

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

ANNUAL REPORT & FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

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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	(From 1 st September 2021)
Church Wardens:	Peter Akers	
	Rohan Hayle	
Treasurer:	John Kumpalume	(until 1 st December 2021)
Secretary:	Laura King	(until 25 th November 2021)
Elected Members:	Steve Whitehouse	
	Katy Edwards	
	Atainu Ernest Mbikan	
	Alison Massey	
	Kirsty McCathie	

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 (Revd. 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 one regular Sunday service at 10:30 on a Sunday morning, with an open invitation to all. With national lock-downs being re introduced at the beginning of 2021, our Sunday morning service remained online through the majority of the first half of the year, with the decision to regather in-person being made in May. Two grants were received from the National Lottery's Culture Recovery Fund for Heritage to support in the overhead costs and reopening cost allowing us to re-open our doors safely in May 2021. In order to allow the greatest number of people to access our Sunday service safely, we continued to live-stream the service on YouTube throughout the year. Although to begin with we were not able to sing corporately during worship safely, it was a joy to be able to gather again, opening the doors for worship and teaching. Throughout this time we continued to have an opening invitation to worship, regularly welcoming new people into this time together. Our average weekly attendance fluctuated a lot during the year with different restrictions. However by the end of 2021 we had a regular attendance of 70 adults and 20 children and young people, with approximately 150 people in our worship community. The 2021 Annual General Meeting was held via zoom with approximately 12 adults in attendance.

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 2021 the church ran an alpha course giving people the opportunity to explore the Christian faith. This course was available for all and had an average attendance of 20 people.

After a long period of lockdowns and distant interactions it was a huge joy to celebrate the Advent and Christmas season with a variety of services and celebrations open to all. Throughout December we opened the doors for a weekly Christmas Cinema showing a classic Christmas film in the afternoon targeted at the elderly and those who are lonely, and a family Christmas filmed showed in the early evening for children and families. As in previous years, this built a place of connection and community for those who may struggle over the winter and Christmas period. In addition to this the Church opened its doors during the town wide event of Stockton Sparkles, serving hot drinks to members of the public. We saw over 500 people come into the building during this event.

As in previous years a highlight of the season was the Christmas Eve Carols by Candlelight service, attended by many in the town. This gave people the opportunity to slow down and remember the real meaning of Christmas. A new addition to the Christmas programme of services was the Candlelit Memorial Service held in mid December which gave people of the town an opportunity to pause and remember those they had lost. This was of real benefit to many, especially after the many lives lost from Covid over the previous two years. It was a joy to be able to partner with Stockton Borough Council for this service and welcome the Lord Lieutenant of Durham (representing Her Majesty the Queen) and our own Mayor to share in this special service. 2021's Christmas celebrations also saw the return of the Mayor's Carol Service in which children from school around the borough gather together to sing carols and hear about the meaning of Christmas.

Since 2019 the PCC have been developing a structure of Missional Communities, allowing people to gather in smaller groups with a primary focus of discipleship and mission. In 2021 we were able to develop 2 missional communities. Our mid-week service 'Agape' transitioned into a Missional Community providing discipleship and teaching with a focus around providing support and community to those who are on the margins of society. They provide a mid-week soup meal, giving a safe space and a listening ear to those who are in need. The Eden Team also transitioned into a missional community with both employed team leaders stepping down from their positions. The Mill Lane Missional Community has a focus on sharing the gospel on Mill Lane, an estate within the parish which has high levels of deprivation and unemployment. They continue to work of the benefit the estate and those who live there, undertaking various missional activities such as litter picks, family fun days, and providing pastoral support to residents. By the end of 2021, there was a further missional community ready to be launched in early 2022 and several others within the pipeline.

Notably in 2021 the decision to formally end the high level of assistance the Asylum Support Team had been providing to asylum seekers was made. The small team had been providing support to those seeking asylum in particular attending court when required. We were unable to recruit any new team members to this volunteer team and, given the resources and support that other charities and churches in the area were offering, the decision to end this work was made.

2021 saw some continuation in the building development plans. Responsible for the care of a grade 1 listed building, the PCC has been developing a plan for the reordering and development of the site. Although these plans were put on hold in 2020 due to the impact of Covid-19, in 2021 we were able to consider again these plans and consult with a range of heritage bodies. The PCC employed several consultants to produce a historic woodwork and furnishing assessment and financial viability assessment to develop and support the advancement of the building plans. The PCC will continue to consider how best to care for a historic building, which provides a great deal of cultural and historical significance to the town, within the current level of resources available.

FINANCIAL REVIEW

Total receipts on unrestricted funds were £147,115 of which £70,360 was unrestricted voluntary donations (including gift aid recovered), and a further £39,417 was grant income. In addition, £151,769 was received for restricted purposes.

£127,709 was spent from unrestricted funds to provide Christian ministry, including a contribution to the Diocese of Durham of £39,105.

Before fund transfers, there was a net income on unrestricted funds of £19,906 and a net expenditure on restricted funds of £45,166. As a result, total reserves fell by £25,260.

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 £63,854 (one half of £127,709). The year ended with unrestricted funds of £58,788.

On behalf of the Parochial Church Council:



Revd Mark Miller
Chair
Date: 4th April 2022

Peter Akers
Church Warden
Date: 4th April 2022

**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 2021.

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

3 Kingfisher Court,
Bowesfield Park,
Stockton-on-Tees
ST18 3EX

4 April 2022

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF STOCKTON PARISH CHURCH
Statement of Financial Activities
for the Year Ended 31 December 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2(a)	123,049	151,769	274,818	317,019
Activities for generating funds	2(b)	276		276	127
Investment income	2(c)	21,759		21,759	15,985
Incoming resources from charitable activities					
Charitable Activities	2(d)	2,031		2,031	4,178
Total incoming resources		147,115	151,769	298,884	337,309
RESOURCES EXPENDED					
Costs of generating funds					
Church activities	3(a)	127,709	196,934	324,643	249,242
Total resources expended		127,709	196,934	324,643	249,242
NET INCOMING/(OUTGOING) RESOURCES BEFORE TR		19,406	(45,166)	(25,760)	88,067
Gross transfers between funds		3,226	(3,226)	-	
Net incoming/(outgoing) resources before other recognised gains and losses		22,632	(48,392)	(25,760)	88,067
RECONCILIATION OF FUNDS					
Total funds brought forward		36,156	69,356	105,512	39,964
Adjustment to accruals accounting	4				(22,519)
TOTAL FUNDS CARRIED FORWARD		58,788	20,965	79,752	105,512

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF STOCKTON PARISH CHURCH
Balance sheet
as at 31 December 2021

		2021
	Notes	
CURRENT ASSETS		
Debtors	7	18,761
Cash at bank and in hand		<u>79,186</u>
		97,947
CURRENT LIABILITIES		
Creditors	8	18,195
NET ASSETS		
		<u>79,752</u>
FUNDS		
	9	
Unrestricted funds		58,788
Restricted funds		20,965
TOTAL FUNDS		
		<u>79,752</u>

Approved by the Parochial Church Council on 4 April 2022 and signed on its behalf:



Revd Mark Miller
(PCC Chair)
Date: 4th April 2022

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 £500 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 2021 £
INCOMING RESOURCES				
2(a)	Voluntary income			
	Resource church	12,636	72,695	85,331
	Donations/Grants	39,417	63,687	103,104
	Eden	-	15,387	15,387
	Voluntary giving	70,360	-	70,360
	Occasional collections	636	-	636
		123,049	151,769	274,818
2(b)	Activities for generating funds			
	Fundraising events	276	-	276
		276	-	276
2(c)	Investment income			
	Rents received	21,749	-	21,749
	Dividends and interest	9	-	9
		21,759	-	21,759
2(d)	Incoming resources from charitable activities			
	Fees retained by the PCC	2,031	-	2,031
		2,031	-	2,031
	Total incoming resources	147,115	151,769	298,884

3	EXPENDITURE			
3(a)	Church activities			
	Diocesan Parish Contribution	39,105	-	39,105
	Church running costs and maintenance	43,389	59,025	102,414
	Support house running costs	3,053	1,511	4,564
	Office running costs	1,510	10,396	11,906
	Staffing costs	9,971	91,681	101,652
	Discipleship	2,662	-	2,662
	Mission and evangelism	8,667	34,163	42,830
	Fellowship	938	71	1,009
	Worship	17,728	-	17,728
	Bank charges	185	87	273
	Independent examiner's fees	500		500
		<u>127,709</u>	<u>196,934</u>	<u>324,643</u>
4	ADJUSTMENT TO ACCRUALS ACCOUNTING			
	Heating loan	17,120		
	Charity collections from prior year	2,746		
	PAYE due from prior year	1,585		
	Other sundry adjustments	1,068		
		<u>22,519</u>		

5 STAFF COSTS

	2021
Wages and salaries	£94857
Pension Contributions	£1521
Employer NIC	£2089
Average no. of employees	6

There were no trustees' remuneration nor other benefits for the year ended 31 December 2021 other than as detailed below.

The Operations Manager, who is a member of the PCC was paid £20,190 from a combination of the Strategic Development restricted fund and the Cultural Recovery Fund Round 1 and 2 restricted funds.

The Operations Assistant, who was also a member of PCC until 25th November 2021, was paid £8070 from a combination of PCC funds and Cultural Recovery Fund Round 1 and 2 restricted funds. During the year the PCC claimed furlough support from HMRC towards these costs when the Operations Assistant could not fulfil their duties. This member of staff also acts in the role of Senior Verger and received payments for services at funerals and weddings and concerts totalling £500. The PCC collects these funds on her behalf.

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 £17083.84 were received from related parties (PCC members).

6 FIXED ASSETS

Fixed assets have been expensed in the accounts for all accounting years up to and including the current year. From 2022 onwards, fixed asset additions with a value of over £500 and a life expectancy of at least four years will be treated as capital items and depreciated over a four year period.

7. DEBTORS	2021
	£
Debtors	7,924
Gift aid to be claimed	10,837
	<hr/>
	18,761

8. LIABILITIES	2021
	£
Creditors	15,763
Employee costs	1,931
Accrued expenses	500
	<hr/>
	18,195

9. MOVEMENT IN FUNDS

	At 1 January 2021 £	Net movemen t in funds £	Transfers between funds £	At 31 December 2021 £
Unrestricted funds				
General fund	28,193	25,789	(3,810)	50,172
Mission Giving	7,963	(6,383)	7,036	8,616
	<u>36,156</u>	<u>19,406</u>	<u>3,226</u>	<u>58,788</u>
	-	-	-	-
Restricted funds				
Hall refurbishment	-	8,000	-	8,000
CRF	53,989	(50,965)	(2,956)	68
SDF	(418)	1,110	(270)	422
Eden	11,866	1,001	-	12,867
MEV	3,919	(4,311)	-	(392)
	<u>69,356</u>	<u>(45,166)</u>	<u>(3,226)</u>	<u>20,964</u>
	-	-	-	-
TOTAL FUNDS	<u>105,512</u>	<u>(25,760)</u>	<u>(0)</u>	<u>79,752</u>

The Restricted funds consist of:

SDF: awarded from Durham Diocese under the Strategic Development Fund for salaries, capital works and other expenditure in line with agreed resource church plans.

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

MEV: to cover costs and expenses of Ministry Experience Volunteers

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