

Charity Registration Number: 1133809

St Nicholas' Church, Durham
Financial Statements
For the year ending
31 December 2021

JANE ASCROFT ACCOUNTANCY LIMITED

Chartered Accountants
Enterprise House
Harmire Enterprise Park
Barnard Castle
County Durham
DL12 8XP

St Nicholas' Church, Durham

Financial Statements

Year ended 31 December 2021

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St Nicholas' Church, Durham

Members' Annual Report

Year ended 31 December 2021

The members present their report and the unaudited financial statements of the Parochial Church Council for the year ended 31 December 2021.

Objectives and activities

The objectives of St Nicholas Church are to be a Christ-centred community which grows in discipleship, service and number. The church seeks to achieve this through the delivery a four-fold vision centred around Discipleship, Evangelism, Justice and Service.

The PCC has the responsibility of co-operating with the incumbent in promoting in the parish all aspects of the mission of the church, pastoral, evangelistic, social and ecumenical.

In attempting to achieve this objective, St Nicholas undertakes a number of different ministries, including:

Ministry as a Parish Church: We resource our members through faithful Biblical preaching and teaching, pastoral oversight and the development of all of the gifts that God gives by His Spirit to His people.

The pattern of Sunday services changed established in 2018 is to three Sunday service 9am, 11am and 6.30 pm. As well as worship, teaching and corporate prayer at these services, we provide the opportunity for individual prayer support and also activities for children and young adults. There is also a service of Holy Communion on Wednesday morning.

During Covid we have been streaming 2 online services on Sundays, one at 11am and one at 6.30pm. In 2021 we were able to restart physical gatherings for the 9am in light of easing of COVID restrictions

During the first lockdown we also provided online daily prayer at 9am, 12noon and 9pm. This changed to twice daily at 8am and 9pm. As restrictions eased in the latter part of 2021 we were able to restart physical gatherings for 8am morning prayer which is now streamed daily.

We have also provided online Alpha courses, small group meetings, all church prayer nights and many social events.

Small Groups: As one aspect of meaningful membership of the church, individuals are encouraged to join one of a network of Spiritual Growth Groups, hosted in members' homes. SGGs play an important role in pastoral care, facilitating personal growth and encouraging an outward focus to our spiritual lives. The SGG leaders meet periodically for training and support. In addition, there are a number of Women's Groups which meet on Thursday mornings. In 2019 the Community of St Cuthbert was launched as a way of encouraging lived discipleship with Spiritual Growth Groups made up of up to 6 people meeting regularly. During 2021 Richard Briggs took up his post as Prior of the Community of St Cuthbert and brought new energy and direction to this work through organizing the meeting of SGG leaders and also producing materials. Much of this work can be seen on our website.

Ministry Experience Volunteers (formerly Ministry Assistants): The Internship scheme at St Nics was started in the summer of 2010, and provides an opportunity for people to explore God's call in their lives while serving the church. The MEVs serve in various ministries in the church which in 2021 included participating in the Lumiere festival as a particular highlight.

St Nicholas' Church, Durham

Members' Annual Report *(continued)*

Year ended 31 December 2021

They also benefit from a training and development program devised by David Day. In addition they also attend a programme of lectures and courses overseen by Lindisfarne College of Theology and ministry, presented by the Staff Team and some congregation members.

In September 2016, our Internship program became part of the Durham Diocese Church of England Ministerial Experience Scheme, working in partnership with St Chad's, Sunderland. This has enabled our three Ministry Assistant places to be registered with CEMES.

In 2021 we said goodbye to Catriona Inglis and David Lewis as our full time MEVS in July and subsequently welcomed Lydia Francis Holmes and Elisa Korner as our new MEVs in September 2021. They were initially joined by Alex Scarr Hall who left the programme in November 2021

Ministry with students: Our Student Ministry aims to welcome, integrate and disciple students as well as providing pastoral care. Many students are involved in small groups, youth groups and music groups, as well as specific student events. In July 2021 Zoe Matthias resigned from the role of Student and International Worker to train as an ordinand in the Church of England. We are grateful to James Cochran who filled this role on a voluntary basis for the rest of 2021. Despite two attempts to recruit to this post it remains vacant at the end of 2021.

Ministry with international students: Durham University and New College receive over 3000 international students from 120 countries, along with their spouses and families. This ministry aims to encourage the churches in Durham to welcome and befriend international students whatever their faith, helping those who are Christians to find fellowship and grow in their faith, and taking the opportunity to share the Good News of Jesus with any who express an interest. We are grateful to Mark Peach who has stepped in after Zoe's departure to lead a team of people who continue this ministry of welcome and hospitality under the name "Amigos" who host a weekly regular meeting in addition to other activities.

Ministry with children and families: At the end of 2018 Kate Swann was appointed Children and Families Worker on a part-time basis. Since then Kate flourished in this role as she oversaw a review of our ministry provision to families and children up to secondary school age. In addition to overseeing Sunday Worship - including a regular all age service - St Nics has run successful holiday clubs, maintained and grown the weekly toddlers drop in "Tiddlywinks" and also run parenting courses for families. As a church St Nics counts more children worshipping regularly with us than almost any other church in the Diocese of Durham. The opportunities and challenges of this work have been well met by Kate Swann and the team of volunteers who assist her in this ministry. During lockdown Kate has done an amazing job of keeping families connected with church and had even grown our number of St Nics families. She has done this through various on line activities and services, including the incredibly popular Sunday morning Pyjama Church. Kate has developed a successful reintegration of families back into a physical environment in 2021, negotiating a number of challenges presented by ongoing restrictions in church.

Ministry with young adults: In July 2021 Hannah Wilkinson was appointed as Youth Missioner. Since that time Hannah has undertaken exceptional work both with the young adults in church and also in developing our work with Durham Sixth Form Centre. Hannah devised a special welcome for the new academic year in 2021 for the sixth form centre, developed excellent relationships with staff, started a "Big Questions" group and mentored a number of students. Hannah has also developed new meeting rhythms for those young adults (11-18) already attending church including Sunday morning worship materials for those 11-13 and Thursday and Sunday meetings for 13-18. During her first 6 months in role Hannah has made an enormous impact upon this area of ministry and we are grateful to the Diocese of Durham and the Strategic Development Fund for its funding of this post. The Teenaid Fund shown in the financial statements receives income from the interest on the Patterson Fund, a bequest made to the church a number of years ago. The fund gives grants for activities that "encourage the spiritual growth of young people in the church". No grants were made in 2020.

St Nicholas' Church, Durham

Members' Annual Report *(continued)*

Year ended 31 December 2021

Ministry of Social Justice: In July 2021 Michael McGuigan began work as our Social Justice Enabler following our application to the Diocese for a change of purpose in funding received so that we could focus on this area of work, moving from two youth missionaries, to one youth missionary and one social justice enabler as part of our wider vision and call as a church.

During 2021 Michael made great strides in both delivering on the vision and making relationships both within and without church to enable this delivery. Despite the covid restrictions still in place Michael has managed to establish the beginning of the social justice hub in Church through the establishment of ACTS 435 service and has also worked on plans for the opening of St Nics Café for April 2022. Michael has also been actively involved in Lumiere activities during 2021 and also in developing our increasing interest in climate change and eco justice including overseeing the Durham leg of the Young Christian Climate Network pilgrimage to COP21 in Glasgow.

Mission Giving: The church supported mission activities in 2020. This year total support came to £7.6k and included the Bible Society, the Church Missionary Society, Church Army, VDM (Manasseh & Catrin Tuyizere), Mission Aviation Fellowship and the Latvia Biblical Centre.

The International Mission Committee keeps our contacts with the international societies under review and reports back to PCC periodically. The congregation was involved through meeting and praying for a number of mission partners throughout the year, a regular monthly prayer meeting, intercessions for mission partners as part of the morning service and through the Church's monthly prayer diary.

Buildings: As a resource for the community we serve, the church buildings are available for hire for a number of specified purposes and this income is included in the accounts.

Gateway World Shop continues to occupy a corner of the building. Gateway pay a monthly rent for this space. It trades independently of the church and its figures are not included in our accounts.

Regional Mission: Our role as a parish church in the Diocese of Durham and part of the Anglican Communion continues to be an essential part of our church life. The clergy regularly attend Deanery Synod and Deanery Chapter meetings. Tim Packer, Lorraine Longthorne and Alex Marklew serve on the Deanery Synod. Jamie Harrison and Angus Goudie continue to serve on General Synod.

The Parish Offering is our contribution to the costs of mission for the Church of England in the Diocese of Durham. It pays for the stipend and employing cost of our clergy but we make a substantial net contribution to the share over and above the cost of our own Vicar. This is used to support mission and ministry throughout the Diocese. In 2021 we gave £116.25k in Parish Offering and PCC continues to see the importance of helping to sustain mission in parts of our region that cannot at present support it on their own. The full £116.25 k is included as an expense in the 2021 SOFA (see Note 9).

The Trustees have complied with the duty to have due regard to the public benefit guidance published by the Charity Commission.

St Nicholas' Church, Durham

Members' Annual Report *(continued)*

Year ended 31 December 2021

Financial review

The biggest challenge for 2021 was to budget for the year with a high level of uncertainty as to whether restrictions relating to Covid would ease and whether life in the church and its associated ministries would be able to return to some kind of normality. Largely due to the success of an appeal over lent for one off gifts we managed to achieve a surplus of £1,764.

The costs involved in running a large church are significant and, as we seek to develop and grow in our mission, PCC is once again grateful to the congregation for its continued financial support for the ministry of St Nicholas in Durham. It is a sign of the depth of discipleship in church members.

The main points to be noted regarding the 2021 finances are as follows:

Income

Planned gift aided giving decreased by 8.0% to £122.2k, however, all other forms of giving increased; other planned giving by 17.2% to £49.4k, tax recoverable (gift aid) by 15.3% (mainly due to tax recovered on gift day donations) and a 48.1% increase in collections to £20.3k.

Gift Day

The last Gift Day St Nics held before 2021 was 3 years ago in 2018, and in 2020 we managed to almost hit a net result of break even. Unfortunately, due to the impact of COVID, particularly on giving, another Gift Day was needed in 2021, which was budgeted by the PCC at £26,346 (and £6,587 of associated gift aid). The appeal was run over the period of lent, and due to the immensely overwhelming outpouring of the St Nics community, the final amount given was £33,227 (with £5,406 of associated gift aid); which was £6,881 over the original budget. This also enabled the church to help to meet unexpected maintenance requirements to the building which surfaced later in the year.

Thank you again to all who gave over the Gift Day period; your generosity has helped St Nics to run effectively and continue from strength to strength in 2021.

Gift Aid

The church received a gift aid tax refund in 2021 of £42,767, an increase of 15.3%. £5,406 of this was related to Gift Day. This continues to represent an enormous benefit to St Nics at no cost to the giver.

Discipling Church Income

Costs incurred as part of Discipling Church are reimbursed by the Strategic Development Fund, via the Diocese, once a claim has been submitted. The previously titled Ministry Assistants are now Ministry Experience Volunteers and form part of our Discipling Church staff, for which St Nics received £18,885 in 2021 to cover their expenses. The difference between income and expenses is mainly due to depreciation on equipment which is expensed over 4 years (the useful life of the asset) but the income received is shown in the accounts in full in the year it is received.

Hire of Buildings

Covid restrictions still hampered the ability to rent out the church and youth centre in 2021, however, some large contributors ensured St Nics surpassed our rental income in 2019 of £4,085, by £1,778 (43.5%), giving a total of £5,863 for the year. £1,500 of this was given by the Durham Winter Night Shelter in relation to utilities for the winter period, £821 from Durham County Council, and £560 from Climate Action. The use of the church as a more flexible space as given great benefit.

Other income

Other income in the year included income from an insurance claim for the wall at the youth centre which was knocked into, and £683 relating to the job retention scheme, which was used between January and March.

St Nicholas' Church, Durham

Members' Annual Report *(continued)*

Year ended 31 December 2021

Expenditure

Parish Offering

Parish Offering for 2021 increased by £1,750 from 2020 to £116,250 as agreed by PCC. This represented a 1.5% increase on 2020.

Clergy Expenses

Clergy expenses include expenses for our curate from July 2019.

Church Running Expenses

Running costs for 2021 were £58,243 which was up by £21,522 from 2020. This was mainly due to the extensive building maintenance required towards the end of the year; highlighted by the Quinquennial Inspection. Building and equipment maintenance costs were £33,517 in 2021, which was £20,389 higher than 2020 (£13,128). £11,227 went towards the cost of new energy efficient lighting in the church (a further £5,885 was payable in 2022), £1,500 was paid to the architect for the Quinquennial Report and £3,510 for advice on other building matters and £8,487 was paid to MGM Construction Ltd for emergency works to the Cruciform on the roof.

Services costs include the cost of running all our services, including the cost of hiring the Town Hall, food for services and church celebrations and the cost of our Worship Coordinator

Youth Centre

Youth Centre costs include utilities, insurance and depreciation. 2021 includes the cost to replace the wall which was knocked and needed repair (£1,824). The cost was recouped by insurance claim income less a small excess. There were no additions or disposals in the year.

Salary Costs

Total salary costs of £102,295 are 2.6% lower than 2020 (£105,055). Our student worker left in July, and the role was filled in a limited part time basis for the remainder of the year, and our youth missionary and Social Justice enabler only started employment from July onwards. However, in 2020 also suffered from a period without the two Youth Missioner roles between July and December. The salary costs of the Youth Missioner, Social Justice Enabler and our Social Media/Strategy Delivery Worker are met from the Strategic Development Fund.

Depreciation

There were no additions or disposals in 2021.

During 2020, a Digital Camera for youth the use and a streaming PC bought to enable the church to stream its services live were capitalised totaling £2,664. The Camera was funded by the Discipling Church budget. The cost of the shutters at the Youth Centre were capitalised in 2018 in accordance with the accounting policy and depreciated at a rate of 2% p.a

Depreciation costs of £2,991 in Youth Centre costs, £2,891 being for the building and £100 for the shutters.

In 2019, the costs of desking and IT equipment for the church offices has been capitalised in accordance with the accounting policy and depreciation costs of £1,882 are included in Home Ministry. This expenditure was funded by the Strategic Development Fund.

St Nicholas' Church, Durham

Members' Annual Report *(continued)*

Year ended 31 December 2021

Looking forward:

The 2022 budget approved in November 2021 by PCC was for expenditure of £311.3k, with an income level of £294.8k, plus Discipling Expenditure of £95.5k with an income level of £92.5k. Due to the impact of COVID, a Gift Day of £34.4k (plus £5,6k of associated gift aid) has been included in the 2022 budget to enable St Nics to continue its work.

Reserves Policy

The 2021 policy remained consist with the policy reviewed in 2019:review

"It is the intention of PCC to try and maintain a balance on unrestricted funds of approximately £50,000 to cope with unforeseen expenditure and ongoing cash flow management."

At the year end, the church was above this figure (see balance sheet).

Acknowledgements

The PCC is very grateful to all those members of the congregation who give freely of their time and abilities in many different ways - assisting in the various activities mentioned above, playing in the music group, bell ringing, flower arranging, running the various friendship groups, stewarding, keeping up with our mission partners, serving in the coffee lounge....the list goes on and each part adds to the character of the ministry at St Nics.

Thank you too for your financial gifts which enable St Nic's to bring people to Jesus in so many different ways. We are most grateful for your support.

Grateful thanks as regards the finances are due to Kate Dawson, our Church Operations Manager, and Andy Freer, our Gift Aid Secretary.

It has been very helpful to have the support of the Finance Committee over the past year, in particular with setting the 2022 budget and reviewing a number of policies.

Thank you all for your support, in particular to Arun, the Finance Committee, the Standing Committee and to PCC.

St Nicholas' Church, Durham

Members' Annual Report *(continued)*

Year ended 31 December 2021

Structure, governance and management

PCC: The Parochial Church Council (PCC) is a corporate body established by the Church of England. The PCC operates under the Parochial Church Council Powers Measure. The PCC registered in September 2009 with the Charity Commission.

The method of appointment of PCC members is set out in the Church Representation Rules. All regular Church attendees are encouraged to register on the Electoral Roll and stand for election to the PCC. Members of the PCC are either ex-officio, elected by the APCM or co-opted by the PCC.

The PCC operates through a number of committees. These meet formally and informally between full meetings of the PCC and are served by members of the PCC and other members of the church. The Standing Committee (comprising the incumbent, wardens, treasurer, PCC lay chairperson and PCC secretary) is the only committee required by law. It has the power to transact the business of the PCC between meetings, subject to any directions given by the Council.

In 2021 the PCC met on 10 occasions. In addition to regular reports covering ministry, finance, property, safeguarding and eco issues, the PCC continued to make prayer a regular and core part of its meetings.

In addition to the staff team and the PCC the church is blessed to have a team of retired and licensed clergy in addition to readers including: David Day, Peter Johnson, Jeff Hattan, Philip Plyming, Colin Patterson, Philip Brookes, Jo Logan, Andrew Trigger and Jamie Harrison. Baroness Sherlock of Durham continued her curacy as did Claire Elwood into her second year. Ruth Stokes continues her training as a reader and was joined by Ann Lipscombe. Mary Anne Freer completed her studies as a licensed Pastoral Assistant whilst Sarah Helsop continues her studies as an ordinand with Lindisfarne College of Theology.

Staff team: In 2021, the staff team reporting to the vicar, directly employed by the church included, Kate Dawson (Church Operations Manager), Zoe Mathias, (Student Worker and International Worker until August 2021), Claire Morley (part-time cleaner), Tom Musson (part-time cleaner), Kate Swann (Children and Families Worker) Brandon Hurlbert (part time Comms Co-Ordinator until September 2021). From 2021 Richard Briggs joined as Prior of the Community of St Cuthbert, Hannah Wilkinson as Youth Missioner, Michael McGuigan as Social Justice Enabler and Logan Williams as Comms Co-ordinator.

In July 2021, two Ministry Assistants completed their 10 month placement under CEMES (Church of England Ministerial Experience Scheme): Catriona Inglis and David Lewis. From September 2021, Lydia Francis Holmes and Elisa Korner became our Ministry Experience Volunteers as part of our Discipling Church.

Risk management: The PCC is of the opinion that the management structure, as detailed above, keeps under review and manages the various risks which the church faces. Risk in this context might be defined as "the threat that an event or action will adversely affect an organisation's ability to achieve its objectives and execute its strategies". These may be:

- Financial risk often seen as the most common category of risk. We manage this through budgets, internal financial controls and management accounts. Also, we are currently subject to an annual independent examination.
- Statutory and legal requirements for example, health and safety regulations, employment law and child and vulnerable adult safety regulations. We aim for the highest standards in these areas and they are kept under review by the Church Wardens, the Safeguarding Officer, the Operations Manager, the Treasurer and others with specific areas of knowledge.

St Nicholas' Church, Durham

Members' Annual Report *(continued)*

Year ended 31 December 2021

- Operational risk this would threaten the church's ability to deliver its objectives owing to, for example, damage to the church building or loss of key personnel. With regard to the former, the church wardens liaise with property experts, fire safety officers and others. As regards personnel, the type of team ministry this church operates reduces the risks associated with one member of staff leaving.
- Reputational risk for example, unwelcome publicity would hinder the mission of the church. This is managed at many different levels e.g. by the staff team, PCC members and small group leaders.

In line with current legislation, PCC subjects the annual accounts to an independent examination.

Impact of COVID 19

The impact of COVID 19 on the financial viability of St Nics going forward has been a cause for concern. This has been closely monitored using our monthly management reports. However, with the success of the 2021 Gift Day, in combination with another Gift Day planned for 2022 and a cautious approach to our Parish Offering pledge has enabled the PCC to have confidence that St Nics will continue to be financially viable at present.

Our Reserves policy to continues to be to maintain reserves at a level of £50,000 to mitigate unforeseen circumstances.

Administrative information

St Nicholas Church is situated in the Market Place, Durham. It is part of the Diocese of Durham within the Church of England. The correspondence address is Church Office, St Nicholas Church, Market Place, Durham DH1 3NJ. The website of the church can be accessed at www.stnics.org.uk

We are registered with the Charity Commission under the name of "The Parochial Church Council of the Ecclesiastical Parish of St Nicholas, Durham"; the registration number is 1133809.

St Nicholas' Church, Durham

Members' Annual Report *(continued)*

Year ended 31 December 2021

Administrative information

Registered charity name	St Nicholas' Church, Durham
Charity registration number	1133809
Principal office	Church Office St Nicholas' Church Market Place Durham DH1 3NJ

The members

The Parochial Church Council members who have served between 1 January 2021 until the date this report was approved are:

Ex officio members:

Incumbent:	Revd Arun Arora
Curate:	Revd Claire Elwood
Prior:	Richard Briggs

Part-time self-supporting curates: The Revd Baroness Maeve Sherlock

Wardens: Mary Anne Freer
Alan Smith

General Synod members: Jamie Harrison
Angus Goudie

Deanery Synod representatives: Lorraine Longthorne
Alex Marklew
Tim Packer

Elected members: Richard Swann
Wendy Hughes
Alan Smith
Philip Dawson
Jane Ghosh
Elaine Duddy
Paul Whipple
Naomi Stevens
Chris Stokes
Philip Alsop
Paul Heslop
Paul Whipple
James Cochran

Co-opted member: Luke Jackson (from June 2021 for one year)

St Nicholas' Church, Durham

Members' Annual Report *(continued)*

Year ended 31 December 2021

Independent examiner	Jane Ascroft FCA MA (Cantab) Enterprise House Harmire Enterprise Park Barnard Castle County Durham DL12 8XP
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The members' annual report was approved on and signed on behalf of the board of trustees by:

Rev Arun Arora
Member

St Nicholas' Church, Durham

Independent Examiner's Report to the Members of St Nicholas' Church, Durham

Year ended 31 December 2021

I report to the members on my examination of the financial statements of St Nicholas' Church, Durham ('the Parochial Church Council') for the year ended 31 December 2021.

Responsibilities and basis of report

As the members of the Parochial Church Council you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

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

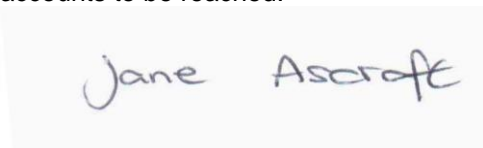
Independent examiner's statement

Since the Parochial Church Council's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

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

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



Jane Ascroft FCA MA (Cantab)
Independent Examiner

Enterprise House
Harmire Enterprise Park
Barnard Castle
County Durham
DL12 8XP

St Nicholas' Church, Durham

Statement of Financial Activities

Year ended 31 December 2021

		2021			2020
	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Income and endowments					
Donations and legacies	4	234,685	(18)	–	234,667
Charitable activities	5	86,345	7,374	–	93,719
Other trading activities	6	212	–	–	212
Investment income	7	5,928	7	2	5,937
Other income	8	2,257	–	–	2,257
Total income		<u>329,427</u>	<u>7,363</u>	<u>2</u>	<u>336,792</u>
Expenditure					
Expenditure on charitable activities	9,10	325,006	10,022	–	335,028
Total expenditure		<u>325,006</u>	<u>10,022</u>	<u>–</u>	<u>335,028</u>
Net income/(expenditure)		<u>4,421</u>	<u>(2,659)</u>	<u>2</u>	<u>1,764</u>
Transfers between funds		(1,790)	1,792	(2)	–
Net movement in funds		<u>2,631</u>	<u>(867)</u>	<u>–</u>	<u>1,764</u>
Reconciliation of funds					
Total funds brought forward		261,803	21,514	5,073	288,390
Total funds carried forward		<u>264,434</u>	<u>20,647</u>	<u>5,073</u>	<u>290,154</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 14 to 28 form part of these financial statements.

St Nicholas' Church, Durham

Statement of Financial Position

31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	17	103,435	111,259
Current assets			
Debtors	18	11,716	13,313
Cash at bank and in hand		191,812	178,263
		<u>203,528</u>	<u>191,576</u>
Creditors: amounts falling due within one year	19	<u>16,809</u>	<u>14,445</u>
Net current assets		<u>186,719</u>	<u>177,131</u>
Total assets less current liabilities		<u>290,154</u>	<u>288,390</u>
Net assets		<u>290,154</u>	<u>288,390</u>
Funds of the charity			
Endowment funds		5,073	5,073
Restricted funds		20,647	21,514
Unrestricted funds		264,434	261,803
Total charity funds	21	<u>290,154</u>	<u>288,390</u>

These financial statements were approved by the board of trustees and authorised for issue on, and are signed on behalf of the board by:

Rev Arun Arora
Member

The notes on pages 14 to 28 form part of these financial statements.

St Nicholas' Church, Durham

Notes to the Financial Statements

Year ended 31 December 2021

1. General information

The Parochial Church Council is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Church Office, St Nicholas' Church, Market Place, Durham, DH1 3NJ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The PCC considers that there are no significant estimates or judgements affecting these financial statements.

Fund accounting

Unrestricted funds are available for use at the discretion of the PCC to further any of the church's purposes.

Designated funds are unrestricted funds earmarked by the PCC for specific purposes.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal.

Permanent Endowment Funds where only the income, not the capital, can be used by the PCC.

The individual funds within each type of fund are shown in Note 21. The accounts include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body nor those that are informal gatherings of church members.

St Nicholas' Church, Durham

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Income

Voluntary income and capital sources:

Collections are recognised when received by or on behalf of the PCC. Planned giving receivable under Gift Aid is recognised only when received. Income tax recoverable on Gift Aid donations is recognised when the related income is recognised. Grants and legacies to the PCC are accounted for as soon as the PCC is notified of its legal entitlement, the amount due is quantifiable and its ultimate receipt by the PCC is reasonably certain. Funds raised by way of fetes, garden parties or similar events are accounted for gross.

Discipling Church income:

Discipling Church Income (SDF funding) is recognised once the associated expenditure has been incurred in accordance with the requirements of the funding.

Other income:

Rental income from the letting of church premises is recognised when the rental is due.

Income from investments: Interest entitlements are accounted for when received. Income from donated goods is accounted for on the basis of the value of average donation times number of donations received.

The church has relied significantly upon volunteers in carrying out its activities during the year, particularly Mission activities. In accordance with the SORP, the role of volunteers has not been recognised as income from donated services in the accounts.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates.

Grants:

Grants and donations are accounted for when paid, or when awarded, if that award creates a binding obligation on the PCC.

Activities directly relating to the work of the Church: The Diocesan Parish Offering is accounted for when paid. Any Parish offering unpaid at 31 December is provided for in these accounts as an operational (though not a legal) liability and is shown as a creditor in the Balance Sheet.

All other expenditure is generally recognised when it is incurred and is accounted for gross.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

St Nicholas' Church, Durham

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Tangible assets

Consecrated property and movable church furnishings:

Consecrated and beneficed property of any kind is excluded from the accounts by Section 10(2) (a) of the Charities Act 2011. Movable church furnishings held by the Vicar and Churchwardens on special trust for the PCC, and which require a faculty for disposal, are accounted for as inalienable property unless consecrated. They are listed in the church's Inventory which can be inspected at any reasonable time.

For inalienable property acquired prior to 2001 there is insufficient cost information available and therefore such assets are not valued in the accounts.

Major Items acquired since 1 January 2001 are capitalised and depreciated in the accounts over their useful economic life (initially over 10 years) on a straight line basis. All expenditure incurred during the year on consecrated or beneficed buildings, individual items under £2,000 or the repair/replacement of moveable church furnishings acquired before 1 January 2005 is written off.

Other fixtures, fittings and office equipment: Equipment used within the church premises is depreciated on a straight line basis over 4 years. Individual items of equipment with a purchase price of £2,000 or less are written off when the asset is acquired.

Youth Centre: After 40 years of use the building had a major renovation in 2003. Since the land is part of the St. Nicholas' Churchyard and of a specialised nature it is hard to determine any satisfactory use should the church cease to use the property in the future. It has therefore been capitalised at the cost of the renovation works in 2003. Depreciation has been charged at 2% in the present year.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Youth centre	-	2% straight line
Fixtures and fittings	-	25% straight line
Equipment	-	25% straight line
Office Equipment	-	25% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

St Nicholas' Church, Durham

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Parochial Church Council are assigned to those units.

Financial instruments

A financial asset or financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Pension policy

St Nicholas' Church, Durham participates in the Pension Builder Scheme section of the Church Workers Pension Fund (CWPF) for lay staff. The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme.

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

St Nicholas' Church, Durham

Notes to the Financial Statements (continued)

Year ended 31 December 2021

Debtors

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

Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

Cash at Bank and in Hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Planned Giving - gift aided	122,234	–	122,234
Tax recoverable	42,767	–	42,767
Collections	20,289	–	20,289
Other planned giving	49,395	(18)	49,377
	<u>234,685</u>	<u>(18)</u>	<u>234,667</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
Planned Giving - gift aided	131,966	840	132,806
Tax recoverable	37,082	–	37,082
Collections	13,696	–	13,696
Other planned giving	42,113	34	42,147
	<u>224,857</u>	<u>874</u>	<u>225,731</u>

St Nicholas' Church, Durham

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

5. Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Gift Day - No gift aid	15,162	–	15,162
Gift Day - Gift aid	13,065	5,000	18,065
Discipling Church income	57,299	–	57,299
PCC Activities	819	–	819
Recovery group	–	–	–
Miscellaneous income	–	2,374	2,374
	<u>86,345</u>	<u>7,374</u>	<u>93,719</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Gift Day - No gift aid	–	–	–
Gift Day - Gift aid	–	–	–
Discipling Church income	63,347	–	63,347
PCC Activities	5,349	3,040	8,389
Recovery group	750	–	750
Miscellaneous income	–	–	–
	<u>69,446</u>	<u>3,040</u>	<u>72,486</u>

During the year £2,374 was granted for the repair of the tower clock on the market place. The cost was provided for by Durham Council and the associated VAT provided by the Listed Places of Worship Scheme. Of the £33,227 given for Gift Day, £5,000 was given specifically for the new energy efficient lights for the church which were purchased later in the year.

6. Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Fees - Weddings & funerals	<u>212</u>	<u>–</u>	<u>212</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Fees - Weddings & funerals	<u>322</u>	<u>(74)</u>	<u>248</u>

7. Investment income

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £
Bank interest receivable	65	7	2	74
Rental income	5,863	–	–	5,863
	<u>5,928</u>	<u>7</u>	<u>2</u>	<u>5,937</u>

St Nicholas' Church, Durham

Notes to the Financial Statements (continued)

Year ended 31 December 2021

7. Investment income (continued)

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £
Bank interest receivable	570	22	7	599
Rental income	2,200	–	–	2,200
	<u>2,770</u>	<u>22</u>	<u>7</u>	<u>2,799</u>

8. Other income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Insurance claim	1,574	1,574	–	–
Job Retention Scheme	683	683	1,594	1,594
	<u>2,257</u>	<u>2,257</u>	<u>1,594</u>	<u>1,594</u>

9. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Parish Share	116,250	–	116,250
Clergy expenses and vicarage costs	2,718	–	2,718
Church running expenses	48,285	9,958	58,243
Youth Centre costs	8,884	–	8,884
Payroll - Support staff	8,179	–	8,179
Home Ministry	3,809	–	3,809
Church Administration	68,365	64	68,429
Missionary and Charitable Giving	7,590	–	7,590
Discipling Church	60,026	–	60,026
Support costs	900	–	900
	<u>325,006</u>	<u>10,022</u>	<u>335,028</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Parish Share	114,500	–	114,500
Clergy expenses and vicarage costs	3,544	–	3,544
Church running expenses	36,372	349	36,721
Youth Centre costs	6,428	–	6,428
Payroll - Support staff	7,530	–	7,530
Home Ministry	6,405	144	6,549
Church Administration	71,445	–	71,445
Missionary and Charitable Giving	7,590	–	7,590
Discipling Church	62,393	–	62,393
Support costs	900	–	900
	<u>317,107</u>	<u>493</u>	<u>317,600</u>

St Nicholas' Church, Durham

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

10. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Grant funding of activities £	Support costs £	Total funds 2021 £	Total fund 2020 £
Parish Share	116,250	–	–	116,250	114,500
Clergy expenses and vicarage costs	2,718	–	–	2,718	3,544
Church running expenses	58,243	–	–	58,243	36,721
Youth Centre costs	8,884	–	–	8,884	6,428
Payroll - Support staff	8,179	–	–	8,179	7,530
Home Ministry	3,809	–	–	3,809	6,549
Church Administration	68,429	–	–	68,429	71,445
Missionary and Charitable Giving	–	7,590	–	7,590	7,590
Discipling Church	60,026	–	–	60,026	62,393
Governance costs	–	–	900	900	900
	<u>326,538</u>	<u>7,590</u>	<u>900</u>	<u>335,028</u>	<u>317,600</u>

11. Analysis of grants

	2021 £	2020 £
Grants to institutions		
Church Missionary Society	2,000	2,000
Bible Society	1,500	1,500
Latvia Biblical Centre	1,800	1,800
Church Army (Friends of Bungokho)	1,000	1,000
Vereinigte Deutsche Missionshilfe (Manasseh & Catrin Tuyizere)	750	750
Mission Aviation Fellowship	540	540
	<u>7,590</u>	<u>7,590</u>
Total grants	<u>7,590</u>	<u>7,590</u>

12. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	<u>7,824</u>	<u>7,339</u>

13. Independent examination fees

	2021 £	2020 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>900</u>	<u>900</u>

St Nicholas' Church, Durham

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	96,083	98,802
Social security costs	482	189
Employer contributions to pension plans	5,730	6,064
	<u>102,295</u>	<u>105,055</u>

During the year, the PCC employed a Church Operations Manager, a PA/Admin Assistant, a Student/International Worker, a Children & Families Worker and several part time support staff.

Of the two Youth Missioner posts which existed in 2020, 1 was transformed into a Social Justice Enabler Role. Both our Youth Missioner and Social Justice Enabler started in July 2021 and continue to be funded by the Strategic Development Fund (Discipling Church). In August 2021, our full time Student Worker left without a replacement. A member of the congregation filled this role on a limited part time basis until December 2021.

None of these earned £60,000 p.a or more.

The average head count of employees during the year was 8 (2020: 8).

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

15. Trustee remuneration and expenses

No remuneration or other benefits from employment with the PCC or a related entity were received by the trustees.

The Vicar, other clergy, PCC members and spouses were reimbursed expenses totalling £3,770 (2020 - £4,851) for travel, conferences, office materials, equipment and other expenses.

The amount of donations funded by trustees and connected parties was £46,490 (2020 - £66,763).

16. Transfers between funds

Internal transfers include the money allocated to the designated funds and restricted funds from the general fund, the transfer of interest between the Patterson endowment fund and Teenaid and St Nic's Estate and Fabric together with other miscellaneous purposes.

St Nicholas' Church, Durham

Notes to the Financial Statements (continued)

Year ended 31 December 2021

17. Tangible fixed assets

	Youth Centre £	Fixtures and fittings £	Equipment £	Office Equipment £	Total £
Cost					
At 1 January 2021 and 31 December 2021	<u>149,558</u>	<u>7,529</u>	<u>7,353</u>	<u>4,452</u>	<u>168,892</u>
Depreciation					
At 1 January 2021	49,449	2,745	4,164	1,275	57,633
Charge for the year	<u>2,991</u>	<u>1,882</u>	<u>1,838</u>	<u>1,113</u>	<u>7,824</u>
At 31 December 2021	<u>52,440</u>	<u>4,627</u>	<u>6,002</u>	<u>2,388</u>	<u>65,457</u>
Carrying amount					
At 31 December 2021	<u>97,118</u>	<u>2,902</u>	<u>1,351</u>	<u>2,064</u>	<u>103,435</u>
At 31 December 2020	<u>100,109</u>	<u>4,784</u>	<u>3,189</u>	<u>3,177</u>	<u>111,259</u>

18. Debtors

	2021 £	2020 £
Prepayments	1,627	2,797
Accrued income	1,015	838
Gift aid recoverable	<u>9,074</u>	<u>9,678</u>
	<u>11,716</u>	<u>13,313</u>

19. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	176	192
Accruals and deferred income	8,015	6,732
Social security and other taxes	2,111	–
Janet Foster fund	5,796	5,796
Pension creditor	711	678
Other creditors	–	1,047
	<u>16,809</u>	<u>14,445</u>

The Janet Foster fund is held as agent on behalf of the trustees of the fund. There has been no movement on the fund during 2021.

20. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £5,730 (2020: £6,064).

St Nicholas' Church, Durham

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

20. Pensions and other post retirement benefits *(continued)*

St Nicholas' Church, Durham participates in the Pension Builder Scheme section of CWPF (Church Workers Pension Fund) for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and other participating employers.

CWPF has two sections:

1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections; a. a deferred annuity section known as Pension Builder Classic, and, b. a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

Pension Builder Classic provides a pension, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable (2021: £5,730, 2020: £6,064).

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019. The next valuation is due as at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review, the Board chose to grant a discretionary bonus of 3% following improvements in the funding position over 2021. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, St Nicholas' Church, Durham could become responsible for paying a share of the failed employer's pension liabilities.

St Nicholas' Church, Durham

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

21. Analysis of charitable funds

Unrestricted funds

	At 1 January 2021	Income	Expenditure	Transfers	At 31 December 2021
	£	£	£	£	£
General funds	23,327	272,128	(249,875)	(5,160)	40,420
Reserve fund	50,839	–	–	21	50,860
Ministry Assistants' Fund	1,177	–	–	(177)	1,000
Market Place Partnership, coffee lounge	20,742	–	–	8	20,750
Market Place Partnership, PCC funds	2,502	–	–	1	2,503
St Nicholas' Estate Fund	1,617	–	–	1	1,618
Student Ministry	2,987	–	(1,488)	(1,370)	129
Teen Aid	1,069	–	–	2	1,071
Tiddly Winks - Parent/Toddler Fund	288	–	–	(288)	–
Youth Centre - General	1,133	–	(5,368)	–	(4,235)
Youth Centre - Tuck Shop	–	–	–	–	–
Youth Fund	1,325	–	–	(1,325)	–
Fixed Assets	111,259	–	(7,824)	–	103,435
Maintenance Fund	25,794	–	(540)	4,757	30,011
Recovery Group	4,756	–	–	1	4,757
Children and Families	1,239	–	(1,817)	563	(15)
Discipling Church	12,920	57,299	(58,094)	5	12,130
Mission Week	154	–	–	(154)	–
Youth Ministry	(1,325)	–	–	1,325	–
	<u>261,803</u>	<u>329,427</u>	<u>(325,006)</u>	<u>(1,790)</u>	<u>264,434</u>

	At 1 January 2020	Income	Expenditure	Transfers	At 31 December 2020
	£	£	£	£	£
General funds	34,115	231,232	(236,500)	(5,520)	23,327
Reserve fund	50,772	67	–	–	50,839
Ministry Assistants' Fund	8,177	–	–	(7,000)	1,177
Market Place Partnership, coffee lounge	20,281	2,080	(1,619)	–	20,742
Market Place Partnership, PCC funds	2,499	3	–	–	2,502
St Nicholas' Estate Fund	1,615	2	–	–	1,617

St Nicholas' Church, Durham

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

Student Ministry	722	1,103	(1,616)	2,778	2,987
Teen Aid	1,062	–	–	7	1,069
Tiddly Winks - Parent/Toddler Fund	273	78	(63)	–	288
Youth Centre - General	(590)	–	(3,437)	5,160	1,133
Youth Centre - Tuck Shop	81	–	–	(81)	–
Youth Fund	1,325	–	–	–	1,325
Fixed Assets	115,935	–	(7,340)	2,664	111,259
Maintenance Fund	30,488	34	(4,728)	–	25,794
Recovery Group	4,784	756	(784)	–	4,756
Children and Families	247	270	(1,522)	2,244	1,239
Discipling Church	9,054	63,364	(59,498)	–	12,920
Mission Week	154	–	–	–	154
Youth Ministry	(1,401)	–	–	76	(1,325)
	<u>279,593</u>	<u>298,989</u>	<u>(317,107)</u>	<u>328</u>	<u>261,803</u>

Restricted funds

	At 1 January 2021 £	Income £	Expenditure £	Transfers £	At 31 December 2021 £
Bells	366	–	–	–	366
Decoration of Halls Fund	–	–	–	–	–
Flower Fund	86	–	(71)	–	15
Gifts to Others	12	–	(64)	52	–
Incumbent's fees to Diocese	91	1	(1)	(91)	–
International Student Fund	1,268	–	–	–	1,268
Music Group	98	–	(400)	302	–
St Nic's Pics	169	–	–	60	229
Organ/Piano	(130)	–	–	130	–
Other restricted funds	877	7,356	(7,258)	–	975
PA Fund	438	–	(117)	–	321

St Nicholas' Church, Durham

Notes to the Financial Statements (continued)

Year ended 31 December 2021

21. Analysis of charitable funds (continued)

SNACS - Main account	7,642	3	(3)	3	7,645
St Nic's Puppet Ministry	1,067	–	–	–	1,067
Green Fund	741	–	(2,074)	1,333	–
Vicar's Fund	2,860	1	(32)	1	2,830
Insulation of Upper Hall	5,929	2	(2)	2	5,931
	<u>21,514</u>	<u>7,363</u>	<u>(10,022)</u>	<u>1,792</u>	<u>20,647</u>

	At 1 January 2020	Income	Expenditure	Transfers	At 31 December 2020
	£	£	£	£	£
Bells	678	–	(312)	–	366
Decoration of Halls Fund	5,081	848	–	(5,929)	–
Flower Fund	109	14	(37)	–	86
Gifts to Others	12	–	–	–	12
Incumbent's fees to Diocese	165	(74)	–	–	91
International Student Fund	1,268	–	–	–	1,268
Music Group	98	–	–	–	98
St Nic's Pics	169	–	–	–	169
Organ/Piano	(130)	–	–	–	(130)
Other restricted funds	1,178	20	–	(321)	877
PA Fund	438	–	–	–	438
SNACS - Main account	7,632	10	–	–	7,642
St Nic's Puppet Ministry	1,027	40	–	–	1,067
Green Fund	741	–	–	–	741
Vicar's Fund	–	3,004	(144)	–	2,860
Insulation of Upper Hall	–	–	–	5,929	5,929
	<u>18,466</u>	<u>3,862</u>	<u>(493)</u>	<u>(321)</u>	<u>21,514</u>

Abbreviations: SNACS = St Nicholas Adventure Camps

Endowment funds

	At 1 January 2021	Income	Expenditure	Transfers	At 31 December 2021
	£	£	£	£	£
Patterson Endowment Fund	<u>5,073</u>	<u>2</u>	<u>–</u>	<u>(2)</u>	<u>5,073</u>

	At 1 January 20 20	Income	Expenditure	Transfers	At 31 December 2020
	£	£	£	£	£
Patterson Endowment Fund	<u>5,073</u>	<u>7</u>	<u>–</u>	<u>(7)</u>	<u>5,073</u>

St Nicholas' Church, Durham

Notes to the Financial Statements (continued)

Year ended 31 December 2021

21. Analysis of charitable funds (continued)

The Patterson Fund is a permanent endowment fund with the interest being paid to the Teenaid fund.

22. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2021 £
Tangible fixed assets	103,435	–	–	103,435
Current assets	177,808	20,647	5,073	203,528
Creditors less than 1 year	(16,809)	–	–	(16,809)
Net assets	<u>264,434</u>	<u>20,647</u>	<u>5,073</u>	<u>290,154</u>

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £
Tangible fixed assets	111,259	–	–	111,259
Current assets	164,989	21,514	5,073	191,576
Creditors less than 1 year	(14,445)	–	–	(14,445)
Net assets	<u>261,803</u>	<u>21,514</u>	<u>5,073</u>	<u>288,390</u>

23. PCC's responsibility for repairs

It is the policy of the PCC to maintain a rolling programme of repairs as necessary. The latest quinquennial inspection of the church and halls was completed in late 2021 and identified £48,000 of works to be completed within the next 5 years (£30,000 of urgent works, £9,000 within the next 12 months and £9,000 within the next 5 years all including VAT). The most urgent works have all been either completed or commenced (involving repair of the cruciform on the roof and work to the high level windows in the church), and the remaining within the next 12 months have been built into the 2022 budget.

24. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021 £	2020 £
Not later than 1 year	288	288
Later than 1 year and not later than 5 years	360	648
	<u>648</u>	<u>936</u>

St Nicholas' Church, Durham

Management Information

Year ended 31 December 2021

The following pages do not form part of the financial statements.

St Nicholas' Church, Durham

Detailed Statement of Financial Activities

Year ended 31 December 2021

	2021 £	2020 £
Income and endowments		
Donations and legacies		
Planned Giving - gift aided	122,234	132,806
Tax recoverable	42,767	37,082
Collections	20,289	13,696
Other planned giving	49,377	42,147
	<u>234,667</u>	<u>225,731</u>
Charitable activities		
Gift Day - No gift aid	15,162	–
Gift Day - Gift aid	18,065	–
Discipling Church income	57,299	63,347
PCC Activities	819	8,389
Recovery group	–	750
Miscellaneous income	2,374	–
	<u>93,719</u>	<u>72,486</u>
Other trading activities		
Fees - Weddings & funerals	212	248
Investment income		
Bank interest receivable	74	599
Rental income	5,863	2,200
	<u>5,937</u>	<u>2,799</u>
Other income		
Insurance claim	1,574	–
Job Retention Scheme	683	1,594
	<u>2,257</u>	<u>1,594</u>
Total income	<u>336,792</u>	<u>302,858</u>

St Nicholas' Church, Durham

Detailed Statement of Financial Activities (continued)

Year ended 31 December 2021

	2021 £	2020 £
Expenditure on charitable activities		
Parish Share		
Parish Share	116,250	114,500
Clergy expenses and vicarage costs		
Clergy expenses	2,718	3,544
Church running expenses		
Building maintenance	34,907	14,694
Cleaning, utilities & insurance	12,870	12,835
Services	8,628	7,722
Depreciation of equipment	1,838	1,470
	<u>58,243</u>	<u>36,721</u>
Youth Centre costs		
Youth centre	5,893	3,437
Depreciation of youth centre	2,991	2,991
	<u>8,884</u>	<u>6,428</u>
Payroll - Support staff		
Support staff	8,166	7,530
Pension costs	13	–
	<u>8,179</u>	<u>7,530</u>
Home Ministry		
Parish events	101	304
Student ministry	1,488	1,616
Alpha	82	481
Coffee lounge	–	1,619
Youth ministry	66	–
Children's Ministry	1,817	1,442
	<u>3,554</u>	<u>5,462</u>
Carried forward	3,554	5,462

St Nicholas' Church, Durham

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

Year ended 31 December 2021

	2021 £	2020 £
Brought forward	3,554	5,462
Other costs	255	303
Recovery Group	–	784
	<u>3,809</u>	<u>6,549</u>
Church Administration		
Gross	55,624	53,247
NIC	426	189
Pension	4,478	4,346
Administration costs	7,901	13,663
	<u>68,429</u>	<u>71,445</u>
Missionary and Charitable Giving		
Missionary Support	7,590	7,590
Discipling Church		
Wages	32,293	38,025
NIC	56	–
Pension	1,239	1,718
Depreciation	2,995	2,878
Other costs	23,443	19,772
	<u>60,026</u>	<u>62,393</u>
Governance costs		
Accountancy fees	900	900
	<u>900</u>	<u>900</u>
Total expenditure	<u>335,028</u>	<u>317,600</u>
Net income/(expenditure)	<u>1,764</u>	<u>(14,742)</u>
