

St Nicholas' Church, Durham
Financial Statements
For the year ending
31 December 2020

JANE ASCROFT ACCOUNTANCY LIMITED

Chartered Accountants
Enterprise House
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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 vision 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.

St Nicholas' Church, Durham

Members' Annual Report *(continued)*

Year ended 31 December 2020

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 issues 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.

St Nicholas' Church, Durham

Members' Annual Report *(continued)*

Year ended 31 December 2020

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 weekly 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 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 on 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 families. 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 missionaries - Joe Cottrell and Leanne Davies - as part of its work as a resource church. The role of the missionaries 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.

St Nicholas' Church, Durham

Members' Annual Report *(continued)*

Year ended 31 December 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.

St Nicholas' Church, Durham

Members' Annual Report *(continued)*

Year ended 31 December 2020

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.

St Nicholas' Church, Durham

Members' Annual Report *(continued)*

Year ended 31 December 2020

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 missionaries. Our Student worker and Comms Co-ordinator were employed for the full year and youth missionaries until July 2020. We are currently looking to reappoint the youth missionary 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:

St Nicholas' Church, Durham

Members' Annual Report *(continued)*

Year ended 31 December 2020

"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.

St Nicholas' Church, Durham

Members' Annual Report *(continued)*

Year ended 31 December 2020

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 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

St Nicholas' Church, Durham

Members' Annual Report *(continued)*

Year ended 31 December 2020

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 the 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.

St Nicholas' Church, Durham

Members' Annual Report *(continued)*

Year ended 31 December 2020

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
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Deanery Synod representatives:	Lorraine Longthorne Alex Marklew Tim Packer (from October 2020)
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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)
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Co-opted member:	Ann Lipscombe (until Oct 2020)
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St Nicholas' Church, Durham

Members' Annual Report *(continued)*

Year ended 31 December 2020

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

		2020			2019
	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Income and endowments					
Donations and legacies	4	224,857	874	–	225,731
Charitable activities	5	69,446	3,040	–	72,486
Other trading activities	6	322	(74)	–	248
Investment income	7	2,770	22	7	2,799
Other income	8	1,594	–	–	1,594
Total income		<u>298,989</u>	<u>3,862</u>	<u>7</u>	<u>302,858</u>
Expenditure					
Expenditure on charitable activities	9,10	317,107	493	–	317,600
Total expenditure		<u>317,107</u>	<u>493</u>	<u>–</u>	<u>317,600</u>
Net expenditure		<u>(18,118)</u>	<u>3,369</u>	<u>7</u>	<u>(14,742)</u>
Transfers between funds		328	(321)	(7)	–
Net movement in funds		<u>(17,790)</u>	<u>3,048</u>	<u>–</u>	<u>(14,742)</u>
Reconciliation of funds					
Total funds brought forward		279,593	18,466	5,073	303,132
Total funds carried forward		<u>261,803</u>	<u>21,514</u>	<u>5,073</u>	<u>303,132</u>

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.

St Nicholas' Church, Durham

Notes to the Financial Statements

Year ended 31 December 2020

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.

St Nicholas' Church, Durham

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

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.

St Nicholas' Church, Durham

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

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 10 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.

St Nicholas' Church, Durham

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

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.

St Nicholas' Church, Durham

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

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
	<u>224,857</u>	<u>874</u>	<u>225,731</u>
	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
	<u>238,087</u>	<u>1,318</u>	<u>239,405</u>

St Nicholas' Church, Durham

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

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	–	–	–
	<u>69,446</u>	<u>3,040</u>	<u>72,486</u>

	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
	<u>69,990</u>	<u>220</u>	<u>70,210</u>

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
	<u>322</u>	<u>(74)</u>	<u>248</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Hire of buildings	4,085	–	4,085
Fees - Weddings & funerals	891	165	1,056
	<u>4,976</u>	<u>165</u>	<u>5,141</u>

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
	<u>2,770</u>	<u>22</u>	<u>7</u>	<u>2,799</u>

St Nicholas' Church, Durham

Notes to the Financial Statements (continued)

Year ended 31 December 2020

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
	<u>1,080</u>	<u>69</u>	<u>29</u>	<u>1,178</u>

8. Other income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Job Retention Scheme	<u>1,594</u>	<u>1,594</u>	<u>—</u>	<u>—</u>

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
	<u>317,107</u>	<u>493</u>	<u>317,600</u>

	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
	<u>315,766</u>	<u>688</u>	<u>316,454</u>

St Nicholas' Church, Durham

Notes to the Financial Statements (continued)

Year ended 31 December 2020

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
	<u>309,110</u>	<u>7,590</u>	<u>900</u>	<u>317,600</u>	<u>316,454</u>

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
	<u>7,590</u>	<u>8,743</u>
Total grants	<u>7,590</u>	<u>8,743</u>

12. Net expenditure

Net expenditure is stated after charging/(crediting):

	2020 £	2019 £
Depreciation of tangible fixed assets	<u>7,339</u>	<u>5,480</u>

13. Independent examination fees

	2020 £	2019 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>900</u>	<u>1,300</u>

St Nicholas' Church, Durham

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

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
	<u>105,055</u>	<u>66,655</u>

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.

St Nicholas' Church, Durham

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

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	<u>149,558</u>	<u>7,529</u>	<u>7,353</u>	<u>4,452</u>	<u>168,892</u>
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	<u>49,449</u>	<u>2,745</u>	<u>4,164</u>	<u>1,275</u>	<u>57,633</u>
Carrying amount					
At 31 December 2020	<u>100,109</u>	<u>4,784</u>	<u>3,189</u>	<u>3,177</u>	<u>111,259</u>
At 31 December 2019	<u>103,100</u>	<u>6,666</u>	<u>2,694</u>	<u>3,474</u>	<u>115,934</u>

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
	<u>13,313</u>	<u>26,073</u>

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
	<u>14,445</u>	<u>14,495</u>

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).

St Nicholas' Church, Durham

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

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.

St Nicholas' Church, Durham

Notes to the Financial Statements (continued)

Year ended 31 December 2020

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)
	<u>279,593</u>	<u>298,989</u>	<u>(317,107)</u>	<u>328</u>	<u>261,803</u>

	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

St Nicholas' Church, Durham

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

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)
	<u>281,546</u>	<u>314,133</u>	<u>(315,766)</u>	<u>(320)</u>	<u>279,593</u>

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

St Nicholas' Church, Durham

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

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
	<u>18,466</u>	<u>3,862</u>	<u>(493)</u>	<u>(321)</u>	<u>21,514</u>

	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	—	—	—	—	—
	<u>17,033</u>	<u>1,772</u>	<u>(688)</u>	<u>349</u>	<u>18,466</u>

Abbreviations: SNACS = St Nicholas Adventure Camps

St Nicholas' Church, Durham

Notes to the Financial Statements (continued)

Year ended 31 December 2020

21. Analysis of charitable funds (continued)

Endowment funds

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

	At 1 January 2019 £	Income £	Expenditure £	Transfers £	At 31 December 2019 £
Patterson Endowment Fund	<u>5,073</u>	<u>29</u>	<u>–</u>	<u>(29)</u>	<u>5,073</u>

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	<u>261,803</u>	<u>21,514</u>	<u>5,073</u>	<u>288,390</u>

	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	<u>279,593</u>	<u>18,466</u>	<u>5,073</u>	<u>303,132</u>

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.

St Nicholas' Church, Durham

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

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
	<u>936</u>	<u>1,224</u>

St Nicholas' Church, Durham

Management Information

Year ended 31 December 2020

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
	<u>225,731</u>	<u>239,405</u>
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
	<u>72,486</u>	<u>70,210</u>
Other trading activities		
Hire of buildings	—	4,085
Fees - Weddings & funerals	248	1,056
	<u>248</u>	<u>5,141</u>
Investment income		
Bank interest receivable	599	1,018
Rental income	2,200	160
	<u>2,799</u>	<u>1,178</u>
Other income		
Job Retention Scheme	1,594	—
	<u>1,594</u>	<u>—</u>
Total income	<u>302,858</u>	<u>315,934</u>

St Nicholas' Church, Durham

Detailed Statement of Financial Activities *(continued)*

Year ended 31 December 2020

	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
	<u>36,721</u>	<u>37,041</u>
Youth Centre costs		
PCC property - Youth centre	3,437	3,576
Depreciation of youth centre	2,991	2,991
	<u>6,428</u>	<u>6,567</u>
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
	<u>6,549</u>	<u>25,812</u>

St Nicholas' Church, Durham

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

Year ended 31 December 2020

	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
	<u>71,445</u>	<u>61,790</u>
Missionary and Charitable Giving		
Missionary Support	<u>7,590</u>	<u>8,743</u>
Discipling Church		
Wages	38,025	12,146
Pension	1,718	546
Depreciation	2,878	—
Other costs	<u>19,772</u>	<u>13,673</u>
	<u>62,393</u>	<u>26,365</u>
Governance costs		
Accountancy fees	900	1,300
Other governance costs	—	331
	<u>900</u>	<u>1,631</u>
Expenditure on charitable activities	<u>317,600</u>	<u>316,454</u>
Net expenditure	<u>(14,742)</u>	<u>(520)</u>