

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF JESMOND

Report and Accounts

31 December 2021

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)

Clerks in Holy Orders	Rev D R J Holloway (Vicar and Chairman) Rt Rev J J S Pryke (Curate) Rev J J Redfearn (co-opted)	
Churchwardens	Dr W S Tufton	Mr W A Coulson
Representatives of the Deanery Synod	Dr J S Holloway Rev J M Teasdale (until 4/7/21)	Mrs J V Parker Mrs E Jackson (from 26/4/2021)
Other Members	Rev R P Adcock Mrs J A Jolley Rev I T S Garrett Mr D J Gillam (until 19/10/21) Mr P D Harrison Mr V Ogbummor	Dr S M Lee Miss D R Lawrence Mrs G M Mackie Mr A B Mathers Mrs L M E Robb

Other information:

Charity number	1134530
Treasurer	Andrew Coulson
Secretary	Jonathan Pryke
Church address	Jesmond Parish Church Eskdale Terrace Newcastle Upon Tyne NE2 4DJ
Independent examiner	Kinnair and Company Aston House Redburn Road Newcastle Upon Tyne NE5 1NB
Solicitors	Glynis M Mackie Solicitors 29A Princes Road Newcastle Upon Tyne NE3 5TT
Bankers	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 2021. 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 W A Coulson, Dr W Tufton

The following PCC members have received stipends from The Jesmond Trust in 2021:

- Rev R Adcock, Rev I Garrett, Rev J Redfearn, Rev J Teasdale, Mrs E Jackson

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

Before the Covid-19 pandemic, 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. The years 2020 and 2021 were like no other in living memory, as a consequence of the restrictions to church life resulting from the 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 159 on the Church Electoral Roll at the 2021 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. 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 ;
- 'Life Explored', 'Christianity Explored' and 'Discipleship Explored' groups for students and older adults ;
- 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 and was back in person as restrictions allowed;
- 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 £157,000, 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. 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.

In March the council discussed in detail the implications of the lockdown for Sunday services. The church was open again for viewing the streamed service, with booking and social distancing necessary. The Jesmond Conference would be happening on Zoom, and the sign-ups were good. It was reported that the Anglican Mission in England had now become a Convocation. In the Church of England, the Living in Love and Faith process would have serious repercussions. There had been an increase in giving in 2020, that we were spending less because of the lockdown and its curtailment of activities, and that no appeal for extra giving had been needed. Planning and budgeting for the year ahead was difficult. The Quinquennial report on the church fabric had been satisfactory, except that there were serious issues with regard to the condition of the hall, including its roof. Staff and volunteer helpers, not least in the children's and youth ministry, had done an amazing job in the circumstances, for which the council was thankful. There had been a review of mission support at JPC. The council spent time in prayer.

In April, the officers of the PCC for the new year were appointed. There was consideration of the church's response to the lockdown, and strong appreciation for the work of the team producing the Sunday services, online youth work, and other online support groups. There was a desire not to lose the lessons learned from this for the future. The plan was for a gradual opening up of in-person services and youth work. Giving was almost on target. The vicar was soon to begin a sabbatical. He would be meeting with the new Bishop of Berwick, Mark Wroe. It was reported that the system for the registration of marriages had changed radically, with clergy no longer acting as registrars, and with gender neutral registration documents, which marked a further weakening of the Christian concept of marriage.

In July it was reported that Jonathan Redfearn had improved since the prayer meeting after his surgery, but there was still a long way to go. David Gillam led the council in prayer for Jonathan. Ollie Nicholson was to join the staff part-time as head of music ministry, and this was an answer to prayer. The vicar reported on his good discussion with Bishop Mark Wroe on theology, ethics, church planting and the future of the diocese. A national C of E plan for new lay-led churches needed to be followed up, not least for rural areas. Methodism had voted to permit same-sex 'marriages' in Methodist churches. There was discussion of the practicalities of Covid-secure holy communion services 'in one kind' – that is, administering bread only. Online services of holy communion would also continue. It was reported that both income and spending were under budget, and that it looked as if an autumn appeal for around £75k would be needed. It was encouraging that giving was higher than the previous year.

In September the council was asked to pray for David Gillam who was seriously ill. It was reported that there had been a good CYFA houseparty. The new 'unlocking' arrangements seemed to be working well. The outside refreshments after services were very helpful and positive. There had been over 400 on a Sunday, which compared with just over 600 pre-pandemic. There was a need to keep arrangements under review. Donations were now below target, with spending also under budget. An autumn appeal for around £75k would probably be needed. There was a report on the encouraging annual ReNew conference, on establishing healthy Anglican churches. There was discussion of the implications of the Fletcher case review for parish life, and a recognition that it was important to learn the necessary lessons. With regard to the diocese, there was a window of opportunity during the episcopal interregnum. Planning for Christmas was difficult, given the uncertainty about how the pandemic would unfold. The vicar introduced a time of prayer for the council.

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 Advent service with Bishop Martin Morrison on video, the well-attended 'welcome lunch' for those who had started coming to JPC during the pandemic, and the eight 'Carols by Candlelight' services. An average of around 300 people had been at each of these. They had been very well produced. All of these events had been very encouraging. The council gave thanks for the life, faith and service of David Gillam. Chris and Rosy Redfearn, who would be moving to work at a church in Spain, had been the focus of the November mission gift week. The children's and youth groups were growing and flourishing after the restrictions of the past 20 months. The financial projections were not quite as good as before. The autumn appeal was underway, and donations were coming in. The re-roofing of the upstairs lounge and the back of church above the bookstall was urgent and would be carried out early in the new year. There was discussion of plans for the future, and these would be considered further at the March meeting.

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 increased from £163,001 to £173,952, an increase of £10,951 or 7%. Individual voluntary donations increased from £10,842 to £13,297, an increase of £ or 2%. The PCC thanks God for his generous provision of these funds.

During the year the PCC's total expenditure increased from £166,352 to £173,573, an increase of £13,640 or 4%.

The total of the PCC's funds at 31 December 2021 was £1,493 which comprised an accumulated surplus on the General Fund of £793 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 policy of the trustees on reserves is that any unrestricted accumulated surplus will be budgeted to be spent on needed work in the following year. As a result, there are no unrestricted long-term reserves apart from the value of the properties held by the Trust. The Trust does aim to maintain short-term reserves sufficient for working capital. The Trust's supporters are kept informed through regular financial updates, and in the event of a projected shortfall, additional giving is sought. This policy has served the Trust well.

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.

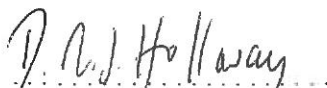
Disclosure of information to the independent examiner

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 18/3/2022 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 2021, 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 matter 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

29/03/2022

The Parochial Church Council of the Ecclesiastical Parish of Jesmond
Statement of Financial Activities
for the year ended 31 December 2021

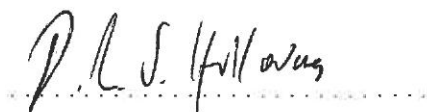
	Notes	Unrestricted funds £	Restricted income funds £	Total funds 2021 £	Total funds 2020 £
Income					
Voluntary income	2	170,297	-	170,297	160,842
Ministry and other activities	3	3,655	-	3,655	2,159
Total income		173,952	-	173,952	163,001
Expenditure					
Charitable activities:					
- Staff	4	84,504	-	84,504	90,303
- Direct ministry	5	2,672	-	2,672	3,256
- Indirect ministry	6	8,715	-	8,715	7,628
- Property	7	77,682	-	77,682	65,165
Total expenditure		173,573	-	173,573	166,352
Net movement in funds		379	-	379	(3,351)
Total funds brought forward	13	414	700	1,114	4,465
Total funds carried forward		793	700	1,493	1,114

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 2021

	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	9	400,000	380,000
Current assets			
Debtors	10	17,671	2,098
Cash at bank and in hand		6,545	10,091
		<u>24,216</u>	<u>12,189</u>
Creditors: amounts falling due within one year	11	(22,723)	(11,075)
Net current assets		<u>1,493</u>	<u>1,114</u>
Total assets less current liabilities		<u>401,493</u>	<u>381,114</u>
Creditors: amounts falling due after more than one year	12	(400,000)	(380,000)
Net assets		<u>1,493</u>	<u>1,114</u>
Funds			
<i>Unrestricted funds:</i>			
- General Fund	13	793	414
		<u>793</u>	<u>414</u>
<i>Restricted funds:</i>			
- Restricted income funds		700	700
		<u>700</u>	<u>700</u>
Total PCC funds		<u>1,493</u>	<u>1,114</u>

These accounts were approved by the Parochial Church Council on 28/3/2022 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 2021

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 2021

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

	2021 Unrestricted £	2021 Restricted £	2021 Total £	2020 Total £
General donations	13,297	-	13,297	10,842
Donations from The Jesmond Trust	157,000	-	157,000	150,000
	<u>170,297</u>	<u>-</u>	<u>170,297</u>	<u>160,842</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

	2021 Unrestricted £	2021 Restricted	2021 Total £	2020 Total £
Services	3,655	-	3,655	2,159
	<u>3,655</u>	<u>-</u>	<u>3,655</u>	<u>2,159</u>

4 Expenditure: Staff

	2021 £	2020 £
Diocesan contribution	79,741	80,056
Expense and ministry cost reimbursements	4,763	10,247
	<u>84,504</u>	<u>90,303</u>
Amount allocated to governance costs	-	-
	<u>84,504</u>	<u>90,303</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 2021

5 Expenditure: Direct ministry costs

	2021 Unrestricted £	2021 Restricted £	2021 Total £	2020 Total £
Fellowship and small groups	15	-	15	-
Services	1,415	-	1,415	2,634
Support	70	-	70	-
Leadership	1,172	-	1,172	622
	<u>2,672</u>	<u>-</u>	<u>2,672</u>	<u>3,256</u>

6 Expenditure: Indirect ministry costs

	2021 Unrestricted £	2021 Restricted £	2021 Total £	2020 Total £
Printing, postage and stationery	31	-	31	-
Refreshment	403	-	403	289
Telephone and internet	4,889	-	4,889	3,759
Accountancy fee	2,881	-	2,881	2,880
Ministry office costs	126	-	126	471
Bank charges and interest	385	-	385	229
	<u>8,715</u>	<u>-</u>	<u>8,715</u>	<u>7,628</u>

7 Expenditure: Property

	2021 Unrestricted £	2021 Restricted £	2021 Total £	2020 Total £
Repairs and maintenance				
- Main Church building	21,285	-	21,285	14,463
- Lily Avenue	1,524	-	1,524	856
Rates and utilities				
- Light and heat	17,580	-	17,580	14,745
- Rates	7,137	-	7,137	6,821
- Water	1,191	-	1,191	3,344
Other charges				
- Cleaning	12,974	-	12,974	8,812
- Insurance	9,658	-	9,658	9,842
- Loan interest Lily Avenue	6,333	-	6,333	6,258
- Professional fees	-	-	-	24
	<u>77,682</u>	<u>-</u>	<u>77,682</u>	<u>65,165</u>

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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 £10,275 (2020 - £13,501) 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

	Freehold land and buildings £
Cost	
At 1 January 2021	380,000
Surplus on revaluation	20,000
At 31 December 2021	<u>400,000</u>
Depreciation	
At 1 January 2021	-
At 31 December 2021	<u>-</u>
Net book value	
At 31 December 2021	<u>400,000</u>
At 31 December 2020	<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 £400,000, the original cost being £77,869. The valuation was made by the trustees on 31 December 2021.

10 Debtors

	2021 £	2020 £
Prepayments and accrued income	17,550	1,956
Other debtors	121	142
	<u>17,671</u>	<u>2,098</u>

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11 Creditors: amounts falling due within one year	2021 £	2020 £
Trade creditors	4,468	790
Amounts owed to The Jesmond Trust	5,330	3,616
Accruals and deferred income	12,925	6,669
	<u>22,723</u>	<u>11,075</u>
12 Creditors: amounts falling due after more than one year	2021 £	2020 £
Loans	77,869	77,869
Accrued liability	322,131	302,131
	<u>400,000</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.

13 Funds	At 1 Jan 2021 £	Incoming resources £	Outgoing resources £	At 31 Dec 2021 £
Restricted funds				
May Gift week	700	-	-	700
Unrestricted funds				
General fund	414	173,952	(173,573)	793
Total unrestricted funds	<u>414</u>	<u>173,952</u>	<u>(173,573)</u>	<u>793</u>
Total funds	<u>1,114</u>	<u>173,952</u>	<u>(173,573)</u>	<u>1,493</u>

14 Related party transactions

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

Transaction / balance:	Included within:	2021 £	2020 £
Donations from the Trust	Incoming resources	157,000	150,000
Amounts due from the Trust	Debtors	-	-
Amounts owed to the Trust	Creditors: amounts falling due within one year	5,330	3,616

In addition, stipends, social security costs, pension costs and reimbursed expenses totalling £418,983 (2020 - £275,328) were received by PCC members from the Trust.

In addition, £0 was received in donations from related parties (PCC members) during the year.