

Charity number: 1134530

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

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF JESMOND

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THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF JESMOND

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS PCC MEMBERS (ALSO RECOGNISED AS TRUSTEES BY THE CHARITY COMMISSION) AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2022

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

Rev D R J Holloway (Vicar and Chairman)¹

Rt Rev J J S Pryke (Curate)¹

Rev J J Redfearn (co-opted)¹

Dr W S Tufton²

Mr W A Coulson²

Dr J S Holloway⁴

Mrs J V Parker⁴

Mrs E Jackson³

Rev R P Adcock⁴

Mrs J A Jolley⁴

Rev I T S Garrett⁴

Mr P D Harrison⁴

Mr V Ogburn⁴

Dr S M Lee⁴

Miss D R Lawrence⁴

Mrs G M Mackie⁴

Mr A B Mathers⁴

Mrs L M E Robb⁴

Mr P Slegg⁴

Mrs S Addison⁴

Mr J D McAllister⁴

¹ Clerk in Holy Orders

² Churchwarden

³ Representative of the Deanery Synod

⁴ Other members

Charity registered number

1134530

Principal office

Jesmond Parish Church
Eskdale Terrace
Newcastle upon Tyne
NE2 4DJ

Independent Examiner

Kinnair Associates Limited
Aston House
Redburn Road
Newcastle upon Tyne
NE5 1NB

Treasurer

Mr W A Coulson

Secretary

Rt Rev J J S Pryke

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF JESMOND

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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 2022. 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 2022:

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

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

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.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF JESMOND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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 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 explain 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.

Objectives and principal activity

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.

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.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF JESMOND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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 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 were 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. In 2022 Sunday services began to return to normal, and during October and November 2022 Sunday attendances averaged 643 not including children – higher than before the pandemic. There were 160 on the Church Electoral Roll at the 2022 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. Some ministries still happened 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'.
- Scout and Guide groups;
- a youth group, with outreach events and a 'summer house party' for young people;
- for students, 'Focus' groups, and an annual conference;
- football and hockey teams;
- for internationals, a 'Globe Café' as well as Christian fellowship groups, day trips and weekends away;
- a Mandarin Fellowship;
- 'Life Explored', 'Christianity Explored' and 'Discipleship Explored' groups for students and older adults;
- music groups with over 100 in the choirs, and other musical ensembles were back in person as restrictions allowed;
- home groups with a total membership of over 350 met either using Zoom or in person;
- a number of groups for women at different stages of life.

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 £209,728 including gift aid, for which we give thanks to God.

The PCC met in full session seven times during the year. Average attendance was 15. 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 arrangements for Holy Communion and service times as we moved to the next stages of the Covid pandemic. It was proposed that we should offer the common cup as well as the bread to all, making it clear that it was a choice for each individual whether to take both elements or just the bread alone. It was agreed that we would retain the Covid-safe earlier service but move it to 9:00 am, and move the main morning service 10:45am. This would be reviewed at subsequent PCC meetings. It was reported that the Jesmond Conference had been good for those who came, but that the conference in its current format had probably run its course. There was discussion both about the situation in the Church of England and the succession process for JPC. It was reported that building work had begun on the church and upstairs lounge roofs. Home group mission links had been renewed and a new pattern of communion giving for mission partners agreed. The Council spent time in prayer.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF JESMOND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

In May there was further discussion about the JPC succession, including on lessons that could be learned from experience elsewhere. The council considered how Covid and the lockdowns over the last year had affected us, what we had learnt from them, and what we could do positively as lockdowns came to an end. An extra meeting was agreed for June. Service timings were considered again and a decision made to keep them as they were for now. There was a financial update, and it was reported that gift weeks would probably be needed both in the summer and in the winter. The transfer of operations from the Jesmond Trust to the new Jesmond Trust CIO was progressing. Holy Trinity Gateshead and St Joseph's Benwell had both been formally accepted as AMIE (that is, Anglican Mission in England) churches. It was noted that as well as returning to the common cup for the administration of holy communion, provision was also being made for those who wanted to take individual portions.

The June meeting, in the absence of David and Joy Holloway and Jonathan Pryke, focussed on consideration of the JPC succession process, about which there was an open, and extensive conversation. The council wanted to support David's plans to redeploy from his role as vicar of Jesmond to a writing and teaching role, however there were concerns about the continuing lack of suitable episcopal oversight within the Church of England. There was a window of opportunity to address the issue of succession while Mark Wroe was acting Bishop of Newcastle. Jonathan Pryke was invited to join the meeting for an impromptu interview, leaving after that ended. It was considered that in large churches there was wisdom in appointing someone with experience of leading a large team from within the existing church staff. A complicated transition period was inevitable after a long incumbency. The council prayed together.

In July it was reported that interviews were taking place for the next Bishop of Newcastle and members prayed for the appointment. An updated safeguarding policy was considered and approved. There was further consideration of the succession issue. David Holloway told the council that he was hoping to redeploy in January 2023. The next few years will be critical in the Church of England and require someone who can, if necessary, stay in the Church of England and boldly contend for the truth. A staffing update included news that Pete Alston was to join the staff team from September, before hopefully being sent to Japan as a missionary. Again the council prayed together.

In September the vicar read a passage from Revelation 21, which had been read at the Queen's funeral earlier in the day. It was reported that both the Summer Series and the CYFA Houseparty had gone well. There was discussion of the pattern and timing of Sunday services, and it was agreed to end the 9.00 am service and to move the morning service to 10:30 am from the October half term. There was a financial update showing that spending so far was on track with the budget, but that income up to this point was not meeting our costs. There was a need to save as much as possible for the remainder of the year, without adversely impacting planned ministry. This was challenging due to the rise in the cost of living. Prayer was needed. There was a report on the Lambeth Conference of Anglican bishops from around the world. It was clear that the Church of England was facing stormy waters. David Holloway updated the council on his planned redeployment, answered questions, and asked for prayer.

In October a safeguarding action plan was approved, and the need for training in this area was agreed. There would be a safeguarding report at all PCC meetings. There was an update on discussions that had taken place on the succession, and options for handling this were considered. It was agreed that at this stage the best option would be for David Holloway to continue as vicar but to hand over the leadership of the church completely from 15 January 2023 with a written agreement. There was discussion of the potentially serious implications of the outcome of the Living in Love and Faith process in the Church of England. The need to prepare for a formal succession process in due course in this difficult context was considered. It was agreed that there was a need to pass the Resolution on the House of Bishops' Declaration on the Ministry of Bishops and Priests, relating to the ordination of women.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF JESMOND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

In December it was reported that 900 had attended the first two Carols by Candlelight services. There was a financial update regarding the gift week, which had a faith target of £140,000. David Holloway presented a document concerning the delegation of the leadership of JPC to Jonathan Pryke with effect from 15 January 2023, when the church would be marking the 50th anniversary of David Holloway becoming the vicar of Jesmond. The legal basis was Canon C 24.8. This was discussed in detail, and agreed unanimously. This would need to be communicated well to the congregation, and a plan to do this effectively was considered. The delegation document was signed. The council passed this motion: "This PCC would like to put on record its great thanksgiving to God for all that he has done through the faithful ministry of David and Joy over the last fifty years and to assure them of its prayers for their future life and continuing ministry."

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

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 £173,952 to £239,387, an increase of £65,435 or 38%. Individual voluntary donations increased from £13,297 to £18,277 and increase of 37%. The PCC thanks God for his generous provision of these funds.

During the year the PCC's total expenditure increased from £173,573 to £238,921, an increase of £65,348 or 38%.

The total of the PCC's funds at 31 December 2022 was £1,959 which comprised an accumulated surplus on the General Fund of £1,434 and a surplus on the Gift Week reserve of £525.

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.

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 PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF JESMOND

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

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.

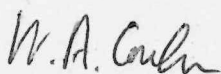
Church Growth is based on the Great Commission: "Jesus ... said, 'All authority in heaven and earth has been given to me. Therefore go and make disciples of all nations, baptizing them in the name of the Father and of the Son and of the Holy Spirit, and teaching them to obey everything I have commanded 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).

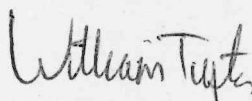
The PCC plans to continue to work towards the fulfilment of this mission. Its vision for growth and the planting of new churches will be taken forward by working to grow Jesmond Parish Church, and in partnership with its sister churches Holy Trinity Church in Gateshead and St Joseph's Church Benwell. New opportunities will be assessed as they arise, not least as the shape of church life inevitably changes in the continuing aftermath 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. The PCC will continue to support the growth of Christian work elsewhere in the UK and in other countries of the world.

Approved by order of the members of the board of Trustees on 24 April 2023 and signed on their behalf by:



Mr W A Coulson
Trustee



Dr W S Tufton
Trustee

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF JESMOND

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Independent Examiner's Report to the Trustees of The Parochial Church Council of the Ecclesiastical Parish of Jesmond ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 December 2022.

Responsibilities and Basis of Report

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

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

Independent Examiner's Statement

Your attention is drawn to the fact that the Charity has prepared the accounts in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:

Mai L C Mak



Dated:

16/5/2023

FCA

Kinnair Associates Limited
Chartered Accountants
Aston House, Redburn Road
Newcastle upon Tyne NE5 1NB

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF JESMOND

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	3	233,277	-	233,277	170,297
Charitable activities	4	3,990	-	3,990	3,655
Other income		2,120	-	2,120	-
Total income		239,387	-	239,387	173,952
Expenditure on:					
Charitable activities		238,746	175	238,921	173,573
Total expenditure		238,746	175	238,921	173,573
Net movement in funds		641	(175)	466	379
Reconciliation of funds:					
Total funds brought forward		793	700	1,493	1,114
Net movement in funds		641	(175)	466	379
Total funds carried forward		1,434	525	1,959	1,493

The Statement of Financial Activities includes all gains and losses recognised in the year.

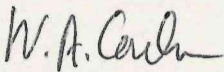
The notes on pages 11 to 19 form part of these financial statements.

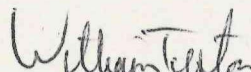
THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF JESMOND

**BALANCE SHEET
AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	8	400,000	400,000
		<u>400,000</u>	<u>400,000</u>
Current assets			
Debtors	9	9,652	17,671
Cash at bank and in hand		16,943	6,545
		<u>26,595</u>	<u>24,216</u>
Creditors: amounts falling due within one year	10	(24,636)	(22,723)
Net current assets		<u>1,959</u>	<u>1,493</u>
Total assets less current liabilities		<u>401,959</u>	<u>401,493</u>
Creditors: amounts falling due after more than one year	11	(400,000)	(400,000)
Net assets excluding pension asset		<u>1,959</u>	<u>1,493</u>
Total net assets		<u><u>1,959</u></u>	<u><u>1,493</u></u>
Charity funds			
Restricted funds	13	525	700
Unrestricted funds	13	1,434	793
Total funds		<u><u>1,959</u></u>	<u><u>1,493</u></u>

The financial statements were approved and authorised for issue by the Trustees on 24 April 2023 and signed on their behalf by:


Mr W A Coulson
Trustee


Dr W S Tufton
Trustee

The notes on pages 11 to 19 form part of these financial statements.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF JESMOND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

The PCC is a charity registered in England & Wales. Its registered office is Jesmond Parish Church, Eskdale Terrace, Newcastle upon Tyne NE2 4DJ

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

2.2 Going concern

The charity is a going concern and these financial statements are prepared on the going concern basis.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.4 Expenditure (continued)

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and support costs involved in undertaking each activity.

Direct costs are those costs that are capable of being allocated directly to a charitable activity.

Support costs are those costs which cannot be attributed to a single activity, such as the administration staff roles. The Charities Statement of Recommended Practice requires that Support costs are separately identified and then allocated between the Charity's activities on a basis consistent with the use of resources. In practice, all support costs are allocated against ministry activities.

All expenditure is inclusive of irrecoverable VAT.

2.5 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.6 Tangible fixed assets

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

The main church building is excluded from the financial statements 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.

The PCC occupies one further property. This property is carried at a revalued amount under the revaluation model, being the fair value of the property less any subsequent accumulated impairment losses. The value of the property at the end of its useful life is deemed to be equivalent to its current value and the property is not depreciated.

2.7 Debtors

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

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF JESMOND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.8 Cash at bank and in hand

Cash at bank and 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.

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.10 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.11 Fund accounting

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

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

3. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations			
Donations from The Jesmond Trust	215,000	215,000	157,000
General donations	18,277	18,277	13,297
	<u>233,277</u>	<u>233,277</u>	<u>170,297</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF JESMOND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

4. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from charitable activities - Ministry and other activities	3,990	3,990	3,655

5. Analysis of expenditure by activities

	Direct costs 2022 £	Support costs 2022 £	Total funds 2022 £
Ministry and other activities	13,335	10,752	24,087
Property	132,009	-	132,009
Diocesan Contribution	82,825	-	82,825
	228,169	10,752	238,921

	Direct costs 2021 £	Support costs 2021 £	Total funds 2021 £
Ministry and other activities	7,436	8,715	16,151
Property	77,681	-	77,681
Diocesan Contribution	79,741	-	79,741
	164,858	8,715	173,573

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF JESMOND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

5. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Ministry 2022 £	Property 2022 £	Diocesan 2022 £	Total funds 2022 £
Expense and ministry cost reimbursements	9,304	-	-	9,304
Services	2,616	-	-	2,616
Leadership	1,415	-	-	1,415
Repairs and maintenance - main church building	-	61,867	-	61,867
Repairs and maintenance - Lily Avenue	-	1,565	-	1,565
Rates and utilities	-	35,884	-	35,884
Cleaning costs	-	15,874	-	15,874
Insurance	-	10,011	-	10,011
Loan interest Lily Avenue	-	6,808	-	6,808
Diocesan contribution	-	-	82,825	82,825
	<u>13,335</u>	<u>132,009</u>	<u>82,825</u>	<u>228,169</u>

	Ministry 2021 £	Property 2021 £	Diocesan 2021 £	Total funds 2021 £
Expense and ministry cost reimbursements	4,763	-	-	4,763
Fellowship and small groups	15	-	-	15
Services	1,416	-	-	1,416
Leadership	1,242	-	-	1,242
Repairs and maintenance - main church building	-	21,284	-	21,284
Repairs and maintenance - Lily Avenue	-	1,524	-	1,524
Rates and utilities	-	25,908	-	25,908
Cleaning costs	-	12,974	-	12,974
Insurance	-	9,658	-	9,658
Loan interest Lily Avenue	-	6,333	-	6,333
Diocesan contribution	-	-	79,741	79,741
	<u>7,436</u>	<u>77,681</u>	<u>79,741</u>	<u>164,858</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF JESMOND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

5. Analysis of expenditure by activities (continued)

Analysis of support costs

	Ministry 2022 £	Total funds 2022 £	Total funds 2021 £
Support	23	23	-
Printing postage and stationery	-	-	31
Refreshment	1,344	1,344	403
Telephone and internet	5,459	5,459	4,890
Ministry office costs	99	99	126
Bank charges and interest	467	467	385
Governance costs	3,360	3,360	2,880
	<u>10,752</u>	<u>10,752</u>	<u>8,715</u>

6. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £1,340 (2021 - £1,110), and accounts preparation fees of £1,900 (2021 - £1,770).

7. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

Some Trustees receive stipends from a related party to this charity, The Jesmond Trust, and further details of related party transactions are provided in note 15.

During the year ended 31 December 2022, no Trustee expenses have been incurred (2021 - £NIL).

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF JESMOND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

8. Tangible fixed assets

	Freehold property £
Valuation	
At 1 January 2022	400,000
At 31 December 2022	<u>400,000</u>
Net book value	
At 31 December 2022	<u>400,000</u>
At 31 December 2021	<u>400,000</u>

The freehold property represents a house in Jesmond which is owned by The Newcastle Diocesan Society but is used by the PCC. The house is shown at its fair value the original cost being £77,689. The valuation was made by the Trustees on 31 December 2022.

9. Debtors

	2022 £	2021 £
Due within one year		
Other debtors	117	121
Prepayments and accrued income	9,535	17,550
	<u>9,652</u>	<u>17,671</u>

10. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	5,776	4,468
Amounts owed to The Jesmond Trust	8,307	5,330
Accruals and deferred income	10,553	12,925
	<u>24,636</u>	<u>22,723</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF JESMOND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

11. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Church Commissioners loan	77,869	77,869
Accrued liability	322,131	322,131
	<u>400,000</u>	<u>400,000</u>

The Church Commissioners' loan is in respect of the property detailed in fixed assets note 10.

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

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

12. Related party transactions

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

	2022 £	2021 £
Donations from The Trust	215,000	157,000
Amounts due to the Trust	(8,307)	(5,330)

In addition, stipends, social security costs, pension costs and reimbursed expenses totalling £216,207 (2021 - £418,983) were received by PCC members and their connected parties from the Trust.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF JESMOND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

13. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Balance at 31 December 2022 £
Unrestricted funds				
General Funds	793	239,387	(238,746)	1,434
	<hr/>	<hr/>	<hr/>	<hr/>
Restricted funds				
May Gift Week	700	-	(175)	525
	<hr/>	<hr/>	<hr/>	<hr/>
Total of funds	1,493	239,387	(238,921)	1,959
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Statement of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Balance at 31 December 2021 £
Unrestricted funds				
General Funds	414	173,952	(173,573)	793
	<hr/>	<hr/>	<hr/>	<hr/>
Restricted funds				
May Gift Week	700	-	-	700
	<hr/>	<hr/>	<hr/>	<hr/>
Total of funds	1,114	173,952	(173,573)	1,493
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

