry

These costs include various ministry areas such as Children & Families, Student, Alpha, Youth and Justice (Justice Café costs). Ministry costs increased by £3.6k (95%) to £7.4k (2021: £3.8k). Trading Costs for the Justice café were not present in 2021 and contributed £4.3k to the 2022 figure. The cost of the Satellites trip attended by the youth was £2.9k and was not claimed for under as part of Discipling Church as it was instead funded through the historic SNACs fund which was set aside for helping youth attend residential Christian events.

Church Administration

Administration costs for 2022 were £14.2k and included advertising, photocopier leasing, stationery, staff training & travel, subscriptions, telephone & IT Costs. This was an increase of £6.3k from 2021.

Payroll

Total staff costs increased to £125.8k from £102.3k; an increase of £23.5k (23%). During the year, the PCC employed a church employed a Church Operations Manager, a PA/ Admin assistant, a Student/International Worker, a Childrens & Families Worker and several part time support staff. During the year the Comms role funded by the Strategic Development Fund (SDF,Discipling Church) was split into two; a tech role and a media role which were both filled from October 22. The Social Justice Enabler Role and Youth Missioner continue to be funded by SDF. This increase reflected more posts being filled for a larger proportion of the year in 2022.

Depreciation & Fixed Asset Additions
During 2022, £7.0k of Café fit out costs were capitalised including the new dishwasher, fridge, freezer, chairs, tables, bar stools, arm chairs, coffee machine & branded light. This means that the cost of these larger value items will be spread over their useful life of approx. 4 years rather than expensed in the year they were purchased. The cost of these was claimed through Discipling Church and the funding received is recognised in 2022 (the year I which it was received).

Looking forward:
The PCC are excited to see the ways in which God will be working through St Nics in 2023. Discipling Church continues to be funded by SDF funding during 2023 as it towards becoming self-sustaining in 2024/5 as funding trails off. The Churchyard is planned to be developed into a community garden with help of grant funding, and local involvement. The cafe continues to trade and looks to expand in menu, hours and activities offered. To fund these activities; the 2023 budget approved in September 2022 predicts a £30k deficit which will be supported by the maintenance reserve. This arises from income of £395.2k less expenditure of £425.2k.

Reserves Policy
The 2022 policy was reviewed and remained consist with the prior year:

"It is the intention of PCC to try and maintain a balance on unrestricted funds of approximately £50,000 to cope with unforeseen expenditure and ongoing cash flow management."

At the year end, the church was above this figure (see balance sheet).

Acknowledgements

As the areas of ministry St Nics is involved with continues to grow and develop, the PCC are so very grateful for all those who give their time and money to support this. This includes in music, students, youth, children, justice, alpha, flowers, bell ringing, pastoral, stewarding, the café, churchyard, eco and many more.

I am personally thankful this year to Kate Dawson (Ops Manager) and Andy Freer (Gift Aid Secretary) who have helped immensely with the financial aspects of the church. I am also very grateful to Michael McGuigan and Emily Whitfield who have assisted with the café finances and to Sarah Alsop who is assisting with SDF claims. Thank you to the finance committee who have provided an excellent forum for discussion and ideas especially in setting the budget, consulting on Gift Day planning and reviewing policies.

Last but not least, thank you to Arun Arora our vicar who left in July, Richard Briggs our acting vicar for the remainder of the year and to the Standing Committee for all your help. The support of all these people at St Nics is so essential to being able to carry out the role of treasurer effectively.

Structure, governance and management

PCC: The Parochial Church Council (PCC) is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure. The PCC registered in September 2009 with the Charity Commission.

The method of appointment of PCC members is set out in the Church Representation Rules. All regular Church attendees are encouraged to register on the Electoral Roll and stand for election to the PCC. Members of the PCC are either ex-officio, elected by the APCM or co-opted by the PCC.

The PCC operates through a number of committees. These meet formally and informally between full meetings of the PCC and are served by members of the PCC and other members of the church. The Standing Committee (comprising the incumbent, wardens, deputy wardens, treasurer, PCC lay chairperson and PCC secretary) is the only committee required by law. It has the power to transact the business of the PCC between meetings, subject to any directions given by the Council.

In 2022 the PCC met on 10 occasions. In addition to regular reports covering ministry, finance, property, safeguarding and eco issues, the PCC continued to make prayer a regular and core part of its meetings.

In addition to the staff team and the PCC the church is blessed to have a team of retired and licensed clergy in addition to readers. At the end of 2022 this team included: David Day, Peter Johnson, Philip Plyming, Steve Muneza, Will Foulger, Colin Patterson, Philip Brookes, Gavin Wakefield, Fran Wakefield, Andrew Trigger and Jamie Harrison. Baroness Sherlock of Durham completed her curacy and was licensed as Associate Minister at St Nics. Claire Elwood continued into a third year of her curacy. Sarah Helsop continued her studies as an ordinand with Lindisfarne College of Theology, due to be ordained in 2023. Ruth Stokes completed her training as a reader, and entered into a further period of discernment before taking up a licensed ministry. Ann Lipscombe continued in a second year of reader training. Mary Anne Freer, having completed her studies, was licensed as a Pastoral Assistant.

Staff team: In 2022, the staff team reporting to the vicar (until July 2022, and then to the acting vicar, from July 2022), and directly employed by the church, included: Kate Dawson (Church Operations Manager), Janet Dawson (Administrative Assistant), Edmund Milwain (Student and Internationals Worker from August 2022), Kate Swann (Children and Families Worker), Stephanie Simants (part-time Worship Co-ordinator from August 2022), Emily Whitfield (part time cafe supervisor appointed in December 2022 to begin in January 2023), and Claire Morley (part-time cleaner).

The church staff includes further roles funded by the Strategic Development Fund money from the Church of England: these are Revd Richard Briggs (Prior of the Community of St Cuthbert), Revd Claire Elwood (Curate), Hannah Wilkinson (Youth Missioner), Michael McGuigan (Social Justice Enabler) and a part time Comms post that was occupied by Logan Williams until August 2022, and was then shared into two smaller roles occupied by Danielle DeLong and Phil Alsop (from November 2022).

In July 2022, two Ministry Assistants completed their 11 month placement under CEMES (Church of England Ministerial Experience Scheme): Lydia Francis Holmes and Elisa Korner. No new recruits were forthcoming for this scheme.

Risk management: The PCC is of the opinion that the management structure, as detailed above, keeps under review and manages the various risks which the church faces. Risk in this context might be defined as "the threat that an event or action will adversely affect an organisation's ability to achieve its objectives and execute its strategies". These may be:

- Financial risk often seen as the most common category of risk. We manage this through budgets, internal financial controls and management accounts. Also, we are currently subject to an annual independent examination.
- Statutory and legal requirements for example, health and safety regulations, employment law and child and vulnerable adult safety regulations. We aim for the highest standards in these areas and they are kept under review by the Church Wardens, the Safeguarding Officer, the Operations Manager, the Treasurer and others with specific areas of knowledge.
- Operational risk this would threaten the church's ability to deliver its objectives owing to, for example, damage to the church building or loss of key personnel. With regard to the former, the church wardens liaise with property experts, fire safety officers and others. As regards personnel, the type of team ministry this church operates reduces the risks associated with one member of staff leaving.
- Reputational risk for example, unwelcome publicity would hinder the mission of the church. This is managed at many different levels e.g. by the staff team, PCC members and small group leaders.

In line with current legislation, PCC subjects the annual accounts to an independent examination.

Administrative information

St Nicholas Church is situated in the Market Place, Durham. It is part of the Diocese of Durham within the Church of England. The correspondence address is Church Office, St Nicholas Church, Market Place, Durham DH1 3NJ. The website of the church can be accessed at www.stnics.org.uk

We are registered with the Charity Commission under the name of "The Parochial Church Council of the Ecclesiastical Parish of St Nicholas, Durham"; the registration number is 1133809.

Administrative information

Registered charity name	St Nicholas' Church, Durham
Charity registration number	1133809
Principal office	Church Office St Nicholas' Church Market Place Durham DH1 3NJ

The members

The Parochial Church Council members who have served between 1 January 2022 until the date this report was approved are:

Ex officio members:

Incumbent:	Revd Arun Arora (resigned July 2022)
Curate:	Revd Claire Elwood
Prior:	Richard Briggs (acting vicar from July 2022)
Part-time self-supporting Minister:	Revd Baroness Maeve Sherlock
Wardens:	Mary Anne Freer Alan Smith
Deputy Wardens:	Phil Alsop Sam Chapman (from May 2022) Jane Ghosh (from July 2022) Naomi Stevens
General Synod members:	Jamie Harrison Angus Goudie
Deanery Synod representatives:	Alex Marklew (resigned October 2022) Tim Packer
PCC Secretary:	Ann Lipscombe
Elected members:	Richard Swann Wendy Hughes Alan Smith Philip Dawson Jane Ghosh Elaine Duddy Paul Whipple (resigned July 2022) Naomi Stevens Chris Stokes Philip Alsop Paul Heslop Sam Chapman Ann Lipscombe
Co-opted member:	Luke Jackson (until May 2022)

Independent examiner	Jane Ascroft FCA MA (Cantab) Enterprise House Harmire Enterprise Park Barnard Castle County Durham DL12 8XP

The members' annual report was approved on 24 March 2023 and signed on behalf of the board of trustees by:



Richard Briggs
Member

St Nicholas' Church, Durham

Independent Examiner's Report to the Members of St Nicholas' Church, Durham

Year ended 31 December 2022

I report to the members on my examination of the financial statements of St Nicholas' Church, Durham ('the Parochial Church Council') for the year ended 31 December 2022.

Responsibilities and basis of report

As the members of the Parochial Church Council you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Parochial Church Council's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the Parochial Church Council's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

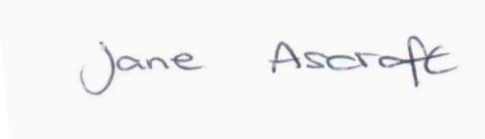
I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Parochial Church Council as required by section 130 of the Act; or

2. the financial statements do not accord with those records; or

3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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



Jane Ascroft FCA MA (Cantab)
Independent Examiner

Enterprise House
Harmire Enterprise Park
Barnard Castle
County Durham
DL12 8XP

St Nicholas' Church, Durham

Statement of Financial Activities

Year ended 31 December 2022

	Note	2022 Unrestricted funds £	2022 Restricted funds £	2022 Endowment funds £	2022 **Total funds** £	2021 Total funds £
Income and endowments						
Donations and legacies	**4**	273,614	27,438	–	301,052	237,041
Charitable activities	**5**	90,277	17,900	–	108,177	91,345
Other trading activities	**6**	4,639	–	–	4,639	212
Investment income	**7**	24,181	92	24	24,297	5,937
Other income	**8**	–	–	–	–	2,257
Total income		392,711	45,430	24	438,165	336,792
Expenditure						
Expenditure on raising funds:						
Costs of other trading activities	**9**	6,097	–	–	6,097	–
Expenditure on charitable activities	**10,11**	384,084	45,221	–	429,305	335,028
Total expenditure		390,181	45,221	–	435,402	335,028
Net income and net movement in funds		2,530	209	24	2,763	1,764
Reconciliation of funds						
Total funds brought forward		259,677	25,404	5,073	290,154	288,390
Total funds carried forward		262,207	25,613	5,097	292,917	290,154

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 15 to 30 form part of these financial statements.

St Nicholas' Church, Durham

Statement of Financial Position

31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible fixed assets	**17**	102,225	103,435
Current assets			
Debtors	**18**	32,783	11,716
Cash at bank and in hand		173,327	191,812
		206,110	203,528
Creditors: amounts falling due within one year	**19**	15,418	16,809
Net current assets		190,692	186,719
Total assets less current liabilities		292,917	290,154
Net assets		292,917	290,154
Funds of the charity			
Endowment funds		5,097	5,073
Restricted funds		25,613	25,404
Unrestricted funds		262,207	259,677
Total charity funds	**21**	292,917	290,154

These financial statements were approved by the board of trustees and authorised for issue on 24 March 2023, and are signed on behalf of the board by:



Richard Briggs
Member

The notes on pages 15 to 30 form part of these financial statements.

1. General information

The Parochial Church Council is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Church Office, St Nicholas' Church, Market Place, Durham, DH1 3NJ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The PCC considers that there are no significant estimates or judgements affecting these financial statements.

Fund accounting

Unrestricted funds are available for use at the discretion of the PCC to further any of the church's purposes.

Designated funds are unrestricted funds earmarked by the PCC for specific purposes.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal.

Permanent Endowment Funds where only the income, not the capital, can be used by the PCC.

The individual funds within each type of fund are shown in Note 21. The accounts include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body nor those that are informal gatherings of church members.

3. Accounting policies *(continued)*

Income

Voluntary income and capital sources:
Collections are recognised when received by or on behalf of the PCC. Planned giving receivable under Gift Aid is recognised only when received. Income tax recoverable on Gift Aid donations is recognised when the related income is recognised. Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the PCC is reasonably certain. Funds raised by way of fetes, garden parties or similar events are accounted for gross.

Discipling Church income:
Discipling Church Income (SDF funding) is recognised once the associated expenditure has been incurred in accordance with the requirements of the funding.

Other income:
Rental income from the letting of church premises is recognised when the rental is due.
Income from investments: Interest entitlements are accounted for when received. Income from donated goods is accounted for on the basis of the value of average donation times number of donations received.

The church has relied significantly upon volunteers in carrying out its activities during the year, particularly Mission activities. In accordance with the SORP, the role of volunteers has not been recognised as income from donated services in the accounts.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates.

Grants:
Grants and donations are accounted for when paid, or when awarded, if that award creates a binding obligation on the PCC.

Activities directly relating to the work of the Church: The Diocesan Parish Offering is accounted for when paid. Any Parish offering unpaid at 31 December is provided for in these accounts as an operational (though not a legal) liability and is shown as a creditor in the Balance Sheet.

All other expenditure is generally recognised when it is incurred and is accounted for gross.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

3. Accounting policies *(continued)*

Tangible assets

Consecrated property and movable church furnishings:
Consecrated and beneficed property of any kind is excluded from the accounts by Section 10(2)(a) of the Charities Act 2011. Movable church furnishings held by the Vicar and Churchwardens on special trust for the PCC, and which require a faculty for disposal, are accounted for as inalienable property unless consecrated. They are listed in the church's Inventory which can be inspected at any reasonable time.

For inalienable property acquired prior to 2001 there is insufficient cost information available and therefore such assets are not valued in the accounts.

Major Items acquired since 1 January 2001 are capitalised and depreciated in the accounts over their useful economic life (initially over IO years) on a straight line basis. All expenditure incurred during the year on consecrated or beneficed buildings, individual items under £2,000 or the repair/replacement of moveable church furnishings acquired before 1 January 2005 is written off.

Other fixtures, fittings and office equipment: Equipment used within the church premises is depreciated on a straight line basis over 4 years. Individual items of equipment with a purchase price of £2,000 or less are written off when the asset is acquired.

Youth Centre: After 40 years of use the building had a major renovation in 2003. Since the land is part of the St. Nicholas' Churchyard and of a specialised nature it is hard to determine any satisfactory use should the church cease to use the property in the future. It has therefore been capitalised at the cost of the renovation works in 2003. Depreciation has been charged at 2% in the present year.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Youth centre	-	2% straight line
Fixtures and fittings	-	25% straight line
Equipment	-	25% straight line
Office Equipment	-	25% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Parochial Church Council are assigned to those units.

Financial instruments

A financial asset or financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Pension policy

St Nicholas' Church, Durham participates in the Pension Builder Scheme section of the Church Workers Pension Fund (CWPF) for lay staff. The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme.

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

Cash at Bank and in Hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2022 £**
Donations			
Planned Giving - gift aided	124,461	–	124,461
Tax recoverable	38,693	–	38,693
Adhoc donations	23,157	200	23,357
Other planned giving	51,712	–	51,712
Legacies			
Legacies	35,591	–	35,591
Grants			
Church grants	–	16,924	16,924
Cafe grants	–	10,314	10,314
	273,614	27,438	301,052

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Planned Giving - gift aided	122,234	–	122,234
Tax recoverable	42,767	–	42,767
Adhoc donations	20,289	–	20,289
Other planned giving	49,395	(18)	49,377

4. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Legacies			
Legacies	–	–	–
Grants			
Church grants	–	2,374	2,374
Cafe grants	–	–	–
	234,685	2,356	237,041

5. Charitable activities

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2022 £**
Gift Day - No gift aid	8,515	–	8,515
Gift Day - Gift aid	3,950	–	3,950
Discipling Church income	75,534	17,900	93,434
PCC Activities	2,053	–	2,053
Miscellaneous income	225	–	225
	90,277	17,900	108,177

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Gift Day - No gift aid	15,162	–	15,162
Gift Day - Gift aid	13,065	5,000	18,065
Discipling Church income	57,299	–	57,299
PCC Activities	819	–	819
Miscellaneous income	–	–	–
	86,345	5,000	91,345

6. Other trading activities

	Unrestricted Funds £	**Total Funds 2022 £**	Unrestricted Funds £	Total Funds 2021 £
Fees - Weddings & funerals	1,258	1,258	212	212
Cafe income	3,381	3,381	–	–
	4,639	4,639	212	212

7. Investment income

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	**Total Funds 2022 £**
Bank interest receivable	706	92	24	822
Rental income	23,475	–	–	23,475
	24,181	92	24	24,297

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £
Bank interest receivable	65	7	2	74
Rental income	5,863	–	–	5,863
	5,928	7	2	5,937

8. Other income

	Unrestricted Funds £	**Total Funds 2022 £**	Unrestricted Funds £	Total Funds 2021 £
Insurance claim	–	–	1,574	1,574
Job Retention Scheme	–	–	683	683
	–	–	2,257	2,257

9. Costs of other trading activities

	Unrestricted Funds £	**Total Funds 2022 £**	Unrestricted Funds £	Total Funds 2021 £
Cafe costs	6,097	6,097	–	–

10. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2022 £**
Parish Share	100,000	–	100,000
Clergy expenses and vicarage costs	4,134	–	4,134
Church running expenses	102,269	15,507	117,776
Youth Centre costs	5,724	–	5,724
Home Ministry	5,874	1,500	7,374
Payroll costs	68,696	–	68,696
Church Administration	14,169	–	14,169
Missionary and Charitable Giving	7,590	–	7,590
Discipling Church	74,542	28,214	102,756
Support costs	1,086	–	1,086
	384,084	45,221	429,305

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Parish Share	116,250	–	116,250
Clergy expenses and vicarage costs	2,718	–	2,718
Church running expenses	48,285	9,958	58,243
Youth Centre costs	8,884	–	8,884
Home Ministry	3,809	–	3,809
Payroll costs	68,707	–	68,707
Church Administration	7,837	64	7,901
Missionary and Charitable Giving	7,590	–	7,590
Discipling Church	60,026	–	60,026
Support costs	900	–	900
	325,006	10,022	335,028

11. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	**Total funds 2022 £**	Total fund 2021 £
Parish Share	100,000	–	–	100,000	116,250
Clergy expenses and vicarage costs	4,134	–	–	4,134	2,718
Church running expenses	117,776	–	–	117,776	58,243
Youth Centre costs	5,724	–	–	5,724	8,884
Home Ministry	7,374	–	–	7,374	3,809

Payroll costs	68,696	–	–	68,696	68,707
Church Administration	14,169	–	–	14,169	7,901
Missionary and Charitable Giving	–	7,590	–	7,590	7,590
Discipling Church	102,756	–	–	102,756	60,026
Governance costs	–	–	1,086	1,086	900
	420,629	7,590	1,086	429,305	335,028

12. Analysis of grants

	2022	2021
	£	£
Grants to institutions		
Church Missionary Society	2,000	2,000
Bible Society	1,500	1,500
Latvia Biblical Centre	1,800	1,800
Church Army (Friends of Bungokho)	1,000	1,000
Vereinigte Deutsche Missionshilfe (Manasseh & Catrin Tuyizere)	750	750
Mission Aviation Fellowship	540	540
Total grants	7,590	7,590

13. Net income

Net income is stated after charging:

	2022	2021
	£	£
Depreciation of tangible fixed assets	8,233	7,824

14. Independent examination fees

	2022	2021
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	900	900

15. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2022	2021
	£	£
Wages and salaries	116,391	96,083
Social security costs	1,974	482
Employer contributions to pension plans	7,444	5,730
	125,809	102,295

15. Staff costs *(continued)*

During the year, the PCC employed a church employed a Church Operations Manager, a PA/ Admin assistant, a Student/ International Worker, a Childrens & Families Worker and several part time support staff. During the year the Comms role funded by the Strategic Development Fund (SDF, Discipling Church) was split into two; a tech role and a media role which were both filled from October 22. The Social Justice Enabler Role and Youth Missioner continue to be funded by SDF.

The average head count of employees during the year was 8 (2021: 8).

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

16. Trustee remuneration and expenses

No remuneration or other benefits from employment with the PCC or a related entity were received by the trustees.

The Vicar, other clergy, PCC members and spouses were reimbursed expenses totalling £6,543 (2021 - £3,770) for travel, conferences, office materials, equipment and other expenses.

The amount of donations funded by trustees and connected parties was £31,815 (2021 - £46,490).

17. Tangible fixed assets

	Youth Centre £	Fixtures and fittings £	Equipment £	Office Equipment £	**Total £**
Cost					
At 1 January 2022	149,558	7,529	7,353	4,452	168,892
Additions	–	3,574	–	3,449	7,023
At 31 December 2022	149,558	11,103	7,353	7,901	175,915
Depreciation					
At 1 January 2022	52,440	4,627	6,002	2,388	65,457
Charge for the year	2,991	2,776	491	1,975	8,233
At 31 December 2022	55,431	7,403	6,493	4,363	73,690
Carrying amount					
At 31 December 2022	94,127	3,700	860	3,538	102,225
At 31 December 2021	97,118	2,902	1,351	2,064	103,435

18. Debtors

	2022 £	2021 £
Prepayments	3,396	1,627
Accrued income	15,946	1,015
Gift aid recoverable	8,541	9,074
Other debtors	4,900	–
	32,783	11,716

19. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	196	176
Accruals and deferred income	8,039	8,015
Social security and other taxes	–	2,111
Janet Foster fund	5,796	5,796
Pension creditor	1,387	711
	15,418	16,809

The Janet Foster fund is held as agent on behalf of the trustees of the fund. There has been no movement on the fund during 2022.

20. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £7,444 (2021: £5,730).

20. Pensions and other post retirement benefits *(continued)*

St Nicholas' Church, Durham participates in the Pension Builder Scheme section of CWPF (Church Workers Pension Fund) for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers.

CWPF has two sections:
1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections; a. a deferred annuity section known as Pension Builder Classic, and, b. a cash balance section known as Pension Builder 2014.

Pension Builder Scheme
Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

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

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

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

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable (2022: £7,444, 2021: £5,730).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019. The next valuation is due as at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review, the Board chose to grant a discretionary bonus of 10.1% following improvements in the funding position over 2022. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, St Nicholas' Church, Durham could become responsible for paying a share of the failed employer's pension liabilities.

21. Analysis of charitable funds

Unrestricted funds

	At 1 January 2022	Income	Expenditure	Transfers	At 31 December 2022
	£	£	£	£	£
General funds	40,420	280,733	(276,441)	25,122	69,834
Reserve fund	50,860	–	–	–	50,860
Ministry Assistants' Fund	1,000	–	–	–	1,000
Market Place Partnership, coffee lounge	20,750	–	–	(20,750)	–
Market Place Partnership, PCC funds	2,503	–	–	(2,503)	–
St Nicholas' Estate Fund	1,618	8	–	–	1,626
Student Ministry	129	845	(936)	(38)	–
Teen Aid	1,071	–	–	–	1,071
Tiddly Winks - Parent/Toddler Fund	–	–	–	–	–
Youth Centre - General	(4,235)	–	196	4,039	–
Youth Fund	–	–	–	–	–
Fixed Assets	103,435	–	(8,233)	7,023	102,225
Maintenance Fund	30,011	–	(30,011)	–	–
Children and Families	(15)	–	(172)	187	–
Discipling Church	12,130	75,534	(74,542)	(13,122)	–
Youth Ministry	–	–	(42)	42	–
Legacy	–	35,591	–	–	35,591
	259,677	392,711	(390,181)	–	262,207

	At 1 January 2021	Income	Expenditure	Transfers	At 31 December 2021
	£	£	£	£	£
General funds	23,327	272,128	(249,875)	(5,160)	40,420
Reserve fund	50,839	–	–	21	50,860
Ministry Assistants' Fund	1,177	–	–	(177)	1,000
Market Place Partnership, coffee lounge	20,742	–	–	8	20,750
Market Place Partnership, PCC funds	2,502	–	–	1	2,503
St Nicholas' Estate Fund	1,617	–	–	1	1,618
Student Ministry	2,987	–	(1,488)	(1,370)	129
Teen Aid	1,069	–	–	2	1,071
Tiddly Winks - Parent/Toddler Fund	288	–	–	(288)	–
Youth Centre - General	1,133	–	(5,368)	–	(4,235)
Youth Fund	1,325	–	–	(1,325)	–

Fixed Assets	111,259	–	(7,824)	–	103,435
Maintenance Fund	25,794	–	(540)	4,757	30,011
Children and Families	1,239	–	(1,817)	563	(15)
Discipling Church	12,920	57,299	(58,094)	5	12,130
Mission Week	154	–	–	(154)	–
Youth Ministry	(1,325)	–	–	1,325	–
Legacy	–	–	–	–	–
	257,047	329,427	(325,006)	(1,791)	259,677

Restricted funds

	At 1 January 2022 £	Income £	Expenditure £	Transfers £	**At 31 December 2022** £
Bells	366	–	–	–	366
Flower Fund	15	200	(33)	–	182
International Student Fund	1,268	–	–	–	1,268
Music Group	–	–	–	–	–
St Nic's Pics	229	–	–	(229)	–
Organ/Piano	–	–	–	–	–
Other restricted funds	975	13,724	(13,724)	–	975
PA Fund	321	–	(550)	229	–
SNACS - Main account	7,645	29	(1,500)	–	6,174
St Nic's Puppet Ministry	1,067	–	–	–	1,067
Vicar's Fund	2,830	13	–	–	2,843
Insulation of Upper Hall	5,931	28	–	–	5,959
Recovery Group	4,757	22	–	–	4,779
Churchyard	–	3,200	(1,200)	–	2,000
Cafe Fit Out	–	28,214	(28,214)	–	–
	25,404	45,430	(45,221)	–	25,613

	At 1 January 2021 £	Income £	Expenditure £	Transfers £	At 31 December 2021 £
Bells	366	–	–	–	366
Flower Fund	86	–	(71)	–	15
Gifts to Others	12	–	(64)	52	–
Incumbent's fees to Diocese	91	1	(1)	(91)	–
International Student Fund	1,268	–	–	–	1,268
Music Group	98	–	(400)	302	–
St Nic's Pics	169	–	–	60	229
Organ/Piano	(130)	–	–	130	–
Other restricted funds	877	7,356	(7,258)	–	975
PA Fund	438	–	(117)	–	321

21. Analysis of charitable funds *(continued)*

SNACS - Main account	7,642	3	(3)	3	7,645
St Nic's Puppet Ministry	1,067	–	–	–	1,067
Green Fund	741	–	(2,074)	1,333	–
Vicar's Fund	2,860	1	(32)	1	2,830
Insulation of Upper Hall	5,929	2	(2)	2	5,931
Recovery Group	4,756	–	–	1	4,757
	26,270	7,363	(10,022)	1,793	25,404

Abbreviations: SNACS = St Nicholas Adventure Camps

Endowment funds

	At 1 January 2022 £	Income £	Expenditure £	Transfers £	**At 31 December 2022 £**
Patterson Endowment Fund	5,073	24	–	–	5,097

	At 1 January 2021 £	Income £	Expenditure £	Transfers £	At 31 December 2021 £
Patterson Endowment Fund	5,073	2	–	(2)	5,073

The Patterson Fund is a permanent endowment fund with the interest being paid to the Teenaid fund.

22. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	**Total Funds 2022 £**
Tangible fixed assets	102,225	–	–	102,225
Current assets	175,400	25,613	5,097	206,110
Creditors less than 1 year	(15,418)	–	–	(15,418)
Net assets	262,207	25,613	5,097	292,917

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £
Tangible fixed assets	103,435	–	–	103,435
Current assets	177,808	20,647	5,073	203,528
Creditors less than 1 year	(16,809)	–	–	(16,809)
Net assets	264,434	20,647	5,073	290,154

23. PCC's responsibility for repairs

It is the policy of the PCC to maintain a rolling programme of repairs as necessary. The latest quinquennial inspection of the church and halls was completed in late 2021 and identified £48,000 of works to be completed in the next 5 years; the majority of which have already been completed. The PCC's 2023 budget includes £13,000 for the remaining Category 3 (less urgent works) to be completed.

24. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2022	2021
	£	£
Not later than 1 year	288	288
Later than 1 year and not later than 5 years	72	360
	360	648

The following pages do not form part of the financial statements.

St Nicholas' Church, Durham

Detailed Statement of Financial Activities

Year ended 31 December 2022

	2022	2021
	£	£
Income and endowments		
Donations and legacies		
Planned Giving - gift aided	124,461	122,234
Tax recoverable	38,693	42,767
Adhoc donations	23,357	20,289
Other planned giving	51,712	49,377
Legacies	35,591	–
Church grants	16,924	2,374
Cafe grants	10,314	–
	301,052	237,041
Charitable activities		
Gift Day - No gift aid	8,515	15,162
Gift Day - Gift aid	3,950	18,065
Discipling Church income	93,434	57,299
PCC Activities	2,053	819
Miscellaneous income	225	–
	108,177	91,345
Other trading activities		
Fees - Weddings & funerals	1,258	212
Cafe income	3,381	–
	4,639	212
Investment income		
Bank interest receivable	822	74
Rental income	23,475	5,863
	24,297	5,937
Other income		
Insurance claim	–	1,574
Job Retention Scheme	–	683
	–	2,257
Total income	438,165	336,792

	2022	2021
	£	£
Expenditure		
Costs of other trading activities		
Wages and salaries	1,803	–
Café costs	4,294	–
	6,097	–
Expenditure on charitable activities		
Parish Share		
Guided Pledge (Parish Share)	100,000	116,250
Clergy expenses and vicarage costs		
Clergy expenses	4,134	2,718
Church running expenses		
Building maintenance	89,194	34,907
Cleaning, utilities & insurance	16,111	12,870
Services	9,229	8,628
Depreciation of equipment	3,242	1,838
	117,776	58,243
Youth Centre costs		
PCC property - Youth centre	2,733	5,893
Depreciation of youth centre	2,991	2,991
	5,724	8,884
Home Ministry		
Parish events	–	101
Student ministry	2,375	1,488
Alpha	36	82
Youth ministry	2,852	66
Children's & Families Ministry	1,793	1,817
Other costs	318	255
	7,374	3,809
Payroll costs		
Activities undertaken directly		
Gross wages	63,255	63,790
NIC	1,015	426
Pension	4,426	4,491
	68,696	68,707
Church Administration		
Administration costs	14,169	7,901
Missionary and Charitable Giving		
Missionary Support	7,590	7,590

	2022	2021
	£	£
Discipling Church		
Gross wages	51,333	32,293
Employer's NIC	959	56
Pension costs	3,018	1,239
Depreciation	2,000	2,995
Other costs	17,232	23,443
Large project expenditure	28,214	–
	102,756	60,026
Governance costs		
Accountancy fees	900	900
Legal and other professional fees	186	–
	1,086	900
Expenditure on charitable activities	429,305	335,028
Total expenditure	435,402	335,028
Net income	2,763	1,764

St Nicholas' Church, Durham

Justice Café Trading Accounts

Year ended 31 December 2022

	2022	2021
	£	£
Café sales	3,381	–
Cost of sales	(1,824)	–
Gross Profit	1,557	–
Other income		
Café donations	688	–
Overheads		
Payroll	1,803	
Advertising & Promotional	237	
Training	24	
Equipment	777	
Other costs	460	–
Contractor costs	972	–
	4,273	–
Net profit	(2,028)	–

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST NICHOLAS, DURHAM

England & Wales - Charity number 1133809

Accounts

Charity Registration Number: 1133809

St Nicholas' Church, Durham

Financial Statements

For the year ending

31 December 2021

JANE ASCROFT ACCOUNTANCY LIMITED
Chartered Accountants
Enterprise House
Harmire Enterprise Park
Barnard Castle
County Durham
DL12 8XP

St Nicholas' Church, Durham

Financial Statements

Year ended 31 December 2021

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St Nicholas' Church, Durham

Members' Annual Report

Year ended 31 December 2021

The members present their report and the unaudited financial statements of the Parochial Church Council for the year ended 31 December 2021.

Objectives and activities

The objectives of St Nicholas Church are to be a Christ-centred community which grows in discipleship, service and number. The church seeks to achieve this through the delivery a four-fold vison centred around Discipleship, Evangelism, Justice and Service.

The PCC has the responsibility of co-operating with the incumbent in promoting in the parish all aspects of the mission of the church, pastoral, evangelistic, social and ecumenical.

In attempting to achieve this objective, St Nicholas undertakes a number of different ministries, including:

Ministry as a Parish Church: We resource our members through faithful Biblical preaching and teaching, pastoral oversight and the development of all of the gifts that God gives by His Spirit to His people.

The pattern of Sunday services changed established in 2018 is to three Sunday service 9am, 11am and 6.30 pm. As well as worship, teaching and corporate prayer at these services, we provide the opportunity for individual prayer support and also activities for children and young adults. There is also a service of Holy Communion on Wednesday morning.

During Covid we have been streaming 2 online services on Sundays, one at 11am and one at 6.30pm. In 2021 we were able to restart physical gatherings for the 9am in light of easing of COVID restrictions

During the first lockdown we also provided online daily prayer at 9am, 12noon and 9pm. This changed to twice daily at 8am and 9pm. As restrictions eased in the latter part of 2021 we were able to restart physical gatherings for 8am morning prayer which is now streamed daily.

We have also provided online Alpha courses, small group meetings, all church prayer nights and many social events.

Small Groups: As one aspect of meaningful membership of the church, individuals are encouraged to join one of a network of Spiritual Growth Groups, hosted in members' homes. SGGs play an important role in pastoral care, facilitating personal growth and encouraging an outward focus to our spiritual lives. The SGG leaders meet periodically for training and support. In addition, there are a number of Women's Groups which meet on Thursday mornings. In 2019 the Community of St Cuthbert was launched as as a way of encouraging lived discipleship with Spiritual Growth Groups made up of up to 6 people meeting regularly. During 2021 Richard Briggs took up his post as Prior of the Community of St Cuthbert and brought new energy and direction to this work through organizing the meeting of SGG leaders and also producing materials. Much of this work can be seen on our website.

Ministry Experience Volunteers (formerly Ministry Assistants): The Internship scheme at St Nics was started in the summer of 2010, and provides an opportunity for people to explore God's call in their lives while serving the church. The MEVs serve in various ministries in the church which in 2021 included participating in the Lumiere festival as a particular highlight.

They also benefit from a training an development program devised by David Day. In addition they also attend a programme of lectures and courses overseen by Lindisfarne College of Theology and ministry, presented by the Staff Team and some congregation members.

In September 2016, our Internship program became part of the Durham Diocese Church of England Ministerial Experience Scheme, working in partnership with St Chad's, Sunderland. This has enabled our three Ministry Assistant places to be registered with CEMES.

In 2021 we said goodbye to Catriona Inglis and David Lewis as our full time MEVS in July and subsequently welcomed Lydia Francis Holmes and Elisa Korner as our new MEVs in September 2021. They were initially joined by Alex Scarr Hall who left the programme in November 2021

Ministry with students: Our Student Ministry aims to welcome, integrate and disciple students as well as providing pastoral care. Many students are involved in small groups, youth groups and music groups, as well as specific student events. In July 2021 Zoe Matthias resigned from the role of Student and International Worker to train as an ordinand in the Church of England. We are grateful to James Cochran who filled this role on a voluntary basis for the rest of 2021. Despite two attempts to recrui t to this post it remains vacant at the end of 2021.

Ministry with international students: Durham University and New College receive over 3000 international students from 120 countries, along with their spouses and families. This ministry aims to encourage the churches in Durham to welcome and befriend international students whatever their faith, helping those who are Christians to find fellowship and grow in their faith, and taking the opportunity to share the Good News of Jesus with any who express an interest. We are grateful to Mark Peach who has steeped in after Zoe's departure to lead a team of people who continue this ministry of welcome and hospitality under the name "Amigos" who host a weekly regular meeting in addition to other activities.

Ministry with children and families: At the end of 2018 Kate Swann was appointed Children and Families Worker om a part- time basis. Since then Kate flourished in this role as she oversaw a review of our ministry provision to families and children up to secondary school age. In addition to overseeing Sunday Worship - including a regular all age service - St Nics has run successful holiday clubs, maintained and grown the weekly toddlers drop in "Tiddlywinks" and also run parenting courses for famili es. As a church St Nics counts more children worshipping regularly with us than almost any other church in the Diocese of Durham. The opportunities and challenges of this work have been well met by Kate Swann and the team of volunteers who assist her in this ministry. During lockdown Kate has done an amazing job of keeping families connected with church and had even grown our number of St Nics families. She has done this through various on line activities and services, including the incredibly popular Sunday morning Pyjama Church. Kate has developed a successful reintegration of families back into a physical environment in 2021, negotiating a number of challenges presented by ongoing restrictions in church.

Ministry with young adults: In July 2021 Hannah Wilkinson was appointed as Youth Missioner. Since that time Hannah has undertaken exceptional work both with the young adults in church and also in developing our work with Durham Sixth Form Centre. Hannah devised a special welcome for the new academic year in 2021 for the sixth form centre, developed excellent relationships with staff, started a "Big Questions" group and mentored a number of students. Hannah has also developed new meeting rhythms for those young adults (11-18) already attending church including Sunday morning worship materials for those 11-13 and Thursday and Sunday meetings for 13-18. During her first 6 months in role Hannah has made an enormous impact upon this area of ministry `and we are grateful to the Diocese of Durham and the Strategic Development Fund for its funding of this post. The Teenaid Fund shown in the financial statements receives income from the interest on the Patterson Fund, a bequest made to the church a number of years ago. The fund gives grants for activities that "encourage the spiritual growth of young people in the church". No grants were made in 2020.

Ministry of Social Justice: In July 2021 Michael McGuigan began work as our Social Justice Enabler following our application to the Diocese for a change of purpose in funding received so that we could focus on this area of work, moving from two youth missioners, to one youth missioner and one social justice enabler as part of our wider vision and call as a church.

During 2021 Michael made great strides in both delivering on the vision and making relationships both within and without church to enable this delivery. Despite the covid restrictions still in place Michael has managed to establish the beginning of the social justice hub in Church through the establishment of ACTS 435 service and has also worked on plans for the opening of St Nics Café for April 2022. Michael has also been actively involved in Lumiere activities during 2021 and also in developing our increasing interest in climate change and eco justice including overseeing the Durham leg of the Young Christian Climate Network pilgrimage to COP21 in Glasgow.

Mission Giving: The church supported mission activities in 2020. This year total support came to£7.6k and included the Bible Society, the Church Missionary Society, Church Army, VDM (Manasseh & Catrin Tuyizere), Mission Aviation Fellowship and the Latvia Biblical Centre.

The International Mission Committee keeps our contacts with the international societies under review and reports back to PCC periodically. The congregation was involved through meeting and praying for a number of mission partners throughout the year, a regular monthly prayer meeting, intercessions for mission partners as part of the morning service and through the Church's monthly prayer diary.

Buildings: As a resource for the community we serve, the church buildings are available for hire for a number of specified purposes and this income is included in the accounts.

Gateway World Shop continues to occupy a corner of the building. Gateway pay a monthly rent for this space. It trades independently of the church and its figures are not included in our accounts.

Regional Mission: Our role as a parish church in the Diocese of Durham and part of the Anglican Communion continues to be an essential part of our church life. The clergy regularly attend Deanery Synod and Deanery Chapter meetings. Tim Packer, Lorraine Longthorne and Alex Marklew serve on the Deanery Synod. Jamie Harrison and Angus Goudie continue to serve on General Synod .

The Parish Offering is our contribution to the costs of mission for the Church of England in the Diocese of Durham. It pays for the stipend and employing cost of our clergy but we make a substantial net contribution to the share over and above the cost of our own Vicar. This is used to support mission and ministry throughout the Diocese. In 2021 we gave £116.25k in Parish Offering and PCC continues to see the importance of helping to sustain mission in parts of our region that cannot at present support it on their own. The full £116.25 k is included as an expense in the 2021 SOFA (see Note 9).

The Trustees have complied with the duty to have due regard to the public benefit guidance published by the Charity Commission.

Financial review

The biggest challenge for 2021 was to budget for the year with a high level of uncertainty as to whether restrictions relating to Covid would ease and whether life in the church and its associated ministries would be able to return to some kind of normality. Largely due to the success of an appeal over lent for one off gifts we managed to achieve a surplus of £1,764.

The costs involved in running a large church are significant and, as we seek to develop and grow in our mission, PCC is once again grateful to the congregation for its continued financial support for the ministry of St Nicholas in Durham. It is a sign of the depth of discipleship in church members.

The main points to be noted regarding the 2021 finances are as follows:

Income

Planned gift aided giving decreased by 8.0% to £122.2k, however, all other forms of giving increased; other planned giving by 17.2% to £49.4k, tax recoverable (gift aid) by 15.3% (mainly due to tax recovered on gift day donations) and a 48.1% increase in collections to £20.3k.

Gift Day
The last Gift Day St Nics held before 2021 was 3 years ago in 2018, and in 2020 we managed to almost hit a net result of break even. Unfortunately, due to the impact of COVID, particularly on giving, another Gift Day was needed in 2021, which was budgeted by the PCC at £26,346 (and £6,587 of associated gift aid). The appeal was run over the period of lent, and due to the immensely overwhelming outpouring of the St Nics community, the final amount given was £33,227 (with £5,406 of associated gift aid); which was £6,881 over the original budget. This also enabled the church to help to meet unexpected maintenance requirements to the building which surfaced later in the year.

Thank you again to all who gave over the Gift Day period; your generosity has helped St Nics to run effectively and continue from strength to strength in 2021.

Gift Aid
The church received a gift aid tax refund in 2021 of £42,767,an increase of 15.3%. £5,406 of this was related to Gift Day. This continues to represent an enormous benefit to St Nics at no cost to the giver.

Discipling Church Income
Costs incurred as part of Discipling Church are reimbursed by the Strategic Development Fund, via the Diocese, once a claim has been submitted. The previously titled Ministry Assistants are now Ministry Experience Volunteers and form part of our Discipling Church staff, for which St Nics received £18,885 in 2021 to cover their expenses. The difference between income and expenses is mainly due to depreciation on equipment which is expensed over 4 years (the useful life of the asset) but the income received is shown in the accounts in full in the year it is received.

Hire of Buildings
Covid restrictions still hampered the ability to rent out the church and youth centre in 2021, however, some large contributors ensured St Nics surpassed our rental income in 2019 of £4,085, by £1,778 (43.5%), giving a total of £5,863 for the year. £1,500 of this was given by the Durham Winter Night Shelter in relation to utilities for the winter period, £821 from Durham County Council, and £560 from Climate Action. The use of the church as a more flexible space as given great benefit.

Other income
Other income in the year included income from an insurance claim for the wall at the youth centre which was knocked into, and £683 relating to the job retention scheme, which was used between January and March.

Expenditure

Parish Offering
Parish Offering for 2021 increased by £1,750 from 2020 to £116,250 as agreed by PCC. This represented a 1.5% increase on 2020.

Clergy Expenses
Clergy expenses include expenses for our curate from July 2019.

Church Running Expenses
Running costs for 2021 were £58,243 which was up by £21,522 from 2020. This was mainly due to the extensive building maintenance required towards the end of the year; highlighted by the Quinquennial Inspection. Building and equipment maintenance costs were £33,517 in 2021, which was £20,389 higher than 2020 (£13,128). £11,227 went towards the cost of new energy efficient lighting in the church (a further £5,885 was payable in 2022), £1,500 was paid to the architect for the Quinquennial Report and £3,510 for advice on other building matters and £8,487 was paid to MGM Construction Ltd for emergency works to the Cruciform on the roof.

Services costs include the cost of running all our services, including the cost of hiring the Town Hall, food for services and church celebrations and the cost of our Worship Coordinator

Youth Centre
Youth Centre costs include utilities, insurance and depreciation. 2021 includes the cost to replace the wall which was knocked and needed repair (£1,824). The cost was recouped by insurance claim income less a small excess. There were no additions or disposals in the year.

Salary Costs
Total salary costs of £102,295 are 2.6% lower than 2020 (£105,055). Our student worker left in July, and the role was filled in a limited part time basis for the remainder of the year, and our youth missioner and Social Justice enabler only started employment from July onwards. However, in 2020 also suffered from a period without the two Youth Missioner roles between July and December. The salary costs of the Youth Missioner, Social Justice Enabler and our Social Media/Strategy Delivery Worker are met from the Strategic Development Fund.

Depreciation
There were no additions or disposals in 2021.
During 2020, a Digital Camera for youth the use and a streaming PC bought to enable the church to stream its services live were capitalised totaling £2,664. The Camera was funded by the Discipling Church budget. The cost of the shutters at the Youth Centre were capitalised in 2018 in accordance with the accounting policy and depreciated at a rate of 2% p.a

Depreciation costs of £2,991 in Youth Centre costs, £2,891 being for the building and £100 for the shutters.

In 2019,the costs of desking and IT equipment for the church offices has been capitalised in accordance with the accounting policy and depreciation costs of £1,882 are included in Home Ministry. This expenditure was funded by the Strategic Development Fund.

Looking forward:
The 2022 budget approved in November 2021 by PCC was for expenditure of £311.3k, with an income level of £294.8k, plus Discipling Expenditure of £95.5k with an income level of £92.5k. Due to the impact of COVID, a Gift Day of £34.4k (plus £5,6k of associated gift aid) has been included in the 2022 budget to enable St Nics to continue its work.

Reserves Policy
The 2021 policy remained consist with the policy reviewed in 2019:review

"It is the intention of PCC to try and maintain a balance on unrestricted funds of approximately £50,000 to cope with unforeseen expenditure and ongoing cash flow management."

At the year end, the church was above this figure (see balance sheet).

Acknowledgements

The PCC is very grateful to all those members of the congregation who give freely of their time and abilities in many different ways - assisting in the various activities mentioned above, playing in the music group, bell ringing, flower arranging, running the various friendship groups, stewarding, keeping up with our mission partners, serving in the coffee lounge....the list goes on and each part adds to the character of the ministry at St Nics.

Thank you too for your financial gifts which enable St Nic's to bring people to Jesus in so many different ways. We are most grateful for your support.

Grateful thanks as regards the finances are due to Kate Dawson, our Church Operations Manager, and Andy Freer, our Gift Aid Secretary.

It has been very helpful to have the support of the Finance Committee over the past year,in particular with setting the 2022 budget and reviewing a number of policies.

Thank you all for your support, in particular to Arun, the Finance Committee, the Standing Committee and to PCC.

Structure, governance and management

PCC: The Parochial Church Council (PCC) is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure. The PCC registered in September 2009 with the Charity Commission.

The method of appointment of PCC members is set out in the Church Representation Rules. All regular Church attendees are encouraged to register on the Electoral Roll and stand for election to the PCC. Members of the PCC are either ex-officio, elected by the APCM or co-opted by the PCC.

The PCC operates through a number of committees. These meet formally and informally between full meetings of the PCC and are served by members of the PCC and other members of the church. The Standing Committee (comprising the incumbent, wardens, treasurer, PCC lay chairperson and PCC secretary) is the only committee required by law. It has the power to transact the business of the PCC between meetings, subject to any directions given by the Council.

In 2021 the PCC met on 10 occasions. In addition to regular reports covering ministry, finance, property, safeguarding and eco issues, the PCC continued to make prayer a regular and core part of its meetings.

In addition to the staff team and the PCC the church is blessed to have a team of retired and licensed clergy in addition to readers including: David Day, Peter Johnson, Jeff Hattan, Philip Plyming, Colin Patterson, Philip Brookes, Jo Logan, Andrew Trigger and Jamie Harrison. Baroness Sherlock of Durham continued her curacy as did Claire Elwood into her second year. Ruth Stokes continues her training as a reader and was joined by Ann Lipscombe. Mary Anne Freer completed her studies as a licensed Pastoral Assistant whilst Sarah Helsop continues her studies as an ordinand with Lindisfarne College of Theology.

Staff team: In 2021, the staff team reporting to the vicar, directly employed by the church included, Kate Dawson (Church Operations Manager), Zoe Mathias,(Student Worker and International Worker until August 2021), Claire Morley(part-time cleaner), Tom Musson (part-time cleaner), Kate Swann(Children and Families Worker) Brandon Hurlbert (part time Comms Co-Ordinator until September 2021). From 2021 Richard Briggs joined as Prior of the Community of St Cuthbert, Hannah Wilkinson as Youth Missioner, Michael McGuigan as Social Justice Enabler and Logan Williams as Comms Co-ordinator.

In July 2021, two Ministry Assistants completed their 10 month placement under CEMES (Church of England Ministerial Experience Scheme): Catriona Inglis and David Lewis From September 2021, Lydia Francis Holmes and Elisa Korner became our Ministry Experience Volunteers as part of our Discipling Church.

Risk management: The PCC is of the opinion that the management structure, as detailed above, keeps under review and manages the various risks which the church faces. Risk in this context might be defined as "the threat that an event or action will adversely affect an organisation's ability to achieve its objectives and execute its strategies". These may be:

- Financial risk often seen as the most common category of risk. We manage this through budgets, internal financial controls and management accounts. Also, we are currently subject to an annual independent examination.
- Statutory and legal requirements for example, health and safety regulations, employment law and child and vulnerable adult safety regulations. We aim for the highest standards in these areas and they are kept under review by the Church Wardens, the Safeguarding Officer, the Operations Manager, the Treasurer and others with specific areas of knowledge.

- Operational risk this would threaten the church's ability to deliver its objectives owing to, for example, damage to the church building or loss of key personnel. With regard to the former, the church wardens liaise with property experts, fire safety officers and others. As regards personnel, the type of team ministry this church operates reduces the risks associated with one member of staff leaving.
- Reputational risk for example, unwelcome publicity would hinder the mission of the church. This is managed at many different levels e.g. by the staff team, PCC members and small group leaders.

In line with current legislation, PCC subjects the annual accounts to an independent examination.

Impact of COVID 19
The impact of COVID 19 on the financial viability of St Nics going forward has been a cause for concern. This has been closely monitored using our monthly management reports. However, with the success of the 2021 Gift Day, in combination with another Gift Day planned for 2022 and a cautious approach to our Parish Offering pledge has enabled the PCC to have confidence that St Nics will continue to be financially viable at present.

Our Reserves policy to continues to be to maintain reserves at a level of £50,000 to mitigate unforeseen circumstances.

Administrative information

St Nicholas Church is situated in the Market Place, Durham. It is part of the Diocese of Durham within the Church of England. The correspondence address is Church Office, St Nicholas Church, Market Place, Durham DH1 3NJ. The website of the church can be accessed at www.stnics.org.uk

We are registered with the Charity Commission under the name of "The Parochial Church Council of the Ecclesiastical Parish of St Nicholas, Durham"; the registration number is 1133809.

Administrative information

Registered charity name	St Nicholas' Church, Durham
Charity registration number	1133809
Principal office	Church Office St Nicholas' Church Market Place Durham DH1 3NJ

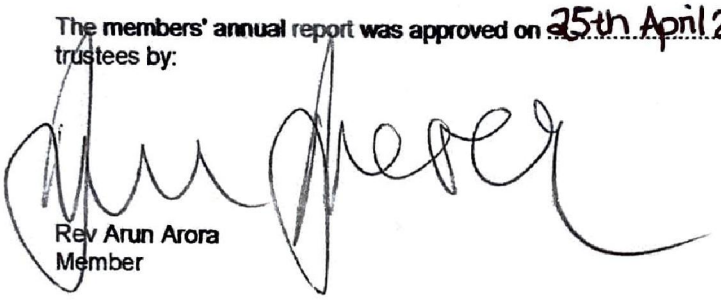
The members

The Parochial Church Council members who have served between 1 January 2021 until the date this report was approved are:

Ex officio members:	
Incumbent:	Revd Arun Arora
Curate:	Revd Claire Elwood
Prior:	Richard Briggs
Part-time self-supporting curates:	The Revd Baroness Maeve Sherlock
Wardens:	Mary Anne Freer Alan Smith
General Synod members:	Jamie Harrison Angus Goudie
Deanery Synod representatives:	Lorraine Longthorne Alex Marklew Tim Packer
Elected members:	Richard Swann Wendy Hughes Alan Smith Philip Dawson Jane Ghosh Elaine Duddy Paul Whipple Naomi Stevens Chris Stokes Philip Alsop Paul Heslop Paul Whipple James Cochran
Co-opted member:	Luke Jackson (from June 2021 for one year)

Independent examiner	**Jane Ascroft FCA MA (Cantab)** Enterprise House Harmire Enterprise Park Barnard Castle County Durham DL12 8XP

The members' annual report was approved on 25th April 22 **and signed on behalf of the board of trustees by:**



Rev Arun Arora
Member

St Nicholas' Church, Durham

Independent Examiner's Report to the Members of St Nicholas' Church, Durham

Year ended 31 December 2021

I report to the members on my examination of the financial statements of St Nicholas' Church, Durham ('the Parochial Church Council') for the year ended 31 December 2021.

Responsibilities and basis of report

As the members of the Parochial Church Council you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Parochial Church Council's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the Parochial Church Council's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Parochial Church Council as required by section 130 of the Act; or

2. the financial statements do not accord with those records; or

3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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

Jane Ascroft

Jane Ascroft FCA MA (Cantab)
Independent Examiner

Enterprise House
Harmire Enterprise Park
Barnard Castle
County Durham
DL12 8XP

St Nicholas' Church, Durham

Statement of Financial Activities

Year ended 31 December 2021

	Note	2021 Unrestricted funds £	2021 Restricted funds £	2021 Endowment funds £	2021 Total funds £	2020 Total funds £
Income and endowments						
Donations and legacies	4	234,685	(18)	–	234,667	225,731
Charitable activities	5	86,345	7,374	–	93,719	72,486
Other trading activities	6	212	–	–	212	248
Investment income	7	5,928	7	2	5,937	2,799
Other income	8	2,257	–	–	2,257	1,594
Total income		329,427	7,363	2	336,792	302,858
Expenditure						
Expenditure on charitable activities	9,10	325,006	10,022	–	335,028	317,600
Total expenditure		325,006	10,022	–	335,028	317,600
Net income/(expenditure)		4,421	(2,659)	2	1,764	(14,742)
Transfers between funds		(1,790)	1,792	(2)	–	–
Net movement in funds		2,631	(867)	–	1,764	(14,742)
Reconciliation of funds						
Total funds brought forward		261,803	21,514	5,073	288,390	303,132
Total funds carried forward		264,434	20,647	5,073	290,154	288,390

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 14 to 28 form part of these financial statements.

St Nicholas' Church, Durham

Statement of Financial Position

31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	17	103,435	111,259
Current assets			
Debtors	18	11,716	13,313
Cash at bank and in hand		191,812	178,263
		203,528	191,576
Creditors: amounts falling due within one year	19	16,809	14,445
Net current assets		186,719	177,131
Total assets less current liabilities		290,154	288,390
Net assets		290,154	288,390
Funds of the charity			
Endowment funds		5,073	5,073
Restricted funds		20,647	21,514
Unrestricted funds		264,434	261,803
Total charity funds	21	290,154	288,390

These financial statements were approved by the board of trustees and authorised for issue on 25th April 2022, and are signed on behalf of the board by:

Rev Arun Arora
Member

The notes on pages 14 to 28 form part of these financial statements.

1. General information

The Parochial Church Council is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Church Office, St Nicholas' Church, Market Place, Durham, DH1 3NJ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The PCC considers that there are no significant estimates or judgements affecting these financial statements.

Fund accounting

Unrestricted funds are available for use at the discretion of the PCC to further any of the church's purposes.

Designated funds are unrestricted funds earmarked by the PCC for specific purposes.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal.

Permanent Endowment Funds where only the income, not the capital, can be used by the PCC.

The individual funds within each type of fund are shown in Note 21. The accounts include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body nor those that are informal gatherings of church members.

3. Accounting policies *(continued)*

Income

Voluntary income and capital sources:
Collections are recognised when received by or on behalf of the PCC. Planned giving receivable under Gift Aid is recognised only when received. Income tax recoverable on Gift Aid donations is recognised when the related income is recognised. Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the PCC is reasonably certain. Funds raised by way of fetes, garden parties or similar events are accounted for gross.

Discipling Church income:
Discipling Church Income (SDF funding) is recognised once the associated expenditure has been incurred in accordance with the requirements of the funding.

Other income:
Rental income from the letting of church premises is recognised when the rental is due.
Income from investments: Interest entitlements are accounted for when received. Income from donated goods is accounted for on the basis of the value of average donation times number of donations received.

The church has relied significantly upon volunteers in carrying out its activities during the year, particularly Mission activities. In accordance with the SORP, the role of volunteers has not been recognised as income from donated services in the accounts.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates.

Grants:
Grants and donations are accounted for when paid, or when awarded, if that award creates a binding obligation on the PCC.

Activities directly relating to the work of the Church: The Diocesan Parish Offering is accounted for when paid. Any Parish offering unpaid at 31 December is provided for in these accounts as an operational (though not a legal) liability and is shown as a creditor in the Balance Sheet.

All other expenditure is generally recognised when it is incurred and is accounted for gross.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

3. Accounting policies *(continued)*

Tangible assets

Consecrated property and movable church furnishings:
Consecrated and beneficed property of any kind is excluded from the accounts by Section 10(2) (a) of the Charities Act 2011. Movable church furnishings held by the Vicar and Churchwardens on special trust for the PCC, and which require a faculty for disposal, are accounted for as inalienable property unless consecrated. They are listed in the church's Inventory which can be inspected at any reasonable time.

For inalienable property acquired prior to 2001 there is insufficient cost information available and therefore such assets are not valued in the accounts.

Major Items acquired since 1 January 2001 are capitalised and depreciated in the accounts over their useful economic life (initially over IO years) on a straight line basis. All expenditure incurred during the year on consecrated or beneficed buildings, individual items under £2,000 or the repair/replacement of moveable church furnishings acquired before 1 January 2005 is written off.

Other fixtures, fittings and office equipment: Equipment used within the church premises is depreciated on a straight line basis over 4 years. Individual items of equipment with a purchase price of £2,000 or less are written off when the asset is acquired.

Youth Centre: After 40 years of use the building had a major renovation in 2003. Since the land is part of the St. Nicholas' Churchyard and of a specialised nature it is hard to determine any satisfactory use should the church cease to use the property in the future. It has therefore been capitalised at the cost of the renovation works in 2003. Depreciation has been charged at 2% in the present year.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Youth centre	-	2% straight line
Fixtures and fittings	-	25% straight line
Equipment	-	25% straight line
Office Equipment	-	25% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Parochial Church Council are assigned to those units.

Financial instruments

A financial asset or financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Pension policy

St Nicholas' Church, Durham participates in the Pension Builder Scheme section of the Church Workers Pension Fund (CWPF) for lay staff. The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme.

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

Cash at Bank and in Hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2021 £**
Donations			
Planned Giving - gift aided	122,234	–	122,234
Tax recoverable	42,767	–	42,767
Collections	20,289	–	20,289
Other planned giving	49,395	(18)	49,377
	234,685	(18)	234,667

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Planned Giving - gift aided	131,966	840	132,806
Tax recoverable	37,082	–	37,082
Collections	13,696	–	13,696
Other planned giving	42,113	34	42,147
	224,857	874	225,731

5. Charitable activities

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2021 £**
Gift Day - No gift aid	15,162	–	15,162
Gift Day - Gift aid	13,065	5,000	18,065
Discipling Church income	57,299	–	57,299
PCC Activities	819	–	819
Recovery group	–	–	–
Miscellaneous income	–	2,374	2,374
	86,345	7,374	93,719

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Gift Day - No gift aid	–	–	–
Gift Day - Gift aid	–	–	–
Discipling Church income	63,347	–	63,347
PCC Activities	5,349	3,040	8,389
Recovery group	750	–	750
Miscellaneous income	–	–	–
	69,446	3,040	72,486

During the year £2,374 was granted for the repair of the tower clock on the market place. The cost was provided for by Durham Council and the associated VAT provided by the Listed Places of Worship Scheme. Of the £33,227 given for Gift Day, £5,000 was given specifically for the new energy efficient lights for the church which were purchased later in the year.

6. Other trading activities

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2021 £**
Fees - Weddings & funerals	212	–	212

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Fees - Weddings & funerals	322	(74)	248

7. Investment income

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	**Total Funds 2021 £**
Bank interest receivable	65	7	2	74
Rental income	5,863	–	–	5,863
	5,928	7	2	5,937

7. Investment income *(continued)*

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £
Bank interest receivable	570	22	7	599
Rental income	2,200	–	–	2,200
	2,770	22	7	2,799

8. Other income

	Unrestricted Funds £	**Total Funds 2021 £**	Unrestricted Funds £	Total Funds 2020 £
Insurance claim	1,574	1,574	–	–
Job Retention Scheme	683	683	1,594	1,594
	2,257	2,257	1,594	1,594

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2021 £**
Parish Share	116,250	–	116,250
Clergy expenses and vicarage costs	2,718	–	2,718
Church running expenses	48,285	9,958	58,243
Youth Centre costs	8,884	–	8,884
Payroll - Support staff	8,179	–	8,179
Home Ministry	3,809	–	3,809
Church Administration	68,365	64	68,429
Missionary and Charitable Giving	7,590	–	7,590
Discipling Church	60,026	–	60,026
Support costs	900	–	900
	325,006	10,022	335,028

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Parish Share	114,500	–	114,500
Clergy expenses and vicarage costs	3,544	–	3,544
Church running expenses	36,372	349	36,721
Youth Centre costs	6,428	–	6,428
Payroll - Support staff	7,530	–	7,530
Home Ministry	6,405	144	6,549
Church Administration	71,445	–	71,445
Missionary and Charitable Giving	7,590	–	7,590
Discipling Church	62,393	–	62,393
Support costs	900	–	900
	317,107	493	317,600

10. Expenditure on charitable activities by activity type

	Activities undertaken directly	Grant funding of activities	Support costs	Total funds 2021	Total fund 2020
	£	£	£	£	£
Parish Share	116,250	–	–	116,250	114,500
Clergy expenses and vicarage costs	2,718	–	–	2,718	3,544
Church running expenses	58,243	–	–	58,243	36,721
Youth Centre costs	8,884	–	–	8,884	6,428
Payroll - Support staff	8,179	–	–	8,179	7,530
Home Ministry	3,809	–	–	3,809	6,549
Church Administration	68,429	–	–	68,429	71,445
Missionary and Charitable Giving	–	7,590	–	7,590	7,590
Discipling Church	60,026	–	–	60,026	62,393
Governance costs	–	–	900	900	900
	326,538	7,590	900	335,028	317,600

11. Analysis of grants

	2021	2020
	£	£
Grants to institutions		
Church Missionary Society	2,000	2,000
Bible Society	1,500	1,500
Latvia Biblical Centre	1,800	1,800
Church Army (Friends of Bungokho)	1,000	1,000
Vereinigte Deutsche Missionshilfe (Manasseh & Catrin Tuyizere)	750	750
Mission Aviation Fellowship	540	540
	7,590	7,590
Total grants	7,590	7,590

12. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation of tangible fixed assets	7,824	7,339

13. Independent examination fees

	2021	2020
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	900	900

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	96,083	98,802
Social security costs	482	189
Employer contributions to pension plans	5,730	6,064
	102,295	105,055

During the year, the PCC employed a Church Operations Manager, a PA/Admin Assistant, .a Student/International Worker, a Children & Families Worker and several part time support staff.

Of the two Youth Missioner posts which existed in 2020, 1 was transformed into a Social Justice Enabler Role. Both our Youth Missioner and Social Justice Enabler started in July 2021 and continue to be funded by the Strategic Development Fund (Discipling Church). In August 2021, our full time Student Worker left without a replacement. A member of the congregation filled this role on a limited part time basis until December 2021.

None of these earned £60,000 p.a or more.

The average head count of employees during the year was 8 (2020: 8).

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

15. Trustee remuneration and expenses

No remuneration or other benefits from employment with the PCC or a related entity were received by the trustees.

The Vicar, other clergy, PCC members and spouses were reimbursed expenses totalling £3,770 (2020 - £4,851) for travel, conferences, office materials, equipment and other expenses.

The amount of donations funded by trustees and connected parties was £46,490 (2020 - £66,763).

16. Transfers between funds

Internal transfers include the money allocated to the designated funds and restricted funds from the general fund, the transfer of interest between the Patterson endowment fund and Teenaid and St Nic's Estate and Fabric together with other miscellaneous purposes.

17. Tangible fixed assets

	Youth Centre £	Fixtures and fittings £	Equipment £	Office Equipment £	**Total £**
Cost					
At 1 January 2021 and 31 December 2021	149,558	7,529	7,353	4,452	168,892
Depreciation					
At 1 January 2021	49,449	2,745	4,164	1,275	57,633
Charge for the year	2,991	1,882	1,838	1,113	7,824
At 31 December 2021	52,440	4,627	6,002	2,388	65,457
Carrying amount					
At 31 December 2021	97,118	2,902	1,351	2,064	103,435
At 31 December 2020	100,109	4,784	3,189	3,177	111,259

18. Debtors

	2021 £	2020 £
Prepayments	1,627	2,797
Accrued income	1,015	838
Gift aid recoverable	9,074	9,678
	11,716	13,313

19. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	176	192
Accruals and deferred income	8,015	6,732
Social security and other taxes	2,111	–
Janet Foster fund	5,796	5,796
Pension creditor	711	678
Other creditors	–	1,047
	16,809	14,445

The Janet Foster fund is held as agent on behalf of the trustees of the fund. There has been no movement on the fund during 2021.

20. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £5,730 (2020: £6,064).

20. Pensions and other post retirement benefits *(continued)*

St Nicholas' Church, Durham participates in the Pension Builder Scheme section of CWPF (Church Workers Pension Fund) for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers.

CWPF has two sections:
1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections; a. a deferred annuity section known as Pension Builder Classic, and, b. a cash balance section known as Pension Builder 2014.

Pension Builder Scheme
Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

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

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

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

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable (2021: £5,730, 2020: £6,064).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019. The next valuation is due as at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review, the Board chose to grant a discretionary bonus of 3% following improvements in the funding position over 2021. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, St Nicholas' Church, Durham could become responsible for paying a share of the failed employer's pension liabilities.

21. Analysis of charitable funds

Unrestricted funds

	At 1 January 2021 £	Income £	Expenditure £	Transfers £	At 31 December 2021 £
General funds	23,327	272,128	(249,875)	(5,160)	40,420
Reserve fund	50,839	–	–	21	50,860
Ministry Assistants' Fund	1,177	–	–	(177)	1,000
Market Place Partnership, coffee lounge	20,742	–	–	8	20,750
Market Place Partnership, PCC funds	2,502	–	–	1	2,503
St Nicholas' Estate Fund	1,617	–	–	1	1,618
Student Ministry	2,987	–	(1,488)	(1,370)	129
Teen Aid	1,069	–	–	2	1,071
Tiddly Winks - Parent/Toddler Fund	288	–	–	(288)	–
Youth Centre - General	1,133	–	(5,368)	–	(4,235)
Youth Centre - Tuck Shop	–	–	–	–	–
Youth Fund	1,325	–	–	(1,325)	–
Fixed Assets	111,259	–	(7,824)	–	103,435
Maintenance Fund	25,794	–	(540)	4,757	30,011
Recovery Group	4,756	–	–	1	4,757
Children and Families	1,239	–	(1,817)	563	(15)
Discipling Church	12,920	57,299	(58,094)	5	12,130
Mission Week	154	–	–	(154)	–
Youth Ministry	(1,325)	–	–	1,325	–
	261,803	329,427	(325,006)	(1,790)	264,434

	At 1 January 2020 £	Income £	Expenditure £	Transfers £	At 31 December 2020 £
General funds	34,115	231,232	(236,500)	(5,520)	23,327
Reserve fund	50,772	67	–	–	50,839
Ministry Assistants' Fund	8,177	–	–	(7,000)	1,177
Market Place Partnership, coffee lounge	20,281	2,080	(1,619)	–	20,742
Market Place Partnership, PCC funds	2,499	3	–	–	2,502
St Nicholas' Estate Fund	1,615	2	–	–	1,617

Student Ministry	722	1,103	(1,616)	2,778	2,987
Teen Aid	1,062	–	–	7	1,069
Tiddly Winks - Parent/Toddler Fund	273	78	(63)	–	288
Youth Centre - General	(590)	–	(3,437)	5,160	1,133
Youth Centre - Tuck Shop	81	–	–	(81)	–
Youth Fund	1,325	–	–	–	1,325
Fixed Assets	115,935	–	(7,340)	2,664	111,259
Maintenance Fund	30,488	34	(4,728)	–	25,794
Recovery Group	4,784	756	(784)	–	4,756
Children and Families	247	270	(1,522)	2,244	1,239
Discipling Church	9,054	63,364	(59,498)	–	12,920
Mission Week	154	–	–	–	154
Youth Ministry	(1,401)	–	–	76	(1,325)
	279,593	298,989	(317,107)	328	261,803

Restricted funds

	At 1 January 2021 £	Income £	Expenditure £	Transfers £	At 31 December 2021 £
Bells	366	–	–	–	366
Decoration of Halls Fund	–	–	–	–	–
Flower Fund	86	–	(71)	–	15
Gifts to Others	12	–	(64)	52	–
Incumbent's fees to Diocese	91	1	(1)	(91)	–
International Student Fund	1,268	–	–	–	1,268
Music Group	98	–	(400)	302	–
St Nic's Pics	169	–	–	60	229
Organ/Piano	(130)	–	–	130	–
Other restricted funds	877	7,356	(7,258)	–	975
PA Fund	438	–	(117)	–	321

21. Analysis of charitable funds *(continued)*

SNACS - Main account	7,642	3	(3)	3	7,645
St Nic's Puppet Ministry	1,067	–	–	–	1,067
Green Fund	741	–	(2,074)	1,333	–
Vicar's Fund	2,860	1	(32)	1	2,830
Insulation of Upper Hall	5,929	2	(2)	2	5,931
	21,514	7,363	(10,022)	1,792	20,647

	At 1 January 2020 £	Income £	Expenditure £	Transfers £	At 31 December 2020 £
Bells	678	–	(312)	–	366
Decoration of Halls Fund	5,081	848	–	(5,929)	–
Flower Fund	109	14	(37)	–	86
Gifts to Others	12	–	–	–	12
Incumbent's fees to Diocese	165	(74)	–	–	91
International Student Fund	1,268	–	–	–	1,268
Music Group	98	–	–	–	98
St Nic's Pics	169	–	–	–	169
Organ/Piano	(130)	–	–	–	(130)
Other restricted funds	1,178	20	–	(321)	877
PA Fund	438	–	–	–	438
SNACS - Main account	7,632	10	–	–	7,642
St Nic's Puppet Ministry	1,027	40	–	–	1,067
Green Fund	741	–	–	–	741
Vicar's Fund	–	3,004	(144)	–	2,860
Insulation of Upper Hall	–	–	–	5,929	5,929
	18,466	3,862	(493)	(321)	21,514

Abbreviations: SNACS = St Nicholas Adventure Camps

Endowment funds

	At 1 January 2021 £	Income £	Expenditure £	Transfers £	**At 31 December 2021 £**
Patterson Endowment Fund	5,073	2	–	(2)	5,073

	At 1 January 20 20 £	Income £	Expenditure £	Transfers £	At 31 December 2020 £
Patterson Endowment Fund	5,073	7	–	(7)	5,073

21. Analysis of charitable funds *(continued)*

The Patterson Fund is a permanent endowment fund with the interest being paid to the Teenaid fund.

22. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	**Total Funds 2021 £**
Tangible fixed assets	103,435	–	–	103,435
Current assets	177,808	20,647	5,073	203,528
Creditors less than 1 year	(16,809)	–	–	(16,809)
Net assets	264,434	20,647	5,073	290,154

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £
Tangible fixed assets	111,259	–	–	111,259
Current assets	164,989	21,514	5,073	191,576
Creditors less than 1 year	(14,445)	–	–	(14,445)
Net assets	261,803	21,514	5,073	288,390

23. PCC's responsibility for repairs

It is the policy of the PCC to maintain a rolling programme of repairs as necessary. The latest quinquennial inspection of the church and halls was completed in late 2021 and identified £48,000 of works to be completed within the next 5 years (£30,000 of urgent works, £9,000 within the next 12 months and £9,000 within the next 5 years all including VAT). The most urgent works have all been either completed or commenced (involving repair of the cruciform on the roof and work to the high level windows in the church), and the remaining within the next 12 months have been built into the 2022 budget.

24. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021 £	2020 £
Not later than 1 year	288	288
Later than 1 year and not later than 5 years	360	648
	648	936

The following pages do not form part of the financial statements.

St Nicholas' Church, Durham

Detailed Statement of Financial Activities

Year ended 31 December 2021

	2021 £	2020 £
Income and endowments		
Donations and legacies		
Planned Giving - gift aided	122,234	132,806
Tax recoverable	42,767	37,082
Collections	20,289	13,696
Other planned giving	49,377	42,147
	234,667	225,731
Charitable activities		
Gift Day - No gift aid	15,162	–
Gift Day - Gift aid	18,065	–
Discipling Church income	57,299	63,347
PCC Activities	819	8,389
Recovery group	–	750
Miscellaneous income	2,374	–
	93,719	72,486
Other trading activities		
Fees - Weddings & funerals	212	248
Investment income		
Bank interest receivable	74	599
Rental income	5,863	2,200
	5,937	2,799
Other income		
Insurance claim	1,574	–
Job Retention Scheme	683	1,594
	2,257	1,594
Total income	336,792	302,858

	2021 £	2020 £
Expenditure on charitable activities		
Parish Share		
Parish Share	116,250	114,500
Clergy expenses and vicarage costs		
Clergy expenses	2,718	3,544
Church running expenses		
Building maintenance	34,907	14,694
Cleaning, utilities & insurance	12,870	12,835
Services	8,628	7,722
Depreciation of equipment	1,838	1,470
	58,243	36,721
Youth Centre costs		
Youth centre	5,893	3,437
Depreciation of youth centre	2,991	2,991
	8,884	6,428
Payroll - Support staff		
Support staff	8,166	7,530
Pension costs	13	–
	8,179	7,530
Home Ministry		
Parish events	101	304
Student ministry	1,488	1,616
Alpha	82	481
Coffee lounge	–	1,619
Youth ministry	66	–
Children's Ministry	1,817	1,442
Carried forward	3,554	5,462

Notes to the Detailed Statement of Financial Activities *(continued)*

Year ended 31 December 2021

	2021 £	2020 £
Brought forward	3,554	5,462
Other costs	255	303
Recovery Group	–	784
	3,809	6,549
Church Administration		
Gross	55,624	53,247
NIC	426	189
Pension	4,478	4,346
Administration costs	7,901	13,663
	68,429	71,445
Missionary and Charitable Giving		
Missionary Support	7,590	7,590
Discipling Church		
Wages	32,293	38,025
NIC	56	–
Pension	1,239	1,718
Depreciation	2,995	2,878
Other costs	23,443	19,772
	60,026	62,393
Governance costs		
Accountancy fees	900	900
Total expenditure	335,028	317,600
Net income/(expenditure)	1,764	(14,742)

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST NICHOLAS, DURHAM

England & Wales - Charity number 1133809

Accounts

Charity Registration Number: 1133809

St Nicholas' Church, Durham

Financial Statements

For the year ending

31 December 2020

JANE ASCROFT ACCOUNTANCY LIMITED
Chartered Accountants
Enterprise House
Harmire Enterprise Park
Barnard Castle
County Durham
DL12 8XP

St Nicholas' Church, Durham

Financial Statements

Year ended 31 December 2020

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St Nicholas' Church, Durham

Members' Annual Report

Year ended 31 December 2020

The members present their report and the unaudited financial statements of the Parochial Church Council for the year ended 31 December 2020.

Objectives and activities

The objectives of St Nicholas Church are to be a Christ-centred community which grows in discipleship, service and number. The church seeks to achieve this through the delivery a four-fold vison centered around Discipleship, Evangelism, Justice and Service.

The PCC has the responsibility of co-operating with the incumbent in promoting in the parish all aspects of the mission of the church, pastoral, evangelistic, social and ecumenical.

In attempting to achieve this objective, St Nicholas undertakes a number of different ministries, including:

Ministry as a Parish Church: We resource our members through faithful Biblical preaching and teaching, pastoral oversight and the development of all of the gifts that God gives by His Spirit to His people.

The pattern of Sunday services changed established in 2018 is to three Sunday service 9am, 11am and 6.30 pm. As well as worship, teaching and corporate prayer at these services, we provide the opportunity for individual prayer support and also activities for children and young adults. There is also a service of Holy Communion on Wednesday morning.

During Covid we have been streaming 2 online services on Sundays, one at 11am and one at 6.30pm.

During the first lockdown we also provided online daily prayer at 9am, 12noon and 9pm. This changed to twice daily at 8am and 9pm in the more recent lockdown. We have also provided online Alpha courses, small group meetings, all church prayer nights and many social events.

As one aspect of meaningful membership of the church, individuals are encouraged to join one of a network of Spiritual Growth Groups, hosted in members' homes. SGGs play an important role in pastoral care, facilitating personal growth and encouraging an outward focus to our spiritual lives. The SGG leaders meet periodically for training and support. In addition, there are a number of Women's Groups which meet on Thursday mornings. In 2019 the Community of St Cuthbert was launched as a way of encouraging lived discipleship with Spiritual Growth Groups made up of up to 6 people meeting regularly.

Objectives and activities *(continued)*

Ministry Experience Volunteers (formerly Ministry Assistants): The Internship scheme at St Nics was started in the summer of 2010, and provides an opportunity for people to explore God's call in their lives while serving the church. The MEVs serve in the coffee lounge; work with young people and children, students and international students as well as in outreach projects like accompanying a pastoral assistant in visiting in the Indoor Market, in raising the profile of development and justice issue s and in helping at one-off events and carrying out special projects. They also benefit from a training and development programme devised by David Day. This includes courses provided at Cranmer Hall as well as teaching on theology and aspects of Christian leadership and ministry, presented by the Staff Team and some congregation members.

In September 2016, our Internship programme became part of the Durham Diocese Church of England Ministerial Experience Scheme, working in partnership with St Chad's, Sunderland. This has enabled our three Ministry Assistant places to be registered with CEMES.

In 2019, as part of our designation as a "Discipling Church" by the Diocese of Durham Ministry Assistants were re-designated as Ministry Experience Volunteers (MEVs) as part of a wider move by the Diocese to encourage young vocations. This year we have had 2 MEVs - Catriona and David and the 'MEV for duty' role has shared, first by Diego and then by Logan again.

As a resource for the community we serve, the church buildings are available for hire for a number of specified purposes and this income is included in the accounts.

Gateway World Shop continues to occupy a corner of the building. Gateway pay a monthly rent for this space. It trades independently of the church and its figures are not included in our accounts.

Objectives and activities *(continued)*

Ministry with students: In September 2019, Zoe Matthias became our Student and International Worker. Our Student Ministry aims to welcome, integrate and disciple students as well as providing pastoral care. Many students are involved in small groups, youth groups and music groups, as well as specific student events. During her time in post Zoe has developed the student ministry considerably with the numbers of students regularly worshipping at St Nics doubling in number. The introduction of a weekl y student night in term time combined with student events, invitational services and students attending church across all three services is a reflection of Zoe's work, along with volunteers who have assisted her. During lockdown Zoe has continued to work hard to keep our student family connected with church with various on line meetings and social activities.

Ministry with international students: Durham University and New College receive over 3000 international students from 120 countries, along with their spouses and families. This ministry aims to encourage the churches in Durham to welcome and befriend international students whatever their faith, helping those who are Christians to find fellowship and grow in their faith, and taking the opportunity to share the Good News of Jesus with any who express an interest. Zoe Matthias leads a team of people w ho continue this ministry of welcome and hospitality under the name "Amigos" who host a weekly regular meeting in addition to other activities.

Ministry with children and families: At the end of 2018 Kate Swann was appointed Children and Families Worker om a part- time basis. Since then Kate flourished in this role as she oversaw a review of our ministry provision to families and children up to secondary school age. In addition to overseeing Sunday Worship - including a regular all age service - St Nics has run successful holiday clubs, maintained and grown the weekly toddlers drop in "Tiddlywinks" and also run parenting courses for famili es. As a church St Nics counts more children worshipping regularly with us than almost any other church in the Diocese of Durham. The opportunities and challenges of this work have been well met by Kate Swann and the team of volunteers who assist her in this ministry. During lockdown Kate has done an amazing job of keeping families connected with church and had even grown our number of St Nics families. She has done this through various on line activities and services, including the incredibly popular Sunday morning Pyjama Church.

Ministry with young adults: In September 2019 the church recruited two youth missioners - Joe Cottrell and Leanne Davies - as part of its work as a resource church. The role of the missioners was to disciple those secondary school young adults within the church and also to engage with young adults across the city in the 16-18 age group, not least those in the parish of St Nicholas who attend Durham Sixth Form Centre. Base at St Nics Youth Centre on the Sands, Joe and Leanne developed a drop in café for young people as well as running regular events for church youth from the centre. Joe and Leanne left us in 2020 and we are currently recruiting 2 new youth workers (a Youth Missioner and a Social Justice Enabler).

The Teenaid Fund shown in the financial statements receives income from the interest on the Patterson Fund, a bequest made to the church a number of years ago. The fund gives grants for activities that "encourage the spiritual growth of young people in the church". No grants were made in 2020.

Mission Giving: The church supported mission activities in 2020. This year total support came to£7.6k and included the Bible Society, , the Church Missionary Society, Church Army, VDM (Manasseh & Catrin Tuyizere), Mission Aviation Fellowship and the Latvia Biblical Centre.

The International Mission Committee keeps our contacts with the international societies under review and reports back to PCC periodically. The congregation was involved through meeting and praying for a number of mission partners throughout the year, a regular monthly prayer meeting, intercessions for mission partners as part of the morning service and through the Church's monthly prayer diary.

Regional Mission: Our role as a parish church in the Diocese of Durham and part of the Anglican Communion continues to be an essential part of our church life. The clergy regularly attend Deanery Synod and Deanery Chapter meetings. Tim Packer, Lorraine Longthorne and Alex Marklew serve on the Deanery Synod. Jamie Harrison and Angus Goudie continue to serve on General Synod .

The Parish Offering is our contribution to the costs of mission for the Church of England in the Diocese of Durham. It pays for the stipend and employing cost of our clergy but we make a substantial net contribution to the share over and above the cost of our own Vicar. This is used to support mission and ministry throughout the Diocese. In 2020 we gave £114.5k in Parish Offering and PCC continues to see the importance of helping to sustain mission in parts of our region that cannot at present support it on their own. The full £114.5 k is included as an expense in the 2020 SOFA (see Note 9).

The Trustees have complied with the duty to have due regard to the public benefit guidance published by the Charity Commission.

Financial review

Our main challenge in 2020 was to bring our spending in line with the vision of St Nic's and to reach the end of the year without having to have a Gift Day of £25,000 to balance our books,as agreed by PCC in 2018.

Unfortunately, due to the unexpected impact of COVID on giving, coffee lounge income and youth centre hire, we were not able to meet this and 2020 yielded a deficit of £14.7k.

The costs involved in running a large church are significant and, as we seek to develop and grow in our mission, PCC is once again grateful to the congregation for its continued financial support for the ministry of St Nicholas in Durham. It is a sign of the depth of discipleship in church members.

The main points to be noted regarding the 2020 finances are as follows:

Income

Planned gift aided giving decreased by 11.7% and there was a small decrease in collections of £690 but other planned giving has increased by £6,405.Overall,this represents a 5.7% decrease in our giving income compared to 2019. Collections were held stable due to the introduction of the CAF donate button to the website in April 2020. We had excluded a gift day of £25k from our 2020 budget but due to a downward trend in giving each year plus the unexpected impact of COVID, a Gift Day has been included again in the 2021 budget.

Gift Aid
The church received a gift aid tax refund in 2020 of £37,082,a fall of £3,169,reflecting the fall in giving and no Gift Day giving in 2020. However this continues to represent an enormous benefit to St Nics at no cost to the giver.

Discipling Church Income
Costs incurred as part of Discipling Church are reimbursed by the Strategic Development Fund, via the Diocese, once a claim has been submitted. The previously titled Ministry Assistants are now Ministry Experience Volunteers and form part of our Discipling Church staff, for which St Nics received £16,464 in 2020 to cover their expenses.

Charitable Activities includes monies raised by the Recovery Group, Coffee Lounge Income & a £3k donation to establish the vicars fund to help those suffering financially during COVID.. Coffee lounge was unable to open from April 2020 and so no income was received through this means.

Hire of Buildings
It was agreed at Finance Committee,that in order to maximise our income,we should hire out the building,both the church and halls,where possible in 2020. Due to the national lockdown this has not been possible and no groups have run from the youth centre or hired it; leaving it empty. Therefore, it was a blessing to be able to donate the space, rent free, during the winter months for the Durham Winter Night Shelter to run.

Expenditure

Parish Offering
Parish Offering for 2020 increased by £2,700 from 2019 to £134,000 as agreed by PCC. This represented a 2% increase on 2019, in line with inflation. However, with the impact of the national lockdowns on the church finances, St Nics reduced our pledge during the year to £114,000; a reduction of 12.8% (£16,800) from the previous year.

Clergy Expenses
Clergy expenses include expenses for our curate from July 2019.

Church Running Expenses
Services costs include the cost of running all our services,including the cost of hiring the Town Hall,food for services and church celebrations and the cost of our Worship Coordinator. Running costs for 2020 were £36,721, which was down only £320 from 2019. Although, Hall hire was reduced, and 2019 included a large spend on books, 2020 included a full year of paying our Worship Coordinator and additional spend on maintenance.

Youth Centre
Youth centre costs include utilities, insurance and depreciation. There were no additions or disposals in the year.

Salary Costs
Total salary costs of £105,054 are 57.6% higher than 2019 (£66,655), due to a longer period of pay during the year compared to 2019 for various roles; Student Worker, Comms Co-ordinator and 2 youth missioners. Our Student worker and Comms Co-ordinator were employed for the full year and youth missioners until July 2020. We are currently looking to reappoint the youth missioner roles.

The salary costs of the Youth Missioners and our Social Media/Strategy Delivery Worker are met from the Strategic Development Fund.

Depreciation
During 2020, a Digital Camera for youth the use and a streaming PC bought to enable the church to stream its services live were capitalised totalling £2,664. The Camera was funded by the Discipling Church budget.

The cost of the projector and the shutters at the Youth Centre were capitalised in 2018 in accordance with the accounting policy and depreciated at a rate of 25% p.a

Depreciation costs of £1,347 for the projector are included in church running costs and £2,991 in Youth Centre costs, £2,891 being for the building and £100 for the shutters.

In 2019,the costs of desking and IT equipment for the church offices has been capitalised in accordance with the accounting policy and depreciation costs of £1,882 are included in Home Ministry. This expenditure was funded by the Strategic Development Fund.

Missionary Giving
Within Coffee Lounge costs, donations of £321 each totalling £1,286 were made to the following charities: Daft as a Brush
Bridge Young Carers/Family Action
Cystic Fibrosis Trust
The Mayor's Charity Appeal

Looking forward:
The 2021 budget approved in January 2021 by PCC was for expenditure of £279.2k, with an income level of £279.2k,plus Discipling Expenditure of £75.9k with an income level of £75.9 k.Due to the impact of COVID, a Gift Day of £32.9k has been included in the 2021 budget to enable St Nics to continue its work.

Reserves Policy
The 2020 policy remained consist with the policy reviewed in 2019:

"It is the intention of PCC to try and maintain a balance on unrestricted funds of approximately £50,000 to cope with unforeseen expenditure and ongoing cash flow management."

At the year end, the church was above this figure (see balance sheet).

Acknowledgements

The PCC is very grateful to all those members of the congregation who give freely of their time and abilities in many different ways - assisting in the various activities mentioned above, playing in the music group, bell ringing, flower arranging, running the various friendship groups, stewarding, keeping up with our mission partners, serving in the coffee lounge….the list goes on and each part adds to the character of the ministry at St Nics.

Thank you too for your financial gifts which enable St Nic's to bring people to Jesus in so many different ways. We are most grateful for your support.

Grateful thanks as regards the finances are due to Kate Dawson, our Church Operations Manager, and Andy Freer, our Gift Aid Secretary. Thanks too to our Office Staff who have been counting collections for us this year.

It has been very helpful to have the support of the Finance Committee over the past year,in particular with setting the 2021 budget and reviewing a number of policies.

Thank you all for your support,in particular to Arun and the Standing Committee and to PCC.

Structure, governance and management

PCC: The Parochial Church Council (PCC) is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure. The PCC registered in September 2009 with the Charity Commission.

The method of appointment of PCC members is set out in the Church Representation Rules. All regular Church attendees are encouraged to register on the Electoral Roll and stand for election to the PCC. Members of the PCC are either ex-officio, elected by the APCM or co-opted by the PCC.

The PCC operates through a number of committees. These meet formally and informally between full meetings of the PCC and are served by members of the PCC and other members of the church. The Standing Committee (comprising the incumbent, wardens, treasurer, PCC lay chairperson and PCC secretary) is the only committee required by law. It has the power to transact the business of the PCC between meetings, subject to any directions given by the Council.

In 2020 the PCC met on 6 evenings; 5 online,1 in person and also an online planning away day. In addition to regular reports covering ministry, finance, property, safeguarding and eco issues, the PCC continued to make prayer a regular and core part of its meetings.

In addition to the staff team and the PCC the church is blessed to have a team of retired and licensed clergy in addition to readers including: David Day, Peter Johnson, Jeff Hattan, Philip Plyming, Colin Patterson, Philip Brookes, Jo Logan, Andrew Trigger and Jamie Harrison. Baroness Sherlock of Durham continues her curacy into her third year with St Nics and Claire Elwood into her second year. Ruth Stokes continues her training as a reader.

Staff team: In 2020, the staff team reporting to the vicar, directly employed by the church included, Kate Dawson (Church Operations Manager), Zoe Mathias,(Student Worker and International Worker), Claire Morley(part-time cleaner), Tom Musson (part-time cleaner), Kate Swann(Children and Families Worker)Brandon Hurlbert (part time Comms Co-Ordinator), Joe Cottrell (Youth Missioner, left Aug 2020) and Leanne Davis (Youth Missioner, left Aug 2020).

From February 2020 Janet Dawson joined as Administrative Assistant and from October 2020, Tom Musson started his role as Comms Assistant).

In July 2020, two Ministry Assistants completed their 10 month placement under CEMES (Church of England Ministerial Experience Scheme): Chloe Langham and Tom Musson. From September 2020,Catriona Inglis and David Lewis became our Ministry Exsperience Volunteers as part of our Discipling Church.

Risk management: The PCC is of the opinion that the management structure, as detailed above, keeps under review and manages the various risks which the church faces. Risk in this context might be defined as "the threat that an event or action will adversely affect an organisation's ability to achieve its objectives and execute its strategies". These may be:

- Financial risk often seen as the most common category of risk. We manage this through budgets, internal financial controls and management accounts. Also, we are currently subject to an annual independent examination.
- Statutory and legal requirements for example, health and safety regulations, employment law and child and vulnerable adult safety regulations. We aim for the highest standards in these areas and they are kept under review by the Church Wardens, the Safeguarding Officer, the Operations Manager, the Treasurer and others with specific areas of knowledge.
- Operational risk this would threaten the church's ability to deliver its objectives owing to, for example, damage to the church building or loss of key personnel. With regard to the former, the

church wardens liaise with property experts, fire safety officers and others. As regards personnel, the type of team ministry this church operates reduces the risks associated with one member of staff leaving.

- Reputational risk for example, unwelcome publicity would hinder the mission of the church. This is managed at many different levels e.g. by the staff team, PCC members and small group leaders.

In line with current legislation, PCC subjects the annual accounts to an independent examination.

Impact of COVID 19

The impact of COVID 19 on the financial viability of St Nics going forward is a cause for concern. This has been closely monitored using our monthly management reports and a review of 2020 income shows a drop of £13.1k in income compared to 2019, therefore, it was agreed by the PCC to run a Gift Day again in 2021 to enable to work of St Nics to continue and the level of maintenance work needed to the church and youth centre to take place.

PCC made the decision to furlough two staff under the Government Retention Scheme for operational reasons rather than financial ones for June & July.One cleaner has been furloughed for January to March in 2021.

Given our Reserves policy to maintain Reserves at a level of £50,000 to mitigate unforeseen circumstances, which would include the impact of COVID 19,PCC believes that St Nics continues to be financially viable at present.

Administrative information

St Nicholas Church is situated in the Market Place, Durham. It is part of the Diocese of Durham within the Church of England. The correspondence address is Church Office, St Nicholas Church, Market Place, Durham DH1 3NJ. The website of the church can be accessed at www.stnics.org.uk

We are registered with the Charity Commission under the name of "The Parochial Church Council of the Ecclesiastical Parish of St Nicholas, Durham"; the registration number is 1133809.

Administrative information

Registered charity name	St Nicholas' Church, Durham
Charity registration number	1133809
Principal office	Church Office St Nicholas' Church Market Place Durham DH1 3NJ

The members

The Parochial Church Council members who have served between 1 January 2020 until the date this report was approved are:

Ex officio members:	
Incumbent:	Revd Arun Arora
Curate:	Revd Claire Elwood
Part-time self-supporting curates:	The Revd Baroness Maeve Sherlock
Wardens:	Christopher Jelley (until June 2020) Mary Anne Freer Alan Smith (from July 2020)
General Synod members:	Jamie Harrison Angus Goudie
Deanery Synod representatives:	Lorraine Longthorne Alex Marklew Tim Packer (from October 2020)
Elected members:	Chris Taylor (until Oct 2020) Sarah Alsop (until Oct 20) Richard Swarbrick (until Oct 20) Richard Swann Wendy Hughes Alan Smith Philip Dawson Jane Ghosh Elaine Duddy Paul Whipple Ann Lipscombe (from Oct 2020) Naomi Stevens (from Oct 2020) Chris Stokes (from Oct 2020) Philip Alsop (from Oct 2020) Paul Heslop (from Oct 2020) Paul Whipple (from Oct 2020)
Co-opted member:	Ann Lipscombe (until Oct 2020)

Independent examiner	Jane Ascroft FCA MA (Cantab) Enterprise House Harmire Enterprise Park Barnard Castle County Durham DL12 8XP

The members' annual report was approved on 24th May 2021 and signed on behalf of the board of trustees by:



Rev Arun Arora

St Nicholas' Church, Durham

Independent Examiner's Report to the Members of St Nicholas' Church, Durham

Year ended 31 December 2020

I report to the members on my examination of the financial statements of St Nicholas' Church, Durham ('the Parochial Church Council') for the year ended 31 December 2020.

Responsibilities and basis of report

As the members of the Parochial Church Council you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Parochial Church Council's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the Parochial Church Council's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Parochial Church Council as required by section 130 of the Act; or

2. the financial statements do not accord with those records; or

3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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



Jane Ascroft FCA MA (Cantab)
Independent Examiner

Enterprise House
Harmire Enterprise Park
Barnard Castle
County Durham
DL12 8XP

St Nicholas' Church, Durham

Statement of Financial Activities

Year ended 31 December 2020

	Note	2020 Unrestricted funds £	2020 Restricted funds £	2020 Endowment funds £	2020 **Total funds** £	2019 Total funds £
Income and endowments						
Donations and legacies	**4**	224,857	874	–	225,731	239,405
Charitable activities	**5**	69,446	3,040	–	72,486	70,210
Other trading activities	**6**	322	(74)	–	248	5,141
Investment income	**7**	2,770	22	7	2,799	1,178
Other income	**8**	1,594	–	–	1,594	–
Total income		298,989	3,862	7	302,858	315,934
Expenditure						
Expenditure on charitable activities	**9,10**	317,107	493	–	317,600	316,454
Total expenditure		317,107	493	–	317,600	316,454
Net expenditure		(18,118)	3,369	7	(14,742)	(520)
Transfers between funds		328	(321)	(7)	–	–
Net movement in funds		(17,790)	3,048	–	(14,742)	(520)
Reconciliation of funds						
Total funds brought forward		279,593	18,466	5,073	303,132	303,652
Total funds carried forward		261,803	21,514	5,073	288,390	303,132

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 15 to 30 form part of these financial statements.

St Nicholas' Church, Durham

Statement of Financial Position

31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible fixed assets	**17**	111,259	115,934
Current assets			
Debtors	**18**	13,313	26,073
Cash at bank and in hand		178,263	175,620
		191,576	201,693
Creditors: amounts falling due within one year	**19**	14,445	14,495
Net current assets		177,131	187,198
Total assets less current liabilities		288,390	303,132
Net assets		288,390	303,132
Funds of the charity			
Endowment funds		5,073	5,073
Restricted funds		21,514	18,466
Unrestricted funds		261,803	279,593
Total charity funds	**21**	288,390	303,132

These financial statements were approved by the board of trustees and authorised for issue on 24th May 2021, and are signed on behalf of the board by:



Rev Arun Arora

The notes on pages 15 to 30 form part of these financial statements.

1. General information

The Parochial Church Council is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Church Office, St Nicholas' Church, Market Place, Durham, DH1 3NJ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The PCC considers that there are no significant estimates or judgements affecting these financial statements.

Fund accounting

Unrestricted funds are available for use at the discretion of the PCC to further any of the church's purposes.

Designated funds are unrestricted funds earmarked by the PCC for specific purposes.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal.

Permanent Endowment Funds where only the income, not the capital, can be used by the PCC.

The individual funds within each type of fund are shown in Note 21. The accounts include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body nor those that are informal gatherings of church members.

3. Accounting policies *(continued)*

Income

Voluntary income and capital sources:
Collections are recognised when received by or on behalf of the PCC. Planned giving receivable under Gift Aid is recognised only when received. Income tax recoverable on Gift Aid donations is recognised when the related income is recognised. Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the PCC is reasonably certain. Funds raised by way of fetes, garden parties or similar events are accounted for gross.

Discipling Church income:
Discipling Church Income (SDF funding) is recognised once the associated expenditure has been incurred in accordance with the requirements of the funding.

Other income:
Rental income from the letting of church premises is recognised when the rental is due.
Income from investments: Interest entitlements are accounted for when received. Income from donated goods is accounted for on the basis of the value of average donation times number of donations received.

The church has relied significantly upon volunteers in carrying out its activities during the year, particularly Mission activities. In accordance with the SORP, the role of volunteers has not been recognised as income from donated services in the accounts.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates.

Grants:
Grants and donations are accounted for when paid, or when awarded, if that award creates a binding obligation on the PCC.

Activities directly relating to the work of the Church: The Diocesan Parish Offering is accounted for when paid. Any Parish offering unpaid at 31 December is provided for in these accounts as an operational (though not a legal) liability and is shown as a creditor in the Balance Sheet.

All other expenditure is generally recognised when it is incurred and is accounted for gross.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

3. Accounting policies *(continued)*

Tangible assets

Consecrated property and movable church furnishings:
Consecrated and beneficed property of any kind is excluded from the accounts by Section 10(2)(a) of the Charities Act 2011. Movable church furnishings held by the Vicar and Churchwardens on special trust for the PCC, and which require a faculty for disposal, are accounted for as inalienable property unless consecrated. They are listed in the church's Inventory which can be inspected at any reasonable time.

For inalienable property acquired prior to 2001 there is insufficient cost information available and therefore such assets are not valued in the accounts.

Major Items acquired since 1 January 2001 are capitalised and depreciated in the accounts over their useful economic life (initially over IO years) on a straight line basis. All expenditure incurred during the year on consecrated or beneficed buildings, individual items under £2,000 or the repair/replacement of moveable church furnishings acquired before 1 January 2005 is written off.

Other fixtures, fittings and office equipment: Equipment used within the church premises is depreciated on a straight line basis over 4 years. Individual items of equipment with a purchase price of £2,000 or less are written off when the asset is acquired.

Youth Centre: After 40 years of use the building had a major renovation in 2003. Since the land is part of the St. Nicholas' Churchyard and of a specialised nature it is hard to determine any satisfactory use should the church cease to use the property in the future. It has therefore been capitalised at the cost of the renovation works in 2003. Depreciation has been charged at 2% in the present year.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Youth centre	-	2% straight line
Fixtures and fittings	-	25% straight line
Equipment	-	25% straight line
Office Equipment	-	25% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Parochial Church Council are assigned to those units.

Financial instruments

A financial asset or financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Pension policy

St Nicholas' Church, Durham participates in the Pension Builder Scheme section of the Church Workers Pension Fund (CWPF) for lay staff. The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme.

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

Cash at Bank and in Hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2020 £**
Donations			
Planned Giving - gift aided	131,966	840	132,806
Tax recoverable	37,082	–	37,082
Collections	13,696	–	13,696
Other planned giving	42,113	34	42,147
	224,857	874	225,731

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Donations			
Planned Giving - gift aided	149,088	1,318	150,406
Tax recoverable	40,251	–	40,251
Collections	13,006	–	13,006
Other planned giving	35,742	–	35,742
	238,087	1,318	239,405

5. Charitable activities

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2020 £**
Discipling Church income	63,347	–	63,347
PCC Activities	5,349	3,040	8,389
Recovery group	750	–	750
Grants - Ministry Assistants	–	–	–
	69,446	3,040	72,486

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Discipling Church income	35,560	–	35,560
PCC Activities	24,881	220	25,101
Recovery group	3,549	–	3,549
Grants - Ministry Assistants	6,000	–	6,000
	69,990	220	70,210

Income from PCC Activities includes Coffee Lounge £2,059 (2019 - £17,285)

6. Other trading activities

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2020 £**
Hire of buildings	–	–	–
Fees - Weddings & funerals	322	(74)	248
	322	(74)	248

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Hire of buildings	4,085	–	4,085
Fees - Weddings & funerals	891	165	1,056
	4,976	165	5,141

7. Investment income

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	**Total Funds 2020 £**
Bank interest receivable	570	22	7	599
Rental income	2,200	–	–	2,200
	2,770	22	7	2,799

7. Investment income *(continued)*

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2019 £
Bank interest receivable	920	69	29	1,018
Rental income	160	–	–	160
	1,080	69	29	1,178

8. Other income

	Unrestricted Funds £	**Total Funds 2020 £**	Unrestricted Funds £	Total Funds 2019 £
Job Retention Scheme	1,594	1,594	–	–

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2020 £**
Parish Share	114,500	–	114,500
Clergy expenses and vicarage costs	3,544	–	3,544
Church running expenses	36,372	349	36,721
Youth Centre costs	6,428	–	6,428
Payroll - Support staff	7,530	–	7,530
Home Ministry	6,405	144	6,549
Ministry Assistants	–	–	–
Church Administration	71,445	–	71,445
Missionary and Charitable Giving	7,590	–	7,590
Discipling Church	62,393	–	62,393
Support costs	900	–	900
	317,107	493	317,600

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Parish Share	131,300	–	131,300
Clergy expenses and vicarage costs	4,833	–	4,833
Church running expenses	36,542	499	37,041
Youth Centre costs	6,567	–	6,567
Payroll - Support staff	7,510	–	7,510
Home Ministry	25,683	129	25,812
Ministry Assistants	4,862	–	4,862
Church Administration	61,730	60	61,790
Missionary and Charitable Giving	8,743	–	8,743
Discipling Church	26,365	–	26,365
Support costs	1,631	–	1,631
	315,766	688	316,454

10. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	**Total funds 2020 £**	Total fund 2019 £
Parish Share	114,500	–	–	114,500	131,300
Clergy expenses and vicarage costs	3,544	–	–	3,544	4,833
Church running expenses	36,721	–	–	36,721	37,041
Youth Centre costs	6,428	–	–	6,428	6,567
Payroll - Support staff	7,530	–	–	7,530	7,510
Home Ministry	6,549	–	–	6,549	25,812
Ministry Assistants	–	–	–	–	4,862
Church Administration	71,445	–	–	71,445	61,790
Missionary and Charitable Giving	–	7,590	–	7,590	8,743
Discipling Church	62,393	–	–	62,393	26,365
Governance costs	–	–	900	900	1,631
	309,110	7,590	900	317,600	316,454

11. Analysis of grants

	2020 £	2019 £
Grants to institutions		
Church Missionary Society	2,000	2,000
Bible Society	1,500	1,500
Latvia Biblical Centre	1,800	1,800
Church Army (Friends of Bungokho)	1,000	1,000
Vereinigte Deutsche Missionshilfe (Manasseh & Catrin Tuyizere)	750	1,000
Disasters Emergency Committee	–	903
Mission Aviation Fellowship	540	540
	7,590	8,743
Total grants	7,590	8,743

12. Net expenditure

Net expenditure is stated after charging/(crediting):

	2020 £	2019 £
Depreciation of tangible fixed assets	7,339	5,480

13. Independent examination fees

	2020 £	2019 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	900	1,300

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2020	2019
	£	£
Wages and salaries	98,802	62,580
Social security costs	189	–
Employer contributions to pension plans	6,064	4,075
	105,055	66,655

During the year, the PCC employed a Church Operations Manager, a PA/Admin Assistant, .a Student/International Worker, a Children & Families Worker and several part time support staff. 2 Youth Missioners were in post until August 2020, funded by the Strategic Development Fund (Discipling Church). The roles were not refilled in 2020 although funding for these still exists. None of these earned £60,000 p.a or more.

The average head count of employees during the year was 8 (2019: 6).

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the Parochial Church Council. The total compensation paid to key management personnel for services provided to the Parochial Church Council was £91,315 (2019:£59,012).

15. Trustee remuneration and expenses

No remuneration or other benefits from employment with the PCC or a related entity were received by the trustees.

The Vicar, other clergy, PCC members and spouses were reimbursed expenses totalling £4,851 (2019 - £8,492) for travel, conferences, office materials, equipment and other expenses.

The amount of donations funded by trustees and connected parties was £66,763 (2019 - £45,490).

16. Transfers between funds

Internal transfers include the money allocated to the designated funds and restricted funds from the general fund, the transfer of interest between the Patterson endowment fund and Teenaid and St Nic's Estate and Fabric together with other miscellaneous purposes.

17. Tangible fixed assets

	Youth Centre £	Fixtures and fittings £	Equipment £	Office Equipment £	**Total £**
Cost					
At 1 January 2020	149,558	7,529	5,388	3,753	166,228
Additions	–	–	1,965	699	2,664
At 31 December 2020	149,558	7,529	7,353	4,452	168,892
Depreciation					
At 1 January 2020	46,458	863	2,694	279	50,294
Charge for the year	2,991	1,882	1,470	996	7,339
At 31 December 2020	49,449	2,745	4,164	1,275	57,633
Carrying amount					
At 31 December 2020	100,109	4,784	3,189	3,177	111,259
At 31 December 2019	103,100	6,666	2,694	3,474	115,934

18. Debtors

	2020 £	2019 £
Prepayments and accrued income	2,797	2,646
Donations	838	4,209
Gift aid recoverable	9,678	11,170
Other debtors	–	8,048
	13,313	26,073

19. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	192	3,269
Accruals and deferred income	6,732	3,058
Janet Foster fund	5,796	5,796
Pension creditor	678	770
Other creditors	1,047	1,602
	14,445	14,495

The Janet Foster fund is held as agent on behalf of the trustees of the fund. There has been no movement on the fund during 2020.

20. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £6,064 (2019: £4,075).

20. Pensions and other post retirement benefits *(continued)*

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

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

Pension Builder Scheme

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

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

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

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

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable (2020 - £6,064; 2019 - £4,075).

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

For the Pension Builder Classic section, the valuation revealed a deficit of £4.7m on the ongoing assumptions used. At the most recent annual review, the Board chose not to grant a discretionary bonus, which will have acted to improve the funding position. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, St Nicholas' Church, Durham could become responsible for paying a share of that employer's pension liabilities.

21. Analysis of charitable funds

Unrestricted funds

	At 1 January 2020	Income	Expenditure	Transfers	At 31 December 2020
	£	£	£	£	£
General funds	34,115	231,232	(236,500)	(5,520)	23,327
Reserve fund	50,772	67	–	–	50,839
Ministry Assistants' Fund	8,177	–	–	(7,000)	1,177
Market Place Partnership, coffee lounge	20,281	2,080	(1,619)	–	20,742
Market Place Partnership, PCC funds	2,499	3	–	–	2,502
St Nicholas' Estate Fund	1,615	2	–	–	1,617
Student Ministry	722	1,103	(1,616)	2,778	2,987
Teen Aid	1,062	–	–	7	1,069
Tiddly Winks - Parent/Toddler Fund	273	78	(63)	–	288
Youth Centre - General	(590)	–	(3,437)	5,160	1,133
Youth Centre - Tuck Shop	81	–	–	(81)	–
Youth Fund	1,325	–	–	–	1,325
Fixed Assets	115,935	–	(7,340)	2,664	111,259
Maintenance Fund	30,488	34	(4,728)	–	25,794
Recovery Group	4,784	756	(784)	–	4,756
Children and Families	247	270	(1,522)	2,244	1,239
Discipling Church	9,054	63,364	(59,498)	–	12,920
Mission Week	154	–	–	–	154
Youth Ministry	(1,401)	–	–	76	(1,325)
	279,593	298,989	(317,107)	328	261,803

	At 1 January 2019	Income	Expenditure	Transfers	At 31 December 2019
	£	£	£	£	£
General funds	36,460	248,655	(274,886)	23,886	34,115
Reserve fund	79,418	354	–	(29,000)	50,772
Ministry Assistants' Fund	20,972	6,067	(4,862)	(14,000)	8,177
Market Place Partnership, coffee lounge	11,388	17,372	(8,479)	–	20,281
Market Place Partnership, PCC funds	2,485	14	–	–	2,499
St Nicholas' Estate Fund	1,446	169	–	–	1,615

Student Ministry	5,437	1,461	(3,939)	(2,237)	722
Teen Aid	1,033	–	–	29	1,062
Tiddly Winks - Parent/Toddler Fund	470	298	(495)	–	273
Youth Centre - General	3,141	–	(3,731)	–	(590)
Youth Centre - Tuck Shop	81	–	–	–	81
Youth Fund	3,218	24	(339)	(1,578)	1,325
Fixed Assets	110,132	–	(5,479)	11,282	115,935
Maintenance Fund	1,384	104	–	29,000	30,488
Recovery Group	4,481	3,867	(3,564)	–	4,784
Children and Families	–	105	(2,438)	2,580	247
Discipling Church	–	35,560	(5,224)	(21,282)	9,054
Mission Week	–	73	(919)	1,000	154
Youth Ministry	–	10	(1,411)	–	(1,401)
	281,546	314,133	(315,766)	(320)	279,593

Restricted funds

	At 1 January 2020	Income	Expenditure	Transfers	**At 31 December 2020**
	£	£	£	£	£
Bells	678	–	(312)	–	366
Decoration of Halls Fund	5,081	848	–	(5,929)	–
Flower Fund	109	14	(37)	–	86
Gifts to Others	12	–	–	–	12
Incumbent's fees to Diocese	165	(74)	–	–	91
International Student Fund	1,268	–	–	–	1,268
Music Group	98	–	–	–	98
Nativity 2018	–	–	–	–	–
St Nic's Pics	169	–	–	–	169
Organ/Piano	(130)	–	–	–	(130)
Other restricted funds	1,178	20	–	(321)	877

21. Analysis of charitable funds *(continued)*

PA Fund	438	–	–	–	438
SNACS - Main account	7,632	10	–	–	7,642
St Nic's Puppet Ministry	1,027	40	–	–	1,067
Green Fund	741	–	–	–	741
Vicar's Fund	–	3,004	(144)	–	2,860
Insulation of Upper Hall	–	–	–	5,929	5,929
	18,466	3,862	(493)	(321)	21,514

	At 1 January 2019 £	Income £	Expenditure £	Transfers £	At 31 December 2019 £
Bells	678	–	–	–	678
Decoration of Halls Fund	3,911	1,170	–	–	5,081
Flower Fund	162	30	(83)	–	109
Gifts to Others	12	–	–	–	12
Incumbent's fees to Diocese	–	165	–	–	165
International Student Fund	1,282	10	(24)	–	1,268
Music Group	98	–	–	–	98
Nativity 2018	(80)	–	–	80	–
St Nic's Pics	169	–	–	–	169
Organ/Piano	285	–	(415)	–	(130)
Other restricted funds	1,178	–	–	–	1,178
PA Fund	328	110	–	–	438
SNACS - Main account	7,589	43	–	–	7,632
St Nic's Puppet Ministry	1,143	50	(166)	–	1,027
Green Fund	278	194	–	269	741
Vicar's Fund	–	–	–	–	–
Insulation of Upper Hall	–	–	–	–	–
	17,033	1,772	(688)	349	18,466

Abbreviations: SNACS = St Nicholas Adventure Camps

21. Analysis of charitable funds *(continued)*

Endowment funds

	At 1 January 2020 £	Income £	Expenditure £	Transfers £	**At 31 December 2020 £**
Patterson Endowment Fund	5,073	7	–	(7)	5,073

	At 1 January 2019 £	Income £	Expenditure £	Transfers £	At 31 December 2019 £
Patterson Endowment Fund	5,073	29	–	(29)	5,073

The Patterson Fund is a permanent endowment fund with the interest being paid to the Teenaid fund.

22. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	**Total Funds 2020 £**
Tangible fixed assets	111,259	–	–	111,259
Current assets	164,989	21,514	5,073	191,576
Creditors less than 1 year	(14,445)	–	–	(14,445)
Net assets	261,803	21,514	5,073	288,390

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2019 £
Tangible fixed assets	115,934	–	–	115,934
Current assets	178,154	18,466	5,073	201,693
Creditors less than 1 year	(14,495)	–	–	(14,495)
Net assets	279,593	18,466	5,073	303,132

23. PCC's responsibility for repairs

It is the policy of the PCC to maintain a rolling programme of repairs as necessary. The latest quinquennial inspection of the church and halls began in late 2020 and is due to be completed mid 2021, after which the PCC will be able to approve an appropriate programme of action.

24. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2020	2019
	£	£
Not later than 1 year	288	288
Later than 1 year and not later than 5 years	648	936
	936	1,224

The following pages do not form part of the financial statements.

St Nicholas' Church, Durham

Detailed Statement of Financial Activities

Year ended 31 December 2020

	2020	2019
	£	£
Income and endowments		
Donations and legacies		
Planned Giving - gift aided	132,806	150,406
Tax recoverable	37,082	40,251
Collections	13,696	13,006
Other planned giving	42,147	35,742
	225,731	239,405
Charitable activities		
Discipling Church income	63,347	35,560
PCC Activities	8,389	25,101
Recovery group	750	3,549
Grants - Ministry Assistants	–	6,000
	72,486	70,210
Other trading activities		
Hire of buildings	–	4,085
Fees - Weddings & funerals	248	1,056
	248	5,141
Investment income		
Bank interest receivable	599	1,018
Rental income	2,200	160
	2,799	1,178
Other income		
Job Retention Scheme	1,594	–
Total income	302,858	315,934

	2020	2019
	£	£
Expenditure on charitable activities		
Parish Share		
Parish Share	114,500	131,300
Clergy expenses and vicarage costs		
Clergy expenses	3,544	4,833
Church running expenses		
Building maintenance	14,694	11,385
Cleaning, utilities & insurance	12,835	14,887
Services	7,722	9,422
Depreciation of equipment	1,470	1,347
	36,721	37,041
Youth Centre costs		
PCC property - Youth centre	3,437	3,576
Depreciation of youth centre	2,991	2,991
	6,428	6,567
Payroll - Support staff		
Payroll - Support staff	7,530	7,510
Home Ministry		
Parish training	–	485
Parish events	304	1,416
International students	–	24
Student ministry	1,616	3,961
Alpha	481	1,353
Coffee lounge	1,619	8,398
Youth ministry	–	1,750
Children's Ministry	1,442	2,911
Other costs	303	1,950
Recovery Group	784	3,564
	6,549	25,812

	2020	2019
	£	£
Ministry Assistants		
CEMES	–	4,862
Church Administration		
Administration payroll - Gross	53,247	42,924
Administration payroll - NIC	189	–
Administration payroll - Pension	4,346	3,529
Administration costs	13,663	13,597
Other costs	–	771
Gifts	–	969
	71,445	61,790
Missionary and Charitable Giving		
Missionary Support	7,590	8,743
Discipling Church		
Wages	38,025	12,146
Pension	1,718	546
Depreciation	2,878	–
Other costs	19,772	13,673
	62,393	26,365
Governance costs		
Accountancy fees	900	1,300
Other governance costs	–	331
	900	1,631
Expenditure on charitable activities	317,600	316,454
Net expenditure	(14,742)	(520)