

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF GATESHEAD ST GEORGE**

**REPORT AND FINANCIAL STATEMENTS
For the year ended 31 December 2021**

Charity Number 1178248

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF GATESHEAD ST
GEORGE**

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 December 2021

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THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF GATESHEAD ST GEORGE

TRUSTEES ANNUAL REPORT

For the year ended 31 December 2021

The trustees are pleased to present their annual trustees' report together with the financial statements of the charity for the year ended 31 December 2021.

The financial statements comply with the Charities Act 2011, the Memorandum and Articles of Association, and 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).

1. Objectives and Activities

Aims of the Charity

The Parochial Church Council of the Ecclesiastical Parish of Gateshead St George (St George's PCC) has the responsibility of cooperating with the Priest-in-Charge, the Reverend Richard Grant, in promoting in the surrounding area and across the wider Tyneside region the whole mission of the Church, pastoral, evangelical, social and ecumenical.

Objectives, strategies and activities for the year

As the pandemic continued, the aim of the church leadership for 2021 was to continue to pursue our vision to see Gateshead and the surrounding area Come Alive in Jesus name.

We had particular aims to:

- Re-establish Sunday Gatherings as the church re-opened
- Invest in work with young people
- Invest in work with the vulnerable

2021 saw the appointment of new staff to key positions and the church reopened as restrictions eased.

The ministry reports detail more about the activities of the church during 2021.

2. Achievements and Performance

Evaluation and outputs

Worship & Prayer

The worship team, over the last six months especially, have been going through a time of growth with a particular focus on becoming more skilled as a team in terms of how we collaborate and communicate as a band while leading worship in the church. There has been the introduction of a few new systems to aid this including the introduction of the Nashville Number System which changes the way we read music, the introduction of a music director guiding the worship while on stage and new, a smaller song bank on rotation seasonally for worship leaders to choose from when creating their set list. This will all help the congregation's familiarity with the worship songs.

The aim of introducing these new systems will mean the church is not only familiar with the songs we sing but musically we will have a consistent quality of worship throughout the church. Looking forward there will be more focus on making the visuals, sound and

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production as a whole more consistent to aid the worship of the church. Making an atmosphere in this way means it is easy for people to engage with worship with as little distraction as possible.

PASTORAL CARE

Mission and Evangelism

Children & Families

Over the Focus Weekender in July we hosted a Kids Disco which saw over 60 children attend both from the church family and the community, particularly through our partnership with Brighton Avenue Primary School. During the summer we were able to partner with the local council and Scripture Union to run a Summer Hangout at Hope House and Saltwell Park. It was hugely successful with 45 children signed up. Additionally, throughout the summer we hosted a weekly family brunch in Hope House.

Alistair Bassett joined as Kids Lead in September 2021. As a result of our activities throughout the summer we saw a growth in the number of families attending our Sunday gatherings and children attending Kids Church. During the autumn term in Kids Church we looked at the 'Armour of God' and 'The I AM Sayings of Jesus'. Over Christmas we looked at how the story of Christmas plays a bigger role in God's Rescue Plan for us.

In addition to Sunday kids church we launched an after school drop in for children in years 4&5, hosted a Light Party, a pop up Cinema at Christmas, as well as a Church family theatre trip to see The Lion, The Witch and The Wardrobe at the Sunderland Empire.

We continued to strengthen our relationship with Brighton Avenue Primary School, and amongst other things ran a weekly multi skills sports after school club, hosted the whole school for their harvest assemblies, and hosted assemblies on Advent and Christmas. In the lead up to Advent in partnership with Love Your Neighbor and Love Christmas we went into 4 local primary schools and delivered 1000 'real' advent calendars sharing the real story of Christmas.

Youth

Youth Ministry 2021 (July to Dec)

Sunday Morning Younger Youth - We began in September following a series that looked at new beginnings before a four week series called PRAY; exploring the who, why, and how of a healthy prayer life. We are now in our third termly series called GIVE, exploring how we are called to serve God and each other on our discipleship walk. Sunday Youth serves as an 'Explore' and 'Grow' opportunity in the Revealing Jesus Framework (Scripture Union).

The number for younger Youth on a Sunday morning averages at 16 with three team serving each gathering.

Sarah Bowey was employed as a Missional Sports Lead, with a view to starting sport sessions in schools (Grace College Girls Football), offering sport based holidays camps and sport in the park outreach work on a Sunday.

Alive Youth - In October we brought back our midweek group for Youth. We have worked

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hard to set the right culture and program so that we offer a warm welcome and safe environment that is conducive to youth ministry. This activity serves as a 'Connect' opportunity on the Revealing Jesus Framework (Scripture Union). We are using sport and games as a way to build relationships and discover faith. The average number of attendees each week is 25. We have three staff on team for this night and three others serving on team.

We ended the December term with a Christmas Dinner for 30+ young people in Hope House.

Rooted- We are working in Emmanuel College with 30 students from Years 7-9, delivering a program called Rooted. The course is a Scripture Union resource that helps young people to unpack what they think and feel about themselves and the world around them, whilst opening up opportunities for them to discover and discuss these things from the perspective of the Christian Faith. This activity serves as a 'connect' opportunity on the Revealing Jesus Framework.

Alive Church supported the Grace College Carol Service in St Nicholas' cathedral.

Alpha

In 2021 Alpha remained our key evangelistic tool for helping people explore the Christian faith. Approximately 10 guests joined Alpha online and 8 guests joined Alpha in-person in 2021. Our online courses started in January and May. By September we were able to launch two in person Alpha courses in Hope House, one in the daytime and the other in the evening.

In September 2021 we worked with Alpha International and Bill Quay Community Church as part of the 'Invite a Nation' campaign. Buses across Gateshead carried Alpha advertising with the hope of increasing awareness and helping the church to invite friends to try Alpha. In November 2021 we hosted a fruitful Alpha Day with Bill Quay Community Church. We hope to continue building on our partnerships with other churches in Gateshead as an Alpha Hub Church in the year to come.

Fundraising

The vast majority of Alive Church, St George's income from donations comes from the congregation. Church of England Strategic Development Fund (SDF) Funding has enabled us to continue to invest in staffing, and in 2020 we were successful in applying for round 2 of funding, which will enable further significant investment in Youth Ministry and run for 5 years from July 2020.

We partnered again with the Church Revitalisation trust and received grants for Love Your Neighbor and Love Christmas which helped us to continue to bless our community through Food Corner, Christians Against Poverty Job Club and at Christmas through bags of kindness.

CONNECT GROUPS

Connect Groups are our midweek Groups where we are intentionally pursuing Jesus together as we love God, love each other and love our neighbours. Since the pandemic began we have been meeting online and some groups have continued to do so, as a means of enabling more members to join weekly. Beginning as House Church Connects, and now known

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Connect Groups, these will remain for Alive Church, St George's a significant part of our life together.

In 2021, Connect Groups were our primary way of connecting as a church. They were a place to encourage each other, a place to explore what God has for us (including Tools for Discipleship course) and a place to explore how we can serving our world.

SOCIAL TRANSFORMATION

Food Corner, a social supermarket held weekly in Hope House began in 2020 and continued to run throughout 2021. Throughout the beginning of 2021, attendance was still high each week. We saw the need to increase our offering to twice a week and enjoyed furthering our relationships with those using Food Corner, through refreshments after when possible.

Bloom, our ministry to new mums, has also continued to flourish during 2021, as Nina and Jen have continued to work hard to connect with midwives and health visitors to support mums in the first weeks post-birth.

In January 2021 we launched Christians Against Poverty Job Club, which teaches employability skills to those who have been out of work both short and long term, as well as being a place of encouragement, coaching and community. Across 2021 Job Club has helped 26 individuals.

At Christmas, once again we took part in Love Christmas, a CRT initiative to bless our neighborhood. We provided around 2000 bags of kindness and advent calendars to local schools, organisations and the streets around the church.

3. Financial review

Review of the year

The results for the year and the company's financial position at the end of the year are shown in the attached financial statements.

During the year the Charity had income of £376,130 (2020: £551,825) of which £146,723 is restricted (2020: £353,796) and expenditure of £329,106 (2020: £254,337) of which £124,958 was restricted (2020: £111,481). There was an operating surplus of £47,024 (2020: £297,488) of which £21,764 was restricted (2020: £47,935).

At 31 December 2021 the Charity had net assets of £419,163 (2020: £372,139) of which £70,386 was restricted (2020: £48,622).

Reserves policy

The Trustees consider the level of reserves, £348,776 (2020: £323,516), and has already secured a significant amount of funding for the current year. The trustees are of the view that the immediate future of the charity is secure and that on this basis the charity is a going concern.

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Risk Management

Where appropriate, procedures and policies have been put in place to mitigate the risks that the church faces. Risk Assessments have been carried out for all regular events and activities and are reviewed at least annually. Additional risk assessments are also completed by the relevant staff member(s) in advance of one-off activities and events.

When planning for in-person events during the pandemic, we always carried out risk assessments to ensure covid-security, basingp these on latest government and Church of England advice.

4. Plans for future periods

All plans below reflect planning status considering the impact of the current Covid-19 pandemic.

Staffing

In 2021, we strengthened the staff team with the appointment of 2 curates and made appointments of a Youth Lead, Kids Lead and Worship Lead, who started in the autumn. We also appointed a CAP Debt Centre Manager part-time, who started in October 2021. In 2022 we will look at areas our team works well in and identify any areas that we could improve on our efficiency.

Ministry

2022 will be a time to develop Alive Church, St George's further as restrictions ease and the church approaches 6-years since being replanted. Like all families, we'll prioritise the young and the vulnerable, as we pursue our vision to see individuals, our community and the church Come Alive in Jesus' name.

- Sundays and Connect Groups
As we continue to grow in number in our Sunday gatherings and groups we will look this year at how we can continue to provide welcoming spaces for all.
- Children and Young People
Both Alive Kids and Alive Youth had new leadership at the end of 2021. 2022 will see Alive Church, St George's continue to build a strong foundation on what has been established so far, it will be an opportunity to develop what it is to Come Alive in Jesus as a young person. 2022 will hopefully be a year with no restrictions and we are excited for the different ways we will be able to engage with our kids and youth because of that.
- Serving those in need
Jesus calls us to serve our community as we share the good news of how Jesus saves us. Love Your Neighbor has given us a foundation to build on and in 2022 we will continue to develop this work. Strategic partnerships with CAP will see the continuation of the Jobs Club and Debt Centre. In-house ministries such as Bloom will continue to be central to what are doing. In 2022 we will be looking to work alongside Handcrafted and support the amazing work that they are already doing in our community. We are looking to further our partnership with Love Your

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Neighbor with a grant which will continue fund our social transformation work, and will enable us to become a Love Your Neighbor hub in the North East after training with LYN throughout 2022.

- We have seen an increase in refugees and asylum seekers in Gateshead in the last few months and in 2022 we will increase our provision for speakers of foreign languages, with translation systems and language cafes as needed.

Campus

Building work in Hope House was put on hold at the end of 2021 and plans will be revisited later in 2022.

In 2022 we will review the use of Hope House hall and plan to make all areas fit for purpose.

4. Public Benefit

The charity carries out a wide range of activities in pursuance of its charitable aims. The Trustees consider that these activities, summarised above, provide benefit both to those who directly receive services, and the wider community in the United Kingdom. The trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

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5. Reference and administrative details of the charity, its trustees and advisors

Registered charity name	The Parochial Church Council of the Ecclesiastical Parish of Gateshead St George
Charity number	1178248
Registered office	St George's Church Office 1-9 Inskip Terrace Gateshead Tyne and Wear NE8 4AJ
Trustees and Members of the Board	<p>Ex Officio members:</p> <ul style="list-style-type: none">• Priest-in-Charge: The Reverend Richard Grant (Chairman)• Reader: Stephen Sanders• Wardens: Matthew Waterfield, Stephanie Mallery <p>Elected members:</p> <ul style="list-style-type: none">• Bonnie Robinson (Treasurer)• Stephen Sanders (Deanery Synod Representatives)• Nate Aspray• Curtis Bhatoe• Mairi Emmett• Corretta Kears• Peter Jobes• Emily Keighley• Ron Kock• Joe Lythgoe• Daniel Mallery• Stephanie Mallery• Janice Ramsay• Pippa Ramsay• Nina Thurlow <p>Co-opted Members</p> <ul style="list-style-type: none">• Louise Grant <p>Non-Voting Members</p> <ul style="list-style-type: none">• Eilidh Dennis (Secretary)

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Independent Examiner

Jim Dodds
Connected Voice Business Services Ltd
Higham House
Higham Place
Newcastle upon Tyne.
NE1 8AF.

Bankers

CAF Bank Ltd

6. Structure, governance and management

Culture, governance and management

Alive Church, St George's has six groups for leadership and accountability. It is assumed that all those involved are committed to the life of the church (for example, are part of a midweek Group and committed to a Sunday Gathering) and supportive of the vision to establish a Resource Church in Tyneside, as per the Bishop of Durham's invitation in November 2015.

The Staff Team

The Staff Team lead the church on a day to day basis and are led by the Priest-in-Charge. This involves making decisions about the day to day running of the church. Staff have regular patterns of meeting throughout the week and month.

The Executive Team

The Executive Team is a combination of Senior Staff and Wardens. The team is involved in long term strategic decision making and offers peer accountability to the Priest-in-Charge and Senior Team. Executive team will be key for staffing decisions. They are accountable to the PCC and meet termly.

In 2021, we built a new Senior Leadership team.

The PCC

The PCC is representative of the wider church and offers accountability to the staff team and executive team. The Council allows the staff team to function by encouraging it its day to day tasks whilst asking questions of accountability. We have tried to encourage a council that is representative of the church. During 2018 the council met seven times, plus APCM. The method of appointment of PCC members is set out in the Church Representation Rules. At St. George's the membership of the PCC consists of the Priest-in-Charge, Church wardens, the reader and members elected by those members of the congregation who are on the electoral roll of the church.

Employment Group

The Employment Group is responsible for employing and reviewing staff and staffing structures at St George's. The Group is delegated from the Trustees and is made up the Priest-In-Charge and the Wardens.

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Building Group

The Building Group is a delegated group from the Trustees. The Group meets to explore the best ways for St George's to use the campus in order for the Church to meet its goals.

Ministry Teams

Ministry Teams are drawn from across the church and overseen by the staff team, who are accountable to the PCC and Executive Team. Ministry Teams meet for 'Huddle' regularly.

Governing Document

The governing document is The Parochial Church Councils (Powers) Measure 1956 as amended and the Church Representation Rules (contained in Schedule 3 to the Synodical Government Measure 1969 as amended).

Appointment of the trustees

Trustees are those appointed to sit on the PCC at St George's. The method of appointment of PCC members is set out in the Church Representation Rules.

Organisation

St George's PCC is a registered charity, no. 1178248. The charity was registered on 4th May 2018. The PCC has the responsibility of cooperating with the Priest-in-Charge, the Reverend Richard Grant, in promoting in the surrounding area and across the wider Tyneside region the whole mission of the Church, pastoral, evangelical, social and ecumenical.

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For the year ended 31 December 2021

7. Statement of Trustee Responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity SORP requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of incoming resources and application of resources, including the receipts and payments of the charity for that year. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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 financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees on 08/09/2022 and signed on their behalf by:



Richard Grant, Vicar
Chairman

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF GATESHEAD ST GEORGE

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

For the year ended 31 December 2021

I report on the financial statements of The Parochial Church Council of the Ecclesiastical Parish of Gateshead St George for the year ended 31 December 2021, which are set out on pages 12 to 26.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ('the Charities Act') and that an independent examination is needed.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a ACIE Member.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

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

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees 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 a 'true and fair view' and the report is limited to those matters set out in the statement below.

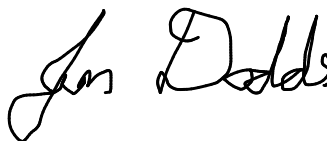
Independent examiner's statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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 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.

Jim Dodds ACIE
Connected Voice Business Services Ltd
Higham House
Higham Place
Newcastle upon Tyne
NE1 8AF
Date: 08/09/2022



THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF GATESHEAD ST GEORGE

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Restated Total 2020 £
Income from:					
Donations and legacies	5	214,951	7,462	222,413	258,021
Charitable activities					
Grants and contracts	6	6,328	135,395	141,724	278,929
Other trading activities	7	8,120	3,866	11,986	14,789
Investments	8	8	-	8	86
Total income		229,408	146,723	376,130	551,825
Expenditure on:					
Charitable activities					
Operation of the charity	9	204,148	124,958	329,106	254,337
Total expenditure		204,148	124,958	329,106	254,337
Net income/(expenditure)		25,260	21,764	47,024	297,488
Transfers between funds		11,932	11,932	23,864	-
Net movement of funds		37,192	33,696	70,889	297,488
Reconciliation of funds					
Total funds brought forward		323,516	48,622	372,139	74,650
Total funds carried forward		360,709	82,319	443,027	372,139

The Statement of Financial Activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities

The notes on pages 15 to 26 form an integral part of these accounts.

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PARISH OF GATESHEAD ST GEORGE**

Charity Number 1178248

BALANCE SHEET

As at 31 December 2021

	Notes	£	Total 2021 £	£	Restated Total 2020 £
<u>Fixed assets</u>					
Tangible assets	16		308,911		287,843
Total fixed assets			308,911		287,843
<u>Current assets</u>					
Debtors	17	4,011		3,920	
Cash at bank and in hand	18	106,974		97,172	
Total current assets		110,985		101,093	
Creditors: amounts falling due within one year	19	(732)		(16,797)	
Net current assets			110,253		84,296
Total assets less current liabilities			419,163		372,139
Creditors: amounts falling due after more than one year	20	-		-	
Total net assets or liabilities			419,163		372,139
<u>Funds of the charity</u>					
Unrestricted income funds			360,709		323,516
Restricted income funds			82,319		48,622
Total funds			443,027		372,139

The notes on pages 15 to 26 form an integral part of these accounts.

These financial statements were approved by the Board on: 08/09/2022

and are signed on its behalf by: Richard Grant,
Vicar

Chairman

and are signed on its behalf by: Bonnie Robinson
Treasurer

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF GATESHEAD ST GEORGE**

Charity Number 1178248

STATEMENT OF CASH FLOWS

For the year ended 31 December 2021

	2021	2020
	£	£
<u>Cash flows from operating activities</u>		
Profit before taxation	70,889	297,488
<u>Add back:</u>		
Depreciation	31,630	15,150
Investment income	(8)	(86)
Interest expense	-	1,120
Increase in trade receivables	(90)	9,855
Decrease in trade payables	(16,065)	(71,569)
<i>Cash generated from operations</i>	86,355	251,957
<u>Less:</u>		
Interest paid	-	(166)
<i>Net cash from operating activities</i>	86,355	251,791
<u>Cash flow from investing activities</u>		
Purchase of property, plant and equipment	(52,698)	(259,453)
Interest received	8	86
<i>Net cash used in investing activities</i>	(52,690)	(259,367)
Increase in cash and cash equivalents	9,802	(7,577)
Cash and cash equivalents at start of year	97,172	104,749
Cash and cash equivalents at end of year	106,974	97,172

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF GATESHEAD ST GEORGE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

1 Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

2 Basis of accounting

2.1 Basis of preparation

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The accounts have been prepared 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) (effective 1 January 2019) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Parochial Church Council of the Ecclesiastical Parish of Gateshead St George meets the definition of a

2.2 Preparation of the accounts on a going concern basis

The charity reported total unrestricted funds at the year end of £360,709 and has already secured a significant amount of funding for the current year. The trustees are of the view that the immediate future of the charity is secure and that on this basis the charity is a going concern.

3 Income

3.1 Recognition of income

Income is recognised when the charity has entitlement to the resources, any performance conditions attached to the item(s) of income have been met, it is more likely than not that the resources will be received and the monetary value can be measured with sufficient reliability

3.2 Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by FRS102 SORP or FRS102.

3.3 Grants and donations

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria of income recognition are met.

3.4 Volunteer help

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

The value of volunteer help received is not included in the accounts but is described in the trustees' annual report.

3.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

3.6 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the

4 Expenditure and liabilities

4.1 Liability recognition

Liabilities are recognised when it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

4.2 Charitable activities

Expenditure on charitable activities includes the costs of work and other activities undertaken to further the purposes of the charity and their associated support costs.

4.3 Governance and support costs

Support costs have been allocated between governance cost and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.

4.4 Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts.

4.5 Provisions for liabilities

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

5 Assets

5.1 Tangible fixed assets for use by the charity

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF GATESHEAD ST GEORGE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

Individual fixed assets costing £250 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis, the charity does not currently have any tangible fixed assets:

Property improvements	5% Straight line
Office and computer equipment	Straight line over four years

5.2 Investments

Fixed asset investments in quoted shares, traded bonds and similar investments are valued at initially at cost and subsequently at fair value (their market value) at the year end. The same treatment is applied to unlisted investments unless fair value cannot be measured reliably in which case it is measured at cost less impairment.

Investments held for resale or pending their sale and cash and cash equivalents with a maturity date of less than 1 year are treated as current asset investments.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF GATESHEAD ST GEORGE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

6 Prior year adjustments

Reconciliation of change in equity

		At 1 Jan 2020 £	At 31 Dec 2020 £
Unrestricted funds (previously stated)		12,822	74,650
Other creditors	(i)	-	(1,680)
Gift aid	(ii)	-	3,596
Unrestricted funds (as stated)		<u>12,822</u>	<u>76,566</u>

Reconciliation of financial activities

		Year ended 31 Dec 2020 £
Net movement of funds (previously stated)		295,572
Donations	(i)	(1,680)
Gift aid	(ii)	3,596
Net movement of funds (as stated)		<u>297,488</u>

(i) Donations received in 2020 was received in error. As a result the donations decreased from £217,124 to £215,444 in the year ended 31 Dec 2020.

(ii) Post balance sheet date claim for gift aid of £3,596 increasing gift aid amount in the year from £31,981 to £35,577.

Analysis of income

5 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Restated Total 2020 £
Donations and gifts	173,062	5,990	179,052	215,444
Gift Aid	41,889	1,472	43,361	35,577
Joyce Estate	-	-	-	7,000
	<u>214,951</u>	<u>7,462</u>	<u>222,413</u>	<u>258,021</u>

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

Analysis of income

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Restated Total 2020 £
6 Charitable activities				
<u>Income from grants</u>				
Alpha International	4,000	-	4,000	-
Worship Grant	876	-	876	-
Bridepoint Advise	-	-	-	25,000
DCMS match funding	-	-	-	3,781
Diocese of Durham	906	-	906	63,200
Durham DBF	-	52,230	52,230	56,000
Hope House	-	-	-	50,000
MEV Funding	-	16,979	16,979	-
Church Revitalisation Trust	546	31,973	32,519	-
SDF Funding	-	32,284	32,284	80,348
Good Faith Foundation	-	1,930	1,930	-
Urban Action Trust	-	-	-	600
	<u>6,328</u>	<u>135,395</u>	<u>141,724</u>	<u>278,929</u>
7 Other trading activities				
HM Excise VAT	1,157	-	1,157	-
Event Income	2,289	480	2,769	5,657
Merchandise Income	-	-	-	102
Services	316	-	316	2,095
Special Offering	-	-	-	-
Premises Hire	(50)	3,386	3,336	2,936
Employment Allowance	4,000	-	4,000	4,000
Other	407	-	407	-
	<u>8,120</u>	<u>3,866</u>	<u>11,986</u>	<u>14,789</u>
8 Income from investments				
Bank interest	8	-	8	86
	<u>8</u>	<u>-</u>	<u>8</u>	<u>86</u>

Income was £376,130 (2020: £551,825) of which £229,408 was unrestricted or designated (2020: £198,029) and £146,723 was restricted (2020: £353,796)

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

Analysis of expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Restated Total 2020 £
9 Charitable activities				
<u>Direct costs</u>				
Mission	-	-	-	1,294
Ministries	24,206	3	24,209	17,602
Worship equipment	16,729	15,485	32,214	10,401
Social Transformation Projects	318	28,468	28,785	26,103
<u>Support costs</u>				
Staffing costs	59,752	80,939	140,691	125,957
Staff training and expenses	1,467	64	1,530	2,764
Office and Administration	12,276	-	12,276	6,081
Utility	8,776	-	8,776	6,401
IT and Telephone	2,922	-	2,922	2,732
Other Cost	112	-	112	114
Bank Charges	220	-	220	166
Repairs and Maintenance	9,428	-	9,428	5,678
Build Insurance	6,443	-	6,443	6,441
Building and Gardening	3,691	-	3,691	-
Promotion and Marketing	3,612	-	3,612	3,212
COVID Work from home	678	-	678	1,423
Parish Share / common fund	20,000	-	20,000	13,988
Response	-	-	-	6,000
Loan interest	-	-	-	954
Depreciation	31,630	-	31,630	15,150
<u>Governance costs</u>				
Independent examiner's fees for reporting on the accounts	732	-	732	732
Professional and Accounting Fees	1,155	-	1,155	1,116
Pastoral expense	-	-	-	30
	204,148	124,958	329,106	254,337

Expenditure on charitable activities was £329,106 (2020: £254,337) of which £204,148 was unrestricted or designated (2020: £142,857) and £124,958 was restricted (2020: £111,481)

10 Fees for examination of the accounts

	2021 £	Restated 2020 £
Independent examiner's fees for reporting on the accounts	732	732
	732	732

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

11 Analysis of staff costs and the cost of key management personnel

	2021 £	Restated 2020 £
Salaries and wages	121,061	117,428
Social security costs	7,462	7,755
Pension costs (defined contribution pension plan)	3,516	3,812
	132,039	128,995

No employee received remuneration above £60,000 (2020: £nil)

The key management personnel of the charity, comprise the Trustees. The total employee benefits of the key management personnel of the charity were £nil.

12 Staff numbers

The average monthly head count was 8 staff (2020: 8 staff) and the average monthly number of full-time equivalent employees during the year were as follows:

	2021 Number	Restated 2020 Number
The parts of the charity in which the employee's work		
Charitable activities	7.0	7.0
	7.0	7.0

13 Transactions with trustees

During the year, the trustees made donations to the charity.

	2021 £	2020 £
Donations of unrestricted nature	28,248	17,837
Room hire	10	-
	28,248	17,837

None of the trustees have been paid any remuneration or received any other benefits from an employment with their charity or a related entity.

Trustees' expenses

The following detail the expenses incurred by the trustees.

	2021 £	Restated 2020 £
Leaving gifts for trustees	-	30
	-	30

Transaction(s) with related parties

The following detail the related party transactions in the reporting period.

During the year related parties donated a total of £27,208 to the organisation, of which, £1,000 was restricted for food (2021: £13,222 donations, of which, £595 was restricted project work). There was also

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

14 Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The employer's pension costs represent contributions payable by the charity to the fund and amount to £3,516 (2020: £3,812). There was £nil outstanding as at 31 December 2021 (2020: £nil).

15 Corporation Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

16 Tangible fixed assets

	Equipment £	Property development £	Total £
Cost			
Balance brought forward	-	302,992	302,992
Additions	33,078	19,620	52,698
Disposals	-	-	-
Balance carried forward	33,078	322,613	355,690
Depreciation			
Basis	SL	SL	
Rate	20%	5%	
Balance brought forward	-	15,150	15,150
Depreciation charge for year	8,269	23,360	31,630
Disposals	-	-	-
Balance carried forward	8,269	38,510	46,779
Net book value			
Brought forward	-	287,843	287,843
Carried forward	24,808	284,103	308,911

17 Debtors and prepayments (receivable within 1 year)

	2021 £	Restated 2020 £
Debtors	420	324
Gift Aid	3,591	3,596
	4,011	3,920

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

18 Cash at bank and in hand

	2021	Restated
	£	2020
	£	£
Current account	21,963	25,014
Saving account	85,002	72,002
Petty cash	10	157
	106,974	97,172

19 Creditors and accruals (payable within 1 year)

	2021	Restated
	£	2020
	£	£
Other creditors	-	1,680
Long Term Loan	-	14,385
Accruals	732	732
	732	16,797

21 Events after the end of the reporting period

Due to the COVID-19 pandemic, it has put pressure on all businesses in 2020. It should be noted that the trade debtors have been received and the creditors are being paid when the payments are falling due. With the deferred income being held for the purposes for which it is designated. The Trustees are in agreement that the loan is only repaid when details of the loan agreement are received from the loaner.

No other significant events affecting the Company since the year end.

22 Analysis of charitable funds

Analysis of movements in unrestricted funds

For the year ended 31 December 2021

	Revised Fund balances brought forward	Incoming resources	Resources expended	Transfers	Fund balances carried forward
	£	£	£	£	£
Unrestricted funds					
General unrestricted fund	35,673	229,408	(172,518)	(40,766)	51,797
Building project	287,843	-	(31,630)	52,698	308,911
Totals	323,516	229,408	(204,148)	11,932	360,709

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

22 Analysis of charitable funds (continued)

For the year ended 31 December 2020

	Revised Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Unrestricted funds					
General unrestricted fund	30,425	198,029	(127,707)	(65,074)	35,673
Building project	43,539	-	(15,150)	259,454	287,843
Totals	73,964	198,029	(142,857)	194,380	323,516

Purpose of unrestricted funds

General unrestricted fund	The 'free reserves' of the charity
Building project	Complete renovation of Hope House (Church centre)

Analysis of movement in restricted funds

For the year ended 31 December 2021

	Fund balances brought forward £	Incoming resources £	Resources expended £	Transfers £	Fund balances carried forward £
Restricted funds					
Social Transformation	-	2,129	(14,061)	11,932	-
Hope House	2,214	3,866	-	-	6,080
MEV Funding	-	16,979	(6,026)	-	10,953
Love Your Neighbour	45,504	23,685	(22,148)	-	47,042
Bloom	904	-	(420)	-	485
Love Christmas	-	15,550	(15,488)	-	62
SDF Funding	-	84,513	(66,816)	-	17,698
Totals	48,623	146,723	(124,958)	11,932	82,319

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

22 Analysis of charitable funds (continued)

For the year ended 31 December 2020

	Fund balances brought forward	Incoming resources	Resources expended	Transfers	Fund balances carried forward
	£	£	£	£	£
Restricted funds					
Blackheart Orchestra	124	-	-	(124)	-
Building Project Phase 3	-	164,535	-	(164,535)	-
Hope House	-	2,214	-	-	2,214
International Response	-	5,383	(5,383)	-	-
Love Your Neighbour	-	71,109	(25,605)	-	45,504
Bloom	330	720	(146)	-	904
Christmas Offering	233	-	-	(233)	-
SDF Funding	-	109,836	(80,348)	(29,488)	-
Totals	687	353,796	(111,481)	(194,380)	48,623

Purpose of restricted funds

Restricted funds represent income resources used for a specific purpose within the charity as identified by the donor.

Blackheart Orchestra	Funds taken from external concert booking
Bloom	Ministry to help mother with new born babies
Building Project Phase 3	Complete renovation of Hope House (Church centre)
Christmas Offering	Special collection taken at Christmas
Love Christmas	Spread powerful message of love, hope and kindness to people who are struggling this winter
Social Transformation	Long term impact on the lives of the community through social projects
Hope House	Appeal for the refurbishment and renaming of church centre
International Response	Congregational giving for coronavirus response in Kenya and Myanmar
Love Your Neighbour	Community support ministries, for example food provision and employability training
MEV Funding	Intern and development year
SDF Funding	Strategic Development Fund funding

Transfers between funds

2021	Reason for transfer	Amount £
Between unrestricted and restricted funds	Cover Social Transformation projects in the local community	11,932
Between unrestricted and designated	Transfer asset purchases	52,698
2020	Reason for transfer	
Between restricted and designated	Transfer asset purchases	194,380
Between unrestricted and designated	Transfer asset purchases	65,074

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

23 Capital commitments

As at 31 December 2021, the charity had no capital commitments (2020 -£nil)

24 Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total 2021 £
Tangible fixed assets	308,911	-	308,911
Cash at bank and in hand	24,656	82,319	106,974
Other net current assets/(liabilities)	3,279	-	3,279
Long term assets/(liabilities)	-	-	-
	<u>336,845</u>	<u>82,319</u>	<u>419,164</u>
	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Tangible fixed assets	287,843	-	287,843
Cash at bank and in hand	48,550	48,623	97,172
Other net current assets/(liabilities)	(12,877)	-	(12,877)
Long term assets/(liabilities)	-	-	-
	<u>323,516</u>	<u>48,623</u>	<u>372,139</u>