

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

ANNUAL REPORT & FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2022

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The Parochial Church Council presents its report, together with the financial statements for the year ended 31st December 2021

ADMINISTRATIVE INFORMATION

Church Office: Stockton Parish Church
High Street
Stockton on Tees
TS18 1SP

During the year the following served as members of the Parochial Church Council (PCC):

Incumbent:	Revd Mark Miller	(Chairman)
Curate:	Revd Julia Bell	
Church Wardens:	Peter Akers	
	Rohan Hayle	
Elected Members:	Steve Whitehouse	
	Katy Edwards	(Until 16 th May 2022)
	Atainu Ernest Mbikan	
	Alison Massey	
	Kirsty McCathie	
	Mathew Bains	
	Sinenhlanhla Ndlovu	

STRUCTURE GOVERNANCE AND MANAGEMENT

Stockton Parish Church is a parish within the Church of England as defined by canon law. Individual parishes within the Church of England do not have a separate constitution. They work within the framework of Church of England ecclesiastical law, consisting of the Parochial Church Council Powers Measure (1956) and the Church Representation Rules.

Parish Name: Stockton Parish Church
Church Address: Stockton Parish Church, High Street, Stockton on Tees, TS18 1SP

Membership of the PCC is either ex-officio or elected at the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules. In addition, the PCC has the power to co-opt members.

The Church is led by the incumbent with the assistance of the senior leadership team and is governed by the PCC that meets bi-monthly.

Standing Committee

This is the only committee that is required by law and is made up of the incumbent, Church Wardens and Treasurer. It has power to transact the business of the PCC between its meetings, subject to any directions given by the Council. It has not met during the year.

OBJECTIVES AND ACTIVITIES

Stockton Parish Church Council (PCC) is responsible, along with the Vicar (Rev. Mark Miller), for good governance of the Church.

Over the last 12 months the church has continued to develop its ministry and mission, aiming to be *a beacon for God's kingdom* in Stockton on Tees.

Worship, fellowship, discipleship, ministry and mission have continued to be key purposes for the PCC.

Each year, approximately 10% of our 'Voluntary Giving' income is donated as 'Mission Giving'. Recipients are identified by the Mission Giving Team and approved by the PCC. The Mission Giving Team also considers requests for donations coming from other potential recipients.

When considering the objectives of the charity, the trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion. This report will highlight some of the public benefits of Stockton Parish Church.

ACHIEVEMENTS AND PERFORMANCE FOR THE PUBLIC BENEFIT

General Review of the Year

Stockton Parish Church has had one regular Sunday service at 10:30 on a Sunday morning, with an open invitation to all. Our average weekly attendance has grown steadily throughout the year. By the end of 2022 we had a regular average attendance of 93 adults and 15 children and young people, with approximately 165 in our worshipping community. Given the disruption of the previous two years, it was a joy to be able to hold the 2022 Annual General Meeting in person and celebrate all that God has been doing in and through SPC. This was attended by 32 people. We have been able to continue providing worship online through the livestream of the Sunday Service. This has given a window into life at Stockton Parish Church and has been accessed by many of those coming to Stockton Parish Church for the first time.

The main public benefit we can offer is to invite people to know Jesus and provide space for them to grow in relationship with Him. In 2022 the church ran 3 alpha courses throughout the year giving people the opportunity to explore the Christian faith. Approximately 25 people accessed these courses, many of whom went out to form a new Missional Community, a small group of people enjoying community together and reaching out to invite others to the Alpha courses. We also ran two Bereavement Journey courses at the beginning of the year, supporting people through their loss and grief. These were attended by 15 people and was open to people of all faiths or non.

This year has been challenging to many and the cost of living crisis has had a huge impact on our community and town as a whole. We have been able to respond to this crisis and support those who are most at need through opening as a designated Warm Space under the Stockton Borough Council Scheme. From October we were able to open the church for an extended time each Wednesday afternoon to provide a warm area and a friendly place to sit and chat with food and free WIFI. This project extended through the winter into 2023 and has been able to support approximately 100 people through the season. Our warm space provision crossed over with some of our Christmas events including the ever popular Christmas Cinema. We were able to offer weekly Christmas films throughout December, showing classic Christmas films in the afternoon targeted at those who may be experiencing social isolation, and family films in the early evening providing children and families with a warm and free activity through the festive period.

Our Christmas celebrations started with joining in the town wide event of Stockton Sparkles, where we opened the doors of the beautifully decorated church during the Christmas lights switch on. We provided hot chocolate and live Christmas music for all. This was one of the highlights of the season with over 900 people coming through the doors that evening. We also marked the Christmas season with some key services including a Candlelit Memorial Service. This gave the people of the town a much needed opportunity to pause and remember loved ones they have lost in the midst of the busy season. We celebrated on Christmas Eve with a Carols by Candlelight service which was attended by over 400 people; this is a highlight of the Christmas season for many in the town. It was a joy to be able to welcome over 1300 school children over the festive period as we held both the Mayoral Carol Services and many school carol services. This was of great benefit to many schools within the area, providing a space for school to celebrate the season and learn about the meaning behind this special time.

The Missional Communities structure continued to develop through the year with both the Agape and Mill Lane communities growing in size. The Agape missional community continue to provide a weekly meal with teaching and discipleship as well as supporting those who are most vulnerable in our community. The Mill Lane missional community continued to work for the transformation of their local area by developing community, running events for children and young people and partnering with other churches and organisations in the development of a community garden. This continues to be beneficial for the Mill Lane area, an estate within the parish which has high levels of deprivation and unemployment.

The church continues to work towards net zero in line with the Church of England's target to be net zero carbon by 2023. Caring for creation is an essential part of the work of the church and we have been working towards this in several ways over the past year. This includes continuing to work towards our Bronze award through the Arocha Eco Church awards; ensuring we are accessing green energy tariffs; and continuing to explore options to increase the energy efficiency of the building.

FINANCIAL REVIEW

Total receipts on unrestricted funds were £129,423 of which £81,463 was unrestricted voluntary donations (including gift aid recovered), and a further £13,893 was grant income. In addition, £91,865 was received for restricted purposes.

£132,370 was spent from unrestricted funds to provide Christian ministry, including a contribution to the Diocese of Durham of £45,000.

Before fund transfers, there was a net expenditure on unrestricted funds of £2,898 and a net income on restricted funds of £5,448. As a result, total reserves increased by £2,550.

Reserves Policy

It is PCC policy to maintain a balance on unrestricted funds that equates to at least six months' unrestricted payments (as opposed to the Charity Commission guidance of three months' unrestricted payments). This is because so many of our salary obligations are funded by restricted donations. The policy gives an unrestricted reserve requirement of equivalent to £66,185 (one half of £132,370). The year ended with unrestricted funds of £55,423.

On behalf of the Parochial Church Council:

Revd Mark Miller
Chair
Date: 24 April 2023

Peter Akers
Church Warden
Date: 24 April 2023

**Independent Examiner's Report to the Trustees of
THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF
STOCKTON PARISH CHURCH**

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

Responsibilities and basis of report

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

Basis of independent examiner's report

Since the church'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 member of the Institute of Chartered Accountants of Scotland, which is one of the listed bodies.

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 you as 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.

My role is to state whether any material matters have come to my attention giving me cause to believe:

1. that accounting records were not kept as required by section 130 of the Act; or
2. that the accounts do not accord with those records; or
3. that the accounts do not comply with the accounting requirements of the Act; or
4. that there is further information needed for a proper understanding of the accounts.

Independent examiner's statement

I have completed my examination and have no concerns in respect of the matters (1) to (4) listed above and, in connection with following the Directions of the Charity Commission I have found no matters that require drawing to your attention.

Signed:

For and on behalf of Gillian Duffy & Co Ltd, 1 The Beeches, Stokesley, Middlesbrough
25 April 2023

Stockton Parish Church
Statement of Financial Activities
for the Year Ended 31 December 2022

			2022	2021
	Notes	Unrestricted funds £	Restricted funds £	Total funds £
INCOMING RESOURCES				
Incoming resources from generated funds				
Voluntary income	2(a)	101,590	91,865	193,455
Activities for generating funds	2(b)	1,667		1,667
Investment income	2(c)	19,114		19,114
Incoming resources from charitable activities				
Charitable Activities	2(d)	7,102		7,102
Total incoming resources		129,473	91,865	221,338
RESOURCES EXPENDED				
Costs of generating funds				
Church activities	3(a)	132,370	86,417	218,787
Total resources expended		132,370	86,417	218,787
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS		(2,898)	5,448	2,550
Gross transfers between funds		(467)	467	-
Net incoming/(outgoing) resources before other recognised gains and losses		(3,365)	5,915	2,550
RECONCILIATION OF FUNDS				
Total funds brought forward		58,788	20,964	79,752
Adjustment to accruals accounting				105,512
TOTAL FUNDS CARRIED FORWARD		55,423	26,879	82,302

**Stockton Parish Church
Balance sheet
as at 31 December 2022**

	2022	2021
Notes		
CURRENT ASSETS		
Debtors	1,477	7,924
Gift aid to be claimed	9,634	10,638
Cash at bank and in hand	90,705	79,385
	<u>101,815</u>	<u>97,947</u>
CURRENT LIABILITIES		
Creditors	16,378	15,763
Accruals	500	500
Other creditors	366	366
PAYE Control	1,872	1,295
Pension Contribution Control Account	397	270
	<u>19,514</u>	<u>18,195</u>
NET ASSETS	<u>82,302</u>	<u>79,752</u>
FUNDS	7, 8	
Unrestricted funds	55,423	58,788
Restricted funds	26,879	20,964
TOTAL FUNDS	<u>82,302</u>	<u>79,752</u>

Approved by the Parochial Church Council on 17 April 2023 and signed on its behalf:

Revd Mark Miller
PCC Chair
Date: 24 April 2023

1. Accounting Policies

Basis of financial statements

The financial statements have been prepared under the Church Accounting Regulations 2006 in accordance with applicable accounting standards and the current Statement of Recommended Practice, Accounting and Reporting by Charities and applicable accounting standard FRS102.

The financial statements have been prepared under the historical cost convention. The financial statements 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.

This is the first year that the accounts have been prepared using the accrual accounting method and this has resulted in the adjustment to the opening reserves. There was insufficient information to prepare comparatives for all balances, however comparatives are available on the Statement of Financial Activities.

Fund accounting

Restricted Funds comprise revenue donations or grants for a specific PCC activity intended by the donor. Where these funds have unspent balances, interest on their pooled investment is apportioned to the individual funds on an average balance basis.

Unrestricted Funds are income funds which are to be spent on the PCC's general purposes.

Designated funds are general funds set aside by the PCC for use in the future. Project funds are designated for particular projects for administration purposes only. Designated funds remain unrestricted and the PCC will move any surplus to other general funds.

Incoming resources

Planned giving, collections and similar donations are recognised when received. Tax refunds are recognised when the incoming resource to which they relate is received. Grants and legacies are accounted for when the PCC is entitled to the use of the resources, their ultimate receipt is considered reasonably certain and the amounts due are readily quantifiable. All incoming resources are accounted for gross.

Resources expended

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding or constructive obligation on the PCC. The diocesan parish share expected to be paid over is accounted for when due. All other expenditure is generally recognised when it is incurred and is accounted for gross.

Fixed assets

Consecrated and benefice property is not included in the accounts in accordance with s.10(2)(a) and (c) 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 inalienable property, listed in the church's inventory, which can be inspected (at any reasonable time). For anything acquired prior to 2021 there is insufficient cost information available and therefore such assets are not valued in the financial statements. In future years any individual item with a

cost more than £2,000 will be treated as a fixed asset and depreciated on a straight line basis over four years, and items with costs below this amount will be written off when incurred.

2 Income

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
INCOMING RESOURCES				
2(a) Voluntary income				
Gift aid	13,739	95	13,833	10,638
Grants	13,893	89,881	103,774	190,484
Planned giving	67,725	1,890	69,615	72,148
Collections and other giving	6,234	-	6,234	1,548
	101,590	91,865	193,455	274,818
2(b) Activities for generating funds				
Fundraising events	1,667	-	1,667	276
	1,667	-	1,667	276
2(c) Investment income				
Rents received	18,838	-	18,838	21,749
Dividends and interest	276		276	9
	19,114	-	19,114	21,759
2(d) Incoming resources from charitable activities				
Fees retained by the PCC	7,102		7,102	2,031
Total incoming resources	129,473	91,865	221,338	298,884

		Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
3	EXPENDITURE				
3(a)	Church activities				
	Diocesan Parish Contribution	45,000		45,000	39,105
	Bell maintenance	392	-	392	
	CCLI	944	-	944	900
	Cleaning and sundries	657	-	657	1,831
	Electricity	3,307	-	3,307	2,100
	Gas	8,627	-	8,627	3,738
	Insurance	4,693	-	4,693	4,481
	Maintenance	4,922	7,788	12,710	27,702
	Refuse and Pest Control	830	-	830	766
	Water	649	-	649	664
	Consultants	-	120	120	36,067
	AV systems				24,163
	Total church running costs	25,021	7,908	32,929	102,414
	Petch Street costs	4,297	-	4,297	4,564
	Office costs	3,501	1,231	4,732	11,906
	Training - SDF	-	1,770	1,770	
	Water rates - Curate	266	-	266	24
	Water rates - Vicar	605	-	605	555
	Youth for Christ - Interns	1,500	-	1,500	1,613
	MEV			-	2,800
	Digital Media Consultant			-	6,048
	Employment costs (NI, pension etc)	1,252	3,495	4,747	3,368
	Employee costs	16,249	70,335	86,584	83,096
	Staff expenses	5,672	-	5,672	4,148
	Total staff costs	25,544	75,600	101,144	101,652
	Discipleship	3,626	-	3,626	2,662
				-	
	Alpha course	387	-	387	79
	Mission Giving	8,047	100	8,147	6,383
	Publicity	2,726	150	2,876	21,044
	Schools work				768
	Eden				14,556
	Total Evangelism/Mission	11,161	250	11,411	42,830
	Fellowship	1,573	147	1,720	1,009
				-	
	Worship	7,201	1,281	8,482	17,728
				-	
	Bank charges	308	-	308	273
	Cash discrepancies	20	-	20	
	Gift aid paid to charities	79	-	79	
	Heating Loan repayment	5,040	-	5,040	
	TOTAL EXPENDITURE	132,370	86,417	218,787	324,143

5 STAFF COSTS

	2022	2021
Wages and salaries	86,583	94,857
Pension contributions	1,859	1,521
Employer NIC	2,554	2,089
Average number of employees	3.4	6

There were no trustees' remuneration nor other benefits for the year ended 31 December 2022 other than as detailed below.

The Operations Manager, who was also a member of PCC until 16th May 2022, was paid £6,730 from the Strategic Development restricted fund during their time as a PPC member.

TRUSTEES' EXPENSES

PCC members were paid expenses throughout the year for cost incurred on behalf of the PCC. None of these costs related to their services as members of the PCC.

5(a) RELATED PARTIES

Unrestricted donations of £21,673 were received from related parties (PCC members).

6 FIXED ASSETS

Movable church furnishings held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property, listed in the church's inventory, which can be inspected (at any reasonable time). For anything acquired prior to 2021 there is insufficient cost information available and therefore such assets are not valued in the financial statements. In future years any individual item with a cost more than £2,000 will be treated as a fixed asset and depreciated on a straight line basis over four years, and items with costs below this amount will be written off when incurred.

7. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds	2022 Total funds	2021 Total funds
	£	£	£	£
Current assets	55,423	26,879	82,302	79,752
	<u>55,423</u>	<u>26,879</u>	<u>82,302</u>	<u>79,752</u>

8. MOVEMENT IN FUNDS

	At 1 January 2022	Net movement in funds	Transfers between funds	At 31 December 2022
	£	£	£	£
Unrestricted funds				
General fund	50,172	5,174	(467)	54,879
Mission Giving	8,616	(8,071)	-	544
	<u>58,788</u>	<u>(2,898)</u>	<u>(467)</u>	<u>55,423</u>
	-	-	-	-
Restricted funds				
Sir John Priestman	-	4,743	-	4,743
Hall refurbishment	8,000	-	-	8,000
CRF	68	-	-	68
SDF	422	(739)	-	(317)
Eden	12,867	-	-	12,867
MEV	(392)	-	392	-
Tabora	-	1,070	75	1,145
The Way	-	374	-	374
The Way Hub	-	-	-	-
	<u>20,964</u>	<u>5,448</u>	<u>467</u>	<u>26,879</u>
	-	-	-	-
TOTAL FUNDS	<u>79,752</u>	<u>2,550</u>	<u>-</u>	<u>82,302</u>

The Restricted funds consist of:

Sir John Priestman: monies awarded by the Sir John Priestman Charity Trust for accessibility works.

The Way Hub: monies for the administration and central network of 'The Way' church plant.

The Way 1: monies for the use of The Way 1 house church.

Eden: monies given towards to development and work of the Mill Lane Eden team.

Hall Refurbishment: Donations towards to refurbishment and development of the church hall

CRF: grant received from the National Lottery Cultural Recovery Fund for Covid re-opening costs

The Unrestricted funds consist of:

Mission Giving: for the donation to other missional charities

General fund