

Signed

**THE PAROCHIAL CHURCH COUNCIL OF  
THE ECCLESIASTICAL PARISH OF JESMOND**

Report and Accounts

31 December 2020

**The Parochial Church Council of the Ecclesiastical Parish of Jesmond**  
**Report and accounts**  
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# **The Parochial Church Council of the Ecclesiastical Parish of Jesmond**

## **PCC Information**

### **PCC Members (also recognised as Trustees by the Charity Commission)**

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<b>Clerks in Holy Orders</b>	Rev D R J Holloway (Vicar and Chairman) Rt Rev J J S Pryke (Curate) Rev J J Redfearn (co-opted)	
<b>Churchwardens</b>	Dr W S Tufton	Mr W A Coulson
<b>Representatives of the Deanery Synod</b>	Dr J S Holloway Rev J M Teasdale	Mrs J V Parker
<b>Other Members</b>	Rev R P Adcock Mrs J A Jolley Rev I T S Garrett Mr D J Gillam Mr P D Harrison Mr R G Clifton (vice chairman)	Dr S M Lee Miss D R Lawrence Mrs G M Mackie Mr A B Mathers Mrs L M E Robb

### **Other information:**

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<b>Charity number</b>	1134530
<b>Treasurer</b>	Andrew Coulson
<b>Secretary</b>	Jonathan Pryke
<b>Church address</b>	Jesmond Parish Church Eskdale Terrace Newcastle Upon Tyne NE2 4DJ
<b>Independent examiner</b>	Kinnair and Company Aston House Redburn Road Newcastle Upon Tyne NE5 1NB
<b>Solicitors</b>	Glynis M Mackie Solicitors 29A Princes Road Newcastle Upon Tyne NE3 5TT
<b>Bankers</b>	Lloyds Bank plc 102 Grey Street Newcastle Upon Tyne NE99 1SL

# **The Parochial Church Council of the Ecclesiastical Parish of Jesmond**

## **Report of the PCC Members**

### **Introduction**

The members of the Parochial Church Council of Jesmond Parish Church (the PCC) present their report and accounts for the year ended 31 December 2020. These are prepared in accordance with applicable accounting standards and the recommendations of Statement of Recommended Practice: Accounting and Reporting by Charities.

### **Reference and administrative details**

Jesmond Parish Church was consecrated on 14 January 1861 as 'a church in memory of the late Rev Richard Clayton (1802-1856) ... in which evangelical truth shall be declared', which would 'form a central point for the maintenance and promulgation of sound scriptural and Evangelical truth in a large and populous town.'

The church is located at Eskdale Terrace, Jesmond, Newcastle upon Tyne, NE2 4DJ. The PCC accepts the responsibility of co-operating with the incumbent, the Rev David Holloway, in the furtherance of the above ideal and, of co-operating in promoting in the parish the whole mission of the church, pastoral, evangelistic, social and ecumenical. The mission statement for the church is summarised as: Godly Living, Church Growth, Changing Britain.

The PCC members form the governing body of the PCC. The members who acted during the year and up to the date of this report are shown on page 1.

The PCC was previously a charity exempted from registration with the Charity Commission. Following the 2006 Charities Act it is now required to be registered. The PCC was registered as a charity on 26th February 2010 (registration number 1134530).

The PCC has again during the year gratefully received the support of another charity, the Jesmond Trust. The Jesmond Trust is a charity registered with the Charity Commission (registration number 504491), which is concerned to see the advancement of the Christian Religion by the ministry of the clergy and other members of Jesmond Parish Church, in and beyond the Parish of Jesmond. It provides accommodation for ordained and lay workers at Jesmond and makes payments for other charitable religious purposes concerned with the advancement of the Christian Religion.

The following PCC members are also trustees of the Jesmond Trust:

- Rev D R J Holloway, Rev J J S Pryke, Dr J S Holloway, Mr R G Clifton, Mr W A Coulson, Dr W Tufton

The following PCC members have received stipends from The Jesmond Trust in 2020:

- Rev R Adcock, Rev I Garrett, Rev J Redfearn, Rev J Teasdale

The registered office of the PCC and details of its principal advisers are given on page 1.

### **Objectives and activities**

The primary object of the PCC is the promotion of the Gospel of our Lord Jesus Christ according to the doctrines and practices of the Church of England.

The PCC continued to work in promoting in the ecclesiastical parish the whole mission of the church - pastoral, evangelistic, social and ecumenical. It also has maintenance responsibilities for the church, church hall and church grounds of Jesmond Parish Church together with the vicarage and curate's house.

## **The Parochial Church Council of the Ecclesiastical Parish of Jesmond**

### **Report of the PCC Members**

#### **Public benefit**

When planning the church's activities for the year, the PCC considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on the advancement of religion. The PCC also considered how the church had succeeded in delivering its aims, including public benefit, when reviewing the achievements for the year which are summarised below and which the members considered to be a public benefit.

#### **Achievements and performance**

A year earlier, in 2019, average Sunday attendances at services at Jesmond Parish Church during October and November 2019 were 633 not including children. The ten Carols by Candlelight services in December 2019 had a combined attendance of 4500.

2020 was a year like no other in living memory, as a consequence of the restrictions to church life resulting from the Covid-19 pandemic. With in-person services not possible for significant parts of the year, average Sunday attendances are not relevant. Services were pre-recorded and broadcast morning and evening on-line from the time of the first lockdown. These were greatly and widely appreciated. Accurate viewing figures are difficult to obtain, but indications are that significantly higher numbers of people watched the online services than had been attending in person before the lockdowns. There were 160 on the Church Electoral Roll at the 2020 AGM.

Thanks to the hard work and creativity of the many teams of people involved, throughout the year a wide range of extensive ministries with those in all ages and stages of life was maintained. Ministries were moved on-line if possible when they could not meet face-to-face. Normal in-person ministries continued in the early part of the year before the lockdowns. These include:

- toddler and baby group, Sunday crèches, Sunday School groups for children, with mid-week activities, outreach events and 'holiday weekends away' moving to an online version.
- Scout and Guide groups;
- a youth group, with online outreach events and an online 'summer house party' for young people;
- for students, 'Focus' groups, and an annual conference;
- the normal football and hockey teams could not operate as usual;
- for internationals normal activities include a 'Globe Café' as well as Christian fellowship groups, English classes, day trips and weekends away for internationals – and much of this was disrupted by the pandemic;
- a Mandarin Fellowship, which continued online;
- 'Life Explored', 'Christianity Explored' and 'Discipleship Explored' groups for students and older adults, which moved online;
- the usual music groups with well over 100 in the choirs, orchestra and other musical ensembles were not able to meet as normal during the lockdowns but as far as possible music was prerecorded for use in the online services;
- home groups with a total membership of over 300 met using Zoom;
- a number of groups for women at different stages continued to meet online.

This diverse, seven-days-a-week activity is centred on Jesmond Parish Church and involves people throughout Newcastle and Tyneside. The PCC thanked God for his working in these ways. Despite the constraints, across the year hundreds of volunteers who are members of the church gave wide-ranging help across all the different aspects of the church's work. Without all of this dedicated and committed work the church would not be able to accomplish all that it does. The PCC would like to record their gratitude to God for these volunteers.

The PCC has encouraged members of the church to continue to support missionary and aid work in the UK and overseas. The financial support through The Jesmond Trust has amounted to £150,000, for which we give thanks to God.

## **The Parochial Church Council of the Ecclesiastical Parish of Jesmond**

### **Report of the PCC Members**

#### **Achievements and performance (continued)**

The PCC met in full session five times during the year. From April onwards these meetings took place on Zoom because of the coronavirus restrictions. Average attendance was 17. Committees met between meetings and written reports of their deliberations were received by the full PCC and discussed where necessary. PCC members regularly review both the style and the content of the Sunday services which keep as close as possible to the theology of the Book of Common Prayer, while using both more traditional and more contemporary forms of the expression of worship.

In March the PCC prayed for the planned visit of Franklin Graham. The vicar had written to the bishop of Newcastle expressing concern about her lack of support for this; her reply was gracious but not helpful. The discrimination against these evangelistic meetings was an attack on apostolic Christianity and religious freedom, and was being challenged. There was a need for Christians to speak out in our culture, and not allow themselves to be put in situations where they are required to agree with propositions with which they fundamentally disagree. It was reported that the Jesmond Conference would be on God in the public square. There was further discussion of the proposed review of the Jesmond Trust and the structure of the JPC church plants. This was proving more complicated than anticipated. The finances of the church, which presented a significant challenge, were reviewed. The council spent time in prayer.

In April, following the AGM and now meeting on Zoom, the officers of the PCC for the new year were appointed. The vicar commented on the very provisional nature of the church calendar because of the uncertainties of the situation created by the coronavirus and the resulting restrictions. He thanked Ramzi Adcock, the executive minister, for all his work, particularly in relation to the extra responsibilities with regard to new ways of working and meeting. Members shared their thoughts about the JPC response to the lockdown. The challenge of pastoral care for those not engaging with the technology was considered. There was a need to look beyond immediate issues and to the future shape of things, and how we should build for the future. Income for the first quarter was in line with the stand-still budget. Seven members of staff had been furloughed. The vicar had been giving thought to the possibility of Zoomed holy communion services for members of the church. The Franklin Graham tour had inevitably been postponed.

In July it was reported that so far £44,000 had been received in response to the June gift week, for which the council thanked God. There was discussion of the current guidance on the re-opening of church buildings, and the considerable constraints on public worship, with no singing, wind instruments, or chatting, and with face coverings, social distancing, and the need to book places. There was a report on the encouraging work being done to keep in touch with our children and young people online. The Sunday morning online talks for children and youth by Andy Gawn and Dan McBride were being greatly appreciated. There would be an abbreviated online Holiday Club. The mission committee had been taking stock and considering ways forward for the support of world mission by the church.

In September it was reported that the CYFA lockdown house party had succeeded beyond expectations, and some face-to-face contact had been possible. The online Holiday Club had worked well too. The online Summer Series meetings had been appreciated. The Celebrate Recovery online event celebrating 15 years at JPC had been watched by 500 people. A maximum of about 60 people could attend an in-person Sunday service. Many more were participating online. The vicar thanked Ramzi Adcock, Ettie Tate and Andrew Shaw for all their hard work during this difficult time. Ramzi Adcock reported that the state of the finances was encouraging so far. Jonathan Pryke reported that the online ReNew Conference had been short, sharp and encouraging. An Australian contributor had commented that it could be 18 months to 2 years before things were back to normal. Plans for the October online outreach were outlined. The online God's Big Picture course was being well attended. It was difficult to plan for the Christmas season at this stage, but Carols by Candlelight would not be able to go ahead as usual. There was a need to think through what could be done safely over the Christmas period.

## **The Parochial Church Council of the Ecclesiastical Parish of Jesmond**

### **Report of the PCC Members**

#### **Achievements and performance (continued)**

The December meeting took place after the online Advent service with bishop Martin Morrison, the week of eight pre-recorded 'Carols by Candlelight' services in the church, the online Wednesday Christmas Connect meeting, and the online JPC Carols service. Under the circumstances, these had all gone well, and been a great Christmas season encouragement. In the wider Church of England, the Living in Love and Faith process on sexual ethics was a cause for grave concern. We should continue to pray for spiritual fruit from the good October outreach events. The financial situation was looking positive, with a projected increase in income for the year, which was remarkable, and with spending lower as a result of the lockdowns. There had been no need for an Autumn Appeal. All this was cause for thanksgiving to God.

#### **Financial review**

Funds are donated primarily as people are taught the principles of Christian giving by the clergy, lay workers and volunteers. This is especially done annually at the end of January and/or the beginning of February.

During the year the PCC's total income decreased from £180,123 to £163,001, a decrease of £17,112 or 10%. Individual voluntary donations decreased from £41,805 to £10,842, an decrease of £ 30,963 or 74%. The PCC thanks God for his generous provision of these funds.

During the year the PCC's total expenditure decreased from £179,992 to £166,352, a decrease of £13,640 or 8%.

The total of the PCC's funds at 31 December 2020 was £1,114 which comprised an accumulated surplus on the General Fund of £414 and a surplus on the Capital Reserve of £700. The Capital Reserve relates to the balance of a building fund for the church premises.

The PCC's policy on reserves is to spend in full any unrestricted accumulated surplus carried forward in the immediate future. The expenditure would, therefore, normally be during the subsequent financial year. This is consistent with the PCC's belief that God will provide sufficient resources for the needs of the PCC.

#### **Structure, governance and management**

The PCC operates through a number of committees, which meet between full meetings of the PCC for discussion and prayer.

**Standing Committee** – this is the only committee required by the Church Representation Rules. It has power to transact the business of the PCC between its meetings, subject to any directions given by the PCC. It is made up of the chairmen of the four sub-committees, the churchwardens, the treasurer and the vicar. The PCC secretary also attends.

**Evangelism and Students Committee** – this committee seeks to review and improve the ministry of the church in the areas of student work, community outreach and evangelism.

**Finance and Fabric Committee** – this committee oversees the general financial and fabric dimension of the church's work by monitoring income and expenditure, preparing the budget, ensuring adequate financial controls are in place and operating effectively and co-ordinating the annual giving review. It also advises the Jesmond Trust, a registered charity, which helps facilitate the work of the church.

**World Mission Committee** – this committee aims to promote congregational interest and involvement in the world-wide church, support of missionaries associated with the church and reviews applications for support.

**Youth and Review Committee** – this committee provides an overview of the youth activities in the church, including the Sunday school groups, crèches, and uniformed organisations.

## **The Parochial Church Council of the Ecclesiastical Parish of Jesmond**

### **Report of the PCC Members**

#### **Structure, governance and management (continued)**

The induction and training of any new PCC members takes place in a number of ways. At the first PCC meeting of a new PCC year the vicar and chairman explains the responsibilities, the basis and the workings of the PCC to all the members of the PCC including those who are new. New PCC members are already involved in the life of the church and have received a thorough introduction to the ministry of Jesmond Parish Church. New PCC members are also trained 'on the job' in main PCC meetings and sub-committee meetings by observation and explanation by other PCC members of the workings of the PCC.

During the year the PCC continued the process of systematically reviewing the risks that it faces. The greatest risk is ceasing to be faithful to Jesus Christ. That is managed by ensuring that the whole church in all its departments is biblically based. However, other risks include:

- Financial risk - managed mainly through the appointment of a qualified accountant as treasurer, producing an annual budget, having an annual giving review based on the financial needs identified in the budget, monitoring income and expenditure during the year on a regular basis, and practically having procedures for handling cash donated on Sundays;
- Reputational risk - managed mainly through rigorous vetting/training by the church of all potential church workers/volunteers based at Jesmond Parish Church, having a child protection policy in place with the required Disclosure and Barring Service (DBS) checks and the taking up of references for all individuals involved in regular work with children and young people;
- Statutory/legal risk - managed mainly by the administrator who has responsibility for ensuring compliance with relevant legislation and purchasing adequate insurance cover; and
- Operational risk - managed mainly through the church recruiting and appointing only appropriately gifted and qualified workers and volunteers who are associated with the church's work to fill positions of pastoral responsibility.

#### **Plans for future periods**

The mission of the PCC is summed up as Godly Living, Church Growth, and Changing Britain. This comes from the Great Commandments of Jesus and his Great Commission.

Godly Living is based on the First and Greatest Commandment: "Jesus [said], 'Love the Lord your God with all your heart and with all your soul with all your mind. This is the first and greatest commandment'" (Matthew 22.37-38). Godly Living covers personal religion; accepting the importance of the Christian fellowship - the church - and its sacraments; belonging through small groups; biblical finance; Christian reading; and care for the poor - at home and abroad.

Church Growth is based on the Great Commission: "Jesus ... said, 'All authority in heaven and earth has been given to me. Therefore go and make disciples of all nations, baptizing them in the name of the Father and of the Son and of the Holy Spirit, and teaching them to obey everything I have commanded you'" (Matthew 28.19-20). Church Growth covers evangelism at home and abroad; expository preaching; youth work; work with students - both UK students and international students; learning from and helping other churches and planting new churches; pastoral care; the welcome and incorporation of newcomers; the music ministry; overseas mission; Christian discipleship training seminars; and the use of the public media.

Changing Britain is based on the Second Great Commandment. "And the second is like it: 'Love your neighbour as yourself.' All the Law and the Prophets hang on these two commandments" (Matthew 22.39-40). Changing Britain covers influencing education; influencing the media; influencing politics; influencing the therapeutic services; influencing commerce; and re-evangelising the nation. It also involves meeting local needs through activities such as mother and toddler groups, holiday clubs for children, and uniformed groups (Beavers, Cubs, Scouts, Explorer Scouts, Rainbows, Brownies, Guides, Rangers).

## **The Parochial Church Council of the Ecclesiastical Parish of Jesmond Report of the PCC Members**

### **Plans for future periods (continued)**

The PCC plans to continue to work towards the fulfilment of this mission. Its vision for growth and the planting of new churches will be taken forward by helping to consolidate and grow the Jesmond Trust's Holy Trinity Church in Gateshead and St Joseph's Church Benwell, and by assessing other opportunities as they arise, not least as the shape of church life inevitably changes in the wake of the pandemic.

The facilities of Jesmond Parish Church are a vital tool for its work and mission, and the PCC hopes to make further improvements. The production of online Jesmond Parish Church services morning and evening, whether pre-recorded or live-streamed, will continue and develop, as will their broadcast on Clayton TV. As resources allow, other Christian TV programming will be developed. The PCC will continue to support the growth of Christian work elsewhere in the UK and in other countries of the world.

### **Statement of PCC members' responsibilities**

The PCC's members are required to prepare accounts for each financial year which give a true and fair view of the state of affairs of the PCC and of the surplus or deficit for that period. In preparing those accounts, the PCC members are required to: select suitable accounting policies and then apply them consistently; make judgements and estimates that are reasonable and prudent; state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and prepare the accounts on the going concern basis unless it is inappropriate to assume that the PCC will continue its activities.

The PCC members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the PCC and enable them to ensure that the accounts comply with statutory requirements and with PCC's constitution and rules. They are also responsible for safeguarding the assets of the PCC and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

The PCC has complied with its duty under Section 5 of the Safeguarding and Clergy Discipline Measure 2016, to have regard to House of Bishops guidance on safeguarding children and vulnerable adults.

### **Disclosure of information to the independent examiner**

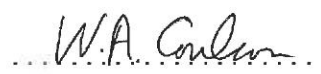
So far as each PCC member at the date of approval of this report is aware:

- there is no relevant information of which the PCC's independent examiners are unaware; and
- the PCC's members have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the independent examiners are aware of that information.

### **Approval**

This report was approved by the PCC on 15 March 2021 and signed on its behalf by:

  
David Holloway  
Vicar and Chairman

  
Andrew Coulson  
Churchwarden

## **The Parochial Church Council of the Ecclesiastical Parish of Jesmond Independent Examiner's Report**

### **Independent examiner's report to the members of the Parochial Church Council of Jesmond Parish Church**

I report on the accounts of the PCC for the year ended 31 December 2020, which are set out on pages 9 to 16.

#### **Respective responsibilities of the PCC and the examiner**

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

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commissioner (under section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

#### **Basis of this independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commissioner. That examination includes a review of the accounting records kept by the PCC and a comparison of the accounts presented with those records. It also includes considering any unusual items or disclosures in the accounts and seeking explanations from you as PCC members concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently, no opinion is given as to whether the accounts present 'true and fair view' and the report is limited to those matters set out in the statement below.

#### **Independent examiner's statement**

Since the gross income for the year exceeds the amount provided in section 145(3) of the Act, I confirm that I am qualified to act as Independent Examiner under the provisions of that section of the Act and that my qualification is as shown below.

In connection with my examination, no matter has come to my attention:

- which gives me reasonable cause to believe that in any material respect the requirements
  - (a) to keep accounting records in accordance with section 130 of the 2011 Act; and
  - (b) to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act have not been met; or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Mai L C Mak BSc. Hons. FCA  
Chartered Accountant

Kinnair and Company  
Chartered Accountants  
Aston House  
Newcastle Upon Tyne

17<sup>th</sup> March 2021

**The Parochial Church Council of the Ecclesiastical Parish of Jesmond**  
**Statement of Financial Activities**  
**for the year ended 31 December 2020**

	Notes	Unrestricted funds £	Restricted income funds £	Total funds 2020 £	Total funds 2019 £
<b>Income</b>					
Voluntary income	2	160,842	-	160,842	173,805
Ministry and other activities	3	2,159	-	2,159	6,318
<b>Total income</b>		<b>163,001</b>	<b>-</b>	<b>163,001</b>	<b>180,123</b>
<b>Expenditure</b>					
Charitable activities:					
- Staff	4	90,303	-	90,303	87,946
- Direct ministry	5	3,256	-	3,256	6,972
- Indirect ministry	6	7,628	-	7,628	8,969
- Property	7	62,165	3,000	65,165	76,105
<b>Total expenditure</b>		<b>163,352</b>	<b>3,000</b>	<b>166,352</b>	<b>179,992</b>
<b>Net movement in funds</b>		<b>(351)</b>	<b>(3,000)</b>	<b>(3,351)</b>	<b>131</b>
Total funds brought forward	13	765	3,700	4,465	4,334
<b>Total funds carried forward</b>		<b>414</b>	<b>700</b>	<b>1,114</b>	<b>4,465</b>

The PCC has no recognised gains or losses other than those shown in the Statement of Financial Activities. All of the activities of the PCC are classed as continuing.

**The Parochial Church Council of the Ecclesiastical Parish of Jesmond**  
**Balance Sheet**  
**as at 31 December 2020**

	Notes	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	9	380,000	380,000
<b>Current assets</b>			
Debtors	10	2,098	17,719
Cash at bank and in hand		10,091	1,713
		<u>12,189</u>	<u>19,432</u>
<b>Creditors: amounts falling due within one year</b>	11	(11,075)	(14,967)
<b>Net current assets</b>		<u>1,114</u>	<u>4,465</u>
<b>Total assets less current liabilities</b>		<u>381,114</u>	<u>384,465</u>
<b>Creditors: amounts falling due after more than one year</b>	12	(380,000)	(380,000)
<b>Net assets</b>		<u>1,114</u>	<u>4,465</u>
<b>Funds</b>			
<i>Unrestricted funds:</i>			
- General Fund	13	414	765
		<u>414</u>	<u>765</u>
<i>Restricted funds:</i>			
- Restricted income funds		700	3,700
		<u>700</u>	<u>3,700</u>
<b>Total PCC funds</b>		<u>1,114</u>	<u>4,465</u>

These accounts were approved by the Parochial Church Council on 15 April 2021 and signed on its behalf by:

  
 .....  
 David Holloway  
 Vicar and Chairman

  
 .....  
 Andrew Coulson  
 Churchwarden

**The Parochial Church Council of the Ecclesiastical Parish of Jesmond**  
**Notes to the Accounts**  
**for the year ended 31 December 2020**

**1 Accounting policies**

***Accounting conventions***

The PCC is a public benefit entity within the meaning of FRS 102. The financial statements have been prepared under the Charities Act 2011 and in accordance with the Church Accounting Regulations 2006 governing the individual accounts of PCCs, and with the Regulations' "true and fair view" provisions and prepared under FRS 102 (2016) as the applicable accounting standards and the 2016 version of the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP(FRS 102)).

A summary of the principal accounting policies, which have been consistently applied, is set out below.

***Income***

Voluntary income is recognised in the financial statements when it is received, or on an accruals basis where it can be assured with reasonable certainty and is receivable by the balance sheet date. Income tax recoverable on voluntary donations is recognised in the financial statements when it is receivable from HM Revenue and Customs.

All other incoming resources are included in the statement of financial activities on a cash received basis or on an accruals basis where they are assured with reasonable certainty and receivable by the balance sheet date.

***Expenditure***

Expenditure is charged on an accruals basis, inclusive of irrecoverable Value Added Tax.

The cost of charitable activities is analysed between the staff costs, the cost of providing ministry, and costs relating to the charity's property. The stipends, expenses and accommodation costs of the Senior Assistant Ministers and Assistant Ministers, lay workers, administrative staff and parish assistants are met by The Jesmond Trust.

***Fixed assets***

Fixed assets are recorded at fair value. The de minimis level for the capitalisation of assets is £5,000. The main church building is excluded under Section 10(2) of the Charities Act 2011. Movable church furnishings requiring a faculty for disposal are classed as inalienable assets. Insufficient cost information is available on these assets and the PCC believes that the costs of obtaining this information far outweigh the additional benefit that would be derived by users of the financial statements. They have therefore been excluded from the financial statements.

***Investments***

Fixed asset investments are stated at open market valuation at the year end. Investment funds where the PCC is neither custodian nor in control of the use of the funds are not included in the financial statements but are disclosed in the PCC members' report.

***Taxation***

The PCC is exempt from Income Tax on its charitable activities but is not exempt from Value Added Tax. Irrecoverable VAT is included in the cost of those items to which it relates.

**The Parochial Church Council of the Ecclesiastical Parish of Jesmond**  
**Notes to the Accounts**  
**for the year ended 31 December 2020**

**1 Accounting Policies (continued)**

***Fund accounting***

The charity operates restricted and unrestricted funds. Restricted funds relate to amounts received which have been specified for a particular use by the donor. All other funds are unrestricted funds which the charity may use for its charitable purposes at its discretion. Within unrestricted funds, the charity may designate certain funds for specific purposes.

**2 Income: Voluntary income**

	<b>2020 Unrestricted £</b>	<b>2020 Restricted £</b>	<b>2020 Total £</b>	<b>2019 Total £</b>
General donations	10,842	-	10,842	41,805
Donations from The Jesmond Trust	150,000	-	150,000	132,000
	<u>160,842</u>	<u>-</u>	<u>160,842</u>	<u>173,805</u>

The PCC receives donations from The Jesmond Trust to meet some of its expenditure needs. These donations are, at all times, at the discretion of the trustees of The Jesmond Trust.

**3 Income: Ministry and other activities**

	<b>2020 Unrestricted £</b>	<b>2020 Restricted £</b>	<b>2020 Total £</b>	<b>2019 Total £</b>
Services	2,159	-	2,159	6,318
	<u>2,159</u>	<u>-</u>	<u>2,159</u>	<u>6,318</u>

**4 Expenditure: Staff**

	<b>2020 £</b>	<b>2019 £</b>
Diocesan contribution	80,056	78,149
Expense and ministry cost reimbursements	10,247	9,797
	<u>90,303</u>	<u>87,946</u>

All of the above expenditure relates to unrestricted funds.

**The Parochial Church Council of the Ecclesiastical Parish of Jesmond**  
**Notes to the Accounts**  
**for the year ended 31 December 2020**

**5 Expenditure: Direct ministry costs**

	<b>2020 Unrestricted £</b>	<b>2020 Restricted £</b>	<b>2020 Total £</b>	<b>2019 Total £</b>
Services	2,634	-	2,634	5,389
Support	-	-	-	40
Leadership	622	-	622	1,543
	<u>3,256</u>	<u>-</u>	<u>3,256</u>	<u>6,972</u>

**6 Expenditure: Indirect ministry costs**

	<b>2020 Unrestricted £</b>	<b>2020 Restricted £</b>	<b>2020 Total £</b>	<b>2019 Total £</b>
Printing, postage and stationery	-	-	-	108
Refreshment	289	-	289	1,114
Telephone and internet	3,759	-	3,759	3,689
Accountancy fee	2,880	-	2,880	2,882
Ministry office costs	471	-	471	706
Bank charges and interest	229	-	229	470
	<u>7,628</u>	<u>-</u>	<u>7,628</u>	<u>8,969</u>

**7 Expenditure: Property**

	<b>2020 Unrestricted £</b>	<b>2020 Restricted £</b>	<b>2020 Total £</b>	<b>2019 Total £</b>
Repairs and maintenance				
- Main Church building	11,463	3,000	14,463	11,384
- Lily Avenue	856	-	856	1,693
Rates and utilities				
- Light and heat	14,745	-	14,745	21,151
- Rates	6,821	-	6,821	6,561
- Water	3,344	-	3,344	3,270
Other charges				
- Cleaning	8,812	-	8,812	15,884
- Insurance	9,842	-	9,842	10,038
- Loan interest Lily Avenue	6,258	-	6,258	6,124
- Professional fees	24	-	24	-
	<u>62,165</u>	<u>3,000</u>	<u>65,165</u>	<u>76,105</u>

**The Parochial Church Council of the Ecclesiastical Parish of Jesmond**  
**Notes to the Accounts**  
**for the year ended 31 December 2020**

**8 Staff costs**

No staff are directly employed by the PCC. No member of staff earned £60,000 or more during the year.

Payments totalling £13,501 (2019 - £14,228) were made to the Vicar and the Senior Minister during the year and comprised reimbursed expenses, reimbursed ministry costs and fees payable to the vicar in respect of weddings, funerals etc., offsetting the stipend accordingly.

**9 Tangible fixed assets**

	<b>Land and buildings £</b>
<b>Cost</b>	
At 1 January 2020	380,000
At 31 December 2020	<u>380,000</u>
<b>Depreciation</b>	
At 1 January 2020	-
At 31 December 2020	<u>-</u>
<b>Net book value</b>	
At 31 December 2020	<u>380,000</u>
At 31 December 2019	<u>380,000</u>

Freehold land and buildings represents a house in Jesmond which is owned by The Newcastle Diocesan Society but is used by the PCC, see note 12. The house is shown at its fair value, upon transition to FRS 102, of £380,000, the original cost being £77,869. The valuation was made by the trustees on 31 December 2020.

**10 Debtors**

	<b>2020 £</b>	<b>2019 £</b>
Amounts due from The Jesmond Trust	-	13,858
Prepayments and accrued income	1,956	3,461
Other debtors	142	400
	<u>2,098</u>	<u>17,719</u>

**The Parochial Church Council of the Ecclesiastical Parish of Jesmond**  
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**for the year ended 31 December 2020**

<b>11 Creditors: amounts falling due within one year</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade creditors	790	8,779
Amounts owed to The Jesmond Trust	3,616	-
Accruals and deferred income	6,669	6,188
	<u>11,075</u>	<u>14,967</u>

<b>12 Creditors: amounts falling due after more than one year</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Loans	77,869	77,869
Accrued liability	302,131	302,131
	<u>380,000</u>	<u>380,000</u>

Loans comprise an interest only loan from the Church Commissioners in respect of the property detailed in note 9.

The terms of the loan are such that in the event that the property is sold for more than the original loan, the excess proceeds must be paid over to the Church Commissioners.

The accrued liability represents the fair value of the expected excess proceeds.

<b>13 Funds</b>	<b>At 1 Jan 2020</b>	<b>Incoming resources</b>	<b>Outgoing resources</b>	<b>At 31 Dec 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Restricted funds</b>				
May Gift week	3,700	-	(3,000)	700
<b>Unrestricted funds</b>				
General fund	765	163,001	(163,352)	414
Total unrestricted funds	<u>765</u>	<u>163,001</u>	<u>(163,352)</u>	<u>414</u>
Total funds	<u>4,465</u>	<u>163,001</u>	<u>(166,352)</u>	<u>1,114</u>

**14 Related party transactions**

The charity had the following transactions and balances with The Jesmond Trust (the Trust):

<b>Transaction / balance:</b>	<b>Included within:</b>	<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
Donations from the Trust	Incoming resources	150,000	132,000
Amounts due from the Trust	Debtors	-	13,858
Amounts owed to the Trust	Creditors: amounts falling due within one year	3,616	-

In addition, stipends, social security costs, pension costs and reimbursed expenses totalling £275,328 (2019 - £306,264) were received by PCC members from the Trust.

In addition, £4,363 was received in donations from related parties (PCC members) during the year.

