

**THE PAROCHIAL CHURCH OF ST MARY'S & ST CUTHBERT'S
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

THE PAROCHIAL CHURCH OF ST MARY'S & ST CUTHBERT'S

LEGAL AND ADMINISTRATIVE INFORMATION

The Incumbent The Rev. David J Tully

Charity number 01130847

Principal address Church Chare
Chester-le-Street
Co Durham
DH3 3QB

Independent examiner Rowlands
Rowlands House
Portobello Road
Birtley
Chester-le-Street
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DH3 2RY

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6/7 Market Place
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THE PAROCHIAL CHURCH OF ST MARY'S & ST CUTHBERT'S

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THE PAROCHIAL CHURCH OF ST MARY'S & ST CUTHBERT'S

COUNCIL MEMBERS REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The Council members present their report and accounts for the year ended 31 December 2016.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the PCC's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)"

Objectives and activities

St Mary and St Cuthbert's Parochial Church Council (PCC) has responsibility for co-operating with the incumbent, Revd David J Tully, in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. It also has maintenance responsibilities of the Church Centre complex of the Parish Church of St Mary and St Cuthbert, Chester-le-Street. Correspondence may be addressed to the Church Office, Parish Centre, Church Chare, Chester-le-Street, Co Durham, DH3 3QB.

The PCC is committed to enabling as many people as possible to worship at our church and to become part of our parish community. The PCC maintains an overview of worship throughout the parish and makes suggestions on how our services can improve the many groups that live within our parish. Our services can involve the many groups that live within our parish. Our services and worship put faith into practice through prayer and scripture, music and sacrament.

When planning our activities for the year, the incumbent and the PCC have considered the Charity Commission's guidance on public benefit and, in particular, the specific guidance on charities for the advancement of religion.

THE PAROCHIAL CHURCH OF ST MARY'S & ST CUTHBERT'S

COUNCIL MEMBERS REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Achievements and performance

Our **Parish Values** are –

Reaching out with God's love – Serving the people of Chester-le-Street – Doing everything for Jesus.

In the light of those values the PCC have now decided in 2017 to focus on four areas of the Parish's Life which we regard as **Priorities** to develop:

- *Parish Centre* refurbishment and developing our community links through it
- *Nurture and discipleship* with Alpha and small groups
- *Children's and Youth work* so that it is owned more by the whole church
- *Parish North and C of E school* to build the congregation and develop the link.

We have had a lot of **staff changes** through the year.

As expected, our stipendiary curate Rev Dan Christian left in March to be Associate Vicar of Eccleshall, Sheffield.

Our Family, Children and Youth worker – Julie Pike - left us in May to go to a similar job in Blackburn diocese. Julie was replaced in September by Susan Rae from Gateshead with the title Youth and Children's Coordinator.

Our Non-stipendiary curate, Rev Danielle Lindley, was ordained priest in June, so that she can now conduct communion services and weddings.

Our Associate Vicar Rev Judith Ashurst moved away from the area in September and will be replaced in summer 2017.

Our organist and choirmaster, Ed Short, had a three month break in the summer and then decided that he would not return because of his wife's ill health. In November, we appointed Peter Galloway and Stephen Smith to share the organist responsibilities.

THE PAROCHIAL CHURCH OF ST MARY'S & ST CUTHBERT'S

COUNCIL MEMBERS REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

We continue to operate Open the Book in the Church of England Primary school each week – with a team of enthusiastic lay people.

Street friends has continued and it is now operating twice a month. Its help is greatly appreciated by the police and the local pubs.

We did a number of **HOPE** events through the year - giving out things on the streets (pot plants in May, Fruit in October, Advent candles in late November).

We stopped doing **Healing on the Streets** in March, after three years. We were struggling to get sufficient people for the team to operate the ministry and less people were asking of prayer

We stopped being a Distribution point for **Durham Foodbank**, organised by Durham Christian Partnership. It decided to move around the corner to Bethel URC because they have more space to develop their work on those premises. People from our church are still involved in the work.

We had a very successful **Parish weekend** away at Blaithwaite, near Wigton, in Cumbria in July involving more than 50 people from all of the areas of the parish –with Calvin Samuel from Cranmer Hall, Durham as our guest speaker.

In relation to the Occasional Offices we run an annual Marriage preparation session, which is offered to all the couples to be married in our church through the year. We also have monthly Baptism preparation evenings and we have an annual memorial service in church in early November, which is very well attended. We conducted about 90 baptisms, about 30 weddings and about 140 funerals through the year – which involve a vast amount of contact with our local community.

We ran a series of **Men's events** seeking to develop relationships with men.

We gave away £7,083 to Charities and Mission.

Church attendance

Our average attendances at most services have shown a decline in numbers – with the sole exception of Sunday 8am which has increased slight increase.

At the 2016 Annual meeting our Electoral Roll stood at 408, 12 less than the previous year. 13 had joined, but 11 had either died or moved away.

Financial review

The general, unrestricted income of the PCC in 2016 was £325,346 compared to unrestricted income in 2015 of £331,961. In 2015 we recognised two legacies, but the income has remained consistent as there has been a concerted effort to increase covenanted giving and collections.

The organ restoration fund balance stood at £127,859 at the year end. This is restricted towards the repairs and restoration of the organ.

As regards unrestricted expenditure, £146,000 Parish Share has been paid over during the year compared with £32,000 in 2015. This is due to the 2013, 2014 and 2015 gift aid money being received during the year, which eased any cash flow difficulties that may have been faced. Overall, the excess of ordinary unrestricted income over expenditure gave rise to a deficit for the year on unrestricted funds of £40,132 compared to a surplus of £50,940 in 2015. However, there was an effort during the year to make up for lower Parish Share's being paid over previously.

Looking forward to 2017, the PCC's finances should follow the same pattern.

The policy of the PCC is to maintain a minimum cash reserve within its unrestricted funds of £10,000, to enable it to manage the church's normal expenditure requirements. Year end unrestricted bank balances total £97,623, well in excess of the £10,000 limit even after the payment of the Parish Share. Restricted funds are held until such time as expenditure arises for which they may be used in accordance with the restrictions placed upon their use.

THE PAROCHIAL CHURCH OF ST MARY'S & ST CUTHBERT'S

COUNCIL MEMBERS REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Risk Factors

The Council members has assessed the major risks to which the PCC is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

In relation to the management of the major risks that have the potential to adversely affect the work of the church, these are considered by the relevant sub-committees and issues are raised at Council meetings where action is necessary. A formal policy for the protection of children and vulnerable adults has been put in place by the PCC and, in accordance with its terms, the necessary DBS searches are made through diocesan channels.

The Parish Centre Management Committee is responsible for health and safety and maintenance issues within the Parish Centre.

The Standing Committee is responsible for the initial management on behalf of the PCC of financial risks. The same Committee also manages health and safety and maintenance issues within the church building and for compliance with the 5 yearly programme of inspection required of church buildings by the Church of England central authorities. The 5 yearly quinquennial survey was carried out in 2013 and therefore the next report is due in 2018.

Structure, governance and management

The PCC is governed by the Church of England measures which comprise of 1) the Parochial Church Councils (Powers) Measure 1956 as amended and 2) the Church Representation Rules (contained in schedule 3 to the Synodical Government Measure 1969 as amended).

THE PAROCHIAL CHURCH OF ST MARY'S & ST CUTHBERT'S

COUNCIL MEMBERS REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Members of the PCC are either ex officio or elected by the Annual Parochial Church Meeting (APCM) in accordance with the Church Representation Rules, or may be co-opted.

During the year the following served as members of the PCC:

Clergy (ex officio):

The Rev'd David J Tully

The Rev'd Dan Christian, Curate (resigned 12.04.16)

The Rev'd Judith Ashurst, Associate Vicar

The Rev'd Danielle Lindley, Curate (appointed 14.04.16)

Church Wardens (ex officio):

Mr Alex Webster

Mrs Sylvia Wroe

Mrs Jennie McDougall

Mrs Edna Sanderson

Mr Terry Culkin (appointed 14.04.16)

Deanery Synod Representatives (ex officio):

Mr Jeff Gray

Mr Alex Webster

Mr Alex Nelson (appointed 14.04.16)

Mrs Edna Sanderson

Mrs Jennifer McDougall (appointed 14.04.16)

Elected and Co-opted Members:

Linda Hoy (Treasurer) (resigned 14.04.16)

Graeme Affleck (resigned 14.04.16)

Jean Ward (resigned 14.04.16)

Norma Hedley (resigned 14.04.16)

Ann Wilson (resigned 14.04.16)

Jim Sothard

David Holborn

Ann Curry

Hazel Mathieson (resigned 14.04.16)

Les Stockdale

Brenda Forrester

Mike Alton (appointed 14.04.16)

Colin Ashurst (appointed 14.04.16)

Doreen Butts

Ian Goulding (appointed 14.04.16)

Deborah Orange (Treasurer) (appointed 14.04.16)

Malcolm Rowland (appointed 14.04.16)

PCC Secretary:

Mrs Dorothy Hall

Parish Administrator:

Mrs Jan Rowland

Youth worker:

Mrs Julie Pike

Committees

THE PAROCHIAL CHURCH OF ST MARY'S & ST CUTHBERT'S

COUNCIL MEMBERS REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

Our Parochial Church Council met six times through the year as usual.

The PCC operates through a number of committees, which meet between full meetings of the PCC:

Standing Committee:

This is the only committee required by law. It has power to transact the business of the PCC between its meetings, subject to any directions given by the Council.

Attends to the Financial concerns of the Parish and the Fabric of the Church and Curates' Houses.

Building's Team:

Attends to matters relating to the stewardship of the Parish Centre.

The Council members report was approved by the Board of Council Members.

Rev. David J Tully

Dated: 19 June 2017

THE PAROCHIAL CHURCH OF ST MARY'S & ST CUTHBERT'S

INDEPENDENT EXAMINER'S REPORT

TO THE COUNCIL MEMBERS OF THE PAROCHIAL CHURCH OF ST MARY'S & ST CUTHBERT'S

I report on the accounts of the PCC for the year ended 31 December 2016, which are set out on pages 9 to 19.

Respective responsibilities of Council members and examiner

The charity's Council members are responsible for the preparation of the accounts. The charity's Council members 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. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination being a qualified Chartered accountant.

It is my responsibility to:

- (i) examine the accounts under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from 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 next statement.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared accounts in accordance with Accounting and reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has not been withdrawn.

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

In connection with my examination, no other matter except that referred to in the previous paragraph has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (ii) to prepare accounts which accord with the accounting records, and comply with the accounting requirements of the 2011 Act;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Rowlands

David Nairn (FCA)
Rowlands House
Portobello Road

THE PAROCHIAL CHURCH OF ST MARY'S & ST CUTHBERT'S

INDEPENDENT EXAMINER'S REPORT (CONTINUED)

TO THE COUNCIL MEMBERS OF THE PAROCHIAL CHURCH OF ST MARY'S & ST CUTHBERT'S

Birtley
Chester-le-Street
Co. Durham
DH3 2RY

Dated: 27 June 2017

THE PAROCHIAL CHURCH OF ST MARY'S & ST CUTHBERT'S

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2016 £	Total 2015 £
Income from:						
Donations and legacies	2	187,101	129,302	-	316,403	258,254
Charitable activities	3	49,360	-	-	49,360	54,793
Other trading activities	4	88,346	7,163	-	95,509	88,822
Investments	5	539	293	555	1,387	1,565
Total income		325,346	136,758	555	462,659	403,434
Expenditure on:						
Raising funds	6	69,539	-	-	69,539	64,606
Charitable activities	7	295,715	7,823	-	303,538	222,596
Total expenditure		365,254	7,823	-	373,077	287,202
Net gains on investments		-	-	883	883	4,970
Net (income / (expenditure) before transfers		(39,908)	128,935	1,438	90,465	121,202
Gross transfers between funds		(224)	224	-	-	-
Net movement in funds		(40,132)	129,159	1,438	90,465	121,202
Fund balances at 1 January 2016		214,788	575,945	129,496	920,229	799,027
Fund balances at 31 December 2016		174,656	705,104	130,934	1,010,694	920,229

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

THE PAROCHIAL CHURCH OF ST MARY'S & ST CUTHBERT'S

BALANCE SHEET

AS AT 31 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	10	520,349		522,782	
Investments		138,611		137,174	
		<u>658,960</u>		<u>659,956</u>	
Current assets					
Stocks	12	1,500		1,500	
Debtors	13	36,627		118,700	
Cash at bank and in hand		322,562		151,004	
		<u>360,689</u>		<u>271,204</u>	
Creditors: amounts falling due within one year	14	(8,955)		(10,931)	
Net current assets		<u>351,734</u>		<u>260,273</u>	
Total assets less current liabilities		<u><u>1,010,694</u></u>		<u><u>920,229</u></u>	
Capital funds					
Endowment funds - general		130,934		129,496	
Income funds					
Restricted funds		705,104		575,945	
Unrestricted funds		174,656		214,788	
		<u><u>1,010,694</u></u>		<u><u>920,229</u></u>	

The accounts were approved by the Council Members on 19 June 2017

Deborah Orange
Trustee

Sylvia Wroe
Trustee

THE PAROCHIAL CHURCH OF ST MARY'S & ST CUTHBERT'S

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

Charity information

The Parochial Church of St Mary's & St Cuthbert's is governed by the Church of England measures which comprise of 1) the Parochial Church Councils (Powers) Measure 1956 as amended and 2) the Church Representation Rules (contained in schedule 3 to the Synodical Government Measure 1969 as amended)

1.1 Accounting convention

These accounts have been prepared in accordance with the Church Accounting Regulations 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The PCC is a Public Benefit Entity as defined by FRS 102.

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The accounts are prepared in sterling, which is the functional currency of the PCC. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These accounts for the year ended 31 December 2016 are the first accounts of The Parochial Church of St Mary's & St Cuthbert's prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

At the time of approving the accounts, the Council members have a reasonable expectation that the PCC has adequate resources to continue in operational existence for the foreseeable future. Thus the Council members continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

General funds represent the funds of the PCC that are not subject to any restrictions regarding their use and are available for application on the general purposes of the PCC. Funds designated for a particular purpose by the PCC are also unrestricted.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the PCC.

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 or those that are informal gatherings of church members.

1.4 Income recognition

THE PAROCHIAL CHURCH OF ST MARY'S & ST CUTHBERT'S

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

Collections are recognised when received by the PCC.

Planned giving receivable under Gift Aid is recognised only when received.

Income tax recoverable on Gift Aid donations is recognised when the 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 the Autumn Fayre and similar events are accounted for gross.

Sales of books and magazines are accounted for gross.

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

1.5 Expenditure recognition

Expenditure is recognised on an accrual basis as a liability is incurred.

Fundraising costs comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including the PCC's cafe.

Charitable expenditure comprises those costs incurred by the PCC in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the PCC.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs are analysed in the notes to the accounts as requested by the Trustees. This is a departure from the SORP which requires support costs to be allocated between the different activities engaged. The analysis in these accounts is thought to provide a more meaningful analysis to the readers of the accounts.

THE PAROCHIAL CHURCH OF ST MARY'S & ST CUTHBERT'S

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Consecrated land and buildings and moveable church furnishings

Consecrated and benefice property is excluded from the accounts by s.96(2)(a) of the Charities Act 2011.

No value is placed on moveable church furnishings held by the church wardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be inalienable property. All expenditure incurred during the year on consecrated or benefice buildings and moveable church furnishings, whether maintenance or improvement, is written off as expenditure in the SOFA and separately disclosed.

Other fixtures, fittings and equipment

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	15% reducing balance
Fixtures, fittings & equipment	15% reducing balance

Freehold land and buildings are retained for Church use. These are stated at cost and have not been depreciated due to their market value being considered to be higher than their carrying value.

1.7 Pensions

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.8 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Dividends and interest are accounted for when receivable.

1.9 Stock

Stocks are stated at the lower of cost and estimated selling price.

THE PAROCHIAL CHURCH OF ST MARY'S & ST CUTHBERT'S

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2016	Total 2015
	£	£	£	£
Gift Aid	84,329	660	84,989	102,645
Legacies receivable	2,014	-	2,014	40,300
Uncovenanted giving	40,482	-	40,482	31,515
Sundry donations	7,484	121,568	129,052	31,445
Miscellaneous appeals	-	4,662	4,662	3,794
Income tax recoverable on gift aid	28,859	165	29,024	25,496
Collections (open plate) at all services	23,933	2,247	26,180	23,059
	<u>187,101</u>	<u>129,302</u>	<u>316,403</u>	<u>258,254</u>

In 2015 the total restricted income was £187,765, and total unrestricted income £70,489.

3 Charitable activities

	Magazine income	PCC fees	Clergy fees	Total 2016	Total 2015
	£	£	£	£	£
Sales within charitable activities	<u>2,118</u>	<u>25,308</u>	<u>21,934</u>	<u>49,360</u>	<u>54,793</u>

All of the income for 2015 and 2016 is unrestricted.

4 Other trading activities

	Unrestricted funds	Restricted funds	Total 2016	Total 2015
	£	£	£	£
Fundraising	5,842	7,163	5,842	4,949
Parish centre lettings	19,894	-	27,057	22,668
Catering income	62,610	-	62,610	61,205
Other trading activities	<u>88,346</u>	<u>7,163</u>	<u>95,509</u>	<u>88,822</u>

All income in 2015 was unrestricted.

THE PAROCHIAL CHURCH OF ST MARY'S & ST CUTHBERT'S

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

5 Investments

	Unrestricted funds	Restricted funds	Endowment funds general	Total 2016	Total 2015
	£	£	£	£	£
Income from unlisted investments	539	293	555	1,387	1,565

In 2015 investment income was £581 unrestricted, £346 restricted and £638 endowment funds.

6 Raising funds

	2016	2015
	£	£
<u>Trading costs</u>		
Catering costs	39,376	35,070
Parish centre costs	30,163	29,536
	<u>69,539</u>	<u>64,606</u>
Trading costs	69,539	64,606
	<u>69,539</u>	<u>64,606</u>

THE PAROCHIAL CHURCH OF ST MARY'S & ST CUTHBERT'S

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

7 Charitable activities

	2016 £	2015 £
Missionary Societies	6,215	22,050
Relief agencies	7,083	8,106
Secular charities	3,075	2,446
Magazine costs	1,172	1,058
Parish centre costs	16,582	17,243
Clergy fees surrendered to Diocese	25,755	35,096
Parish shares	146,000	32,000
Clergy expenses	2,858	3,480
Assistant staff	27,294	30,349
Curate house expenses	1,898	1,860
Church running expenses	31,744	34,732
Pension contributions	43	-
Salaries, wages and honoraria	19,914	20,081
Sundry expenses	1,533	542
Machine lease and expenditure	3,572	4,563
Depreciation	4,120	4,550
Accountancy fees	3,830	3,640
Independent examination fees	850	800
	<u>303,538</u>	<u>222,596</u>
	<u>303,538</u>	<u>222,596</u>
Analysis by fund		
Unrestricted funds	295,715	
Restricted funds	7,823	
	<u>303,538</u>	
For the year ended 31 December 2015		
Unrestricted funds		215,517
Restricted funds		7,079
		<u>222,596</u>

8 Council Members

None of the Council members (or any persons connected with them) received any remuneration or benefits from the PCC during the year.

THE PAROCHIAL CHURCH OF ST MARY'S & ST CUTHBERT'S

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

9 Employees

Number of employees

There were 7 employees during the year none of whom were paid in excess of £60,000 a year.

Employment costs	2016 £	2015 £
Wages and salaries	65,455	71,789
Social security costs	971	1,867
Other pension costs	43	-
	<u>66,469</u>	<u>73,656</u>

10 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 January 2016	497,000	84,464	45,733	627,197
Additions	-	-	1,687	1,687
	<u>497,000</u>	<u>84,464</u>	<u>47,420</u>	<u>628,884</u>
At 31 December 2016	497,000	84,464	47,420	628,884
Depreciation and impairment				
At 1 January 2016	-	68,094	36,321	104,415
Depreciation charged in the year	-	2,455	1,665	4,120
	<u>-</u>	<u>70,549</u>	<u>37,986</u>	<u>108,535</u>
At 31 December 2016	-	70,549	37,986	108,535
Carrying amount				
At 31 December 2016	<u>497,000</u>	<u>13,915</u>	<u>9,434</u>	<u>520,349</u>
At 31 December 2015	<u>497,000</u>	<u>16,370</u>	<u>9,412</u>	<u>522,782</u>

11 Fixed asset investments

The following investments were held by the Diocesan Board of Finance on behalf of the PCC at 31 December 2016 and are shown below at their estimated market values.

	2016 £	2015 £
TRUST FUND 4/3 TITHE ACT 1936 (Upkeep of Chancel)		
340 shares @ £14.955 (2015 - £13.535)	5,084	4,602
Central Board of Finance deposit	180	180
TRUST FUND 4/5 RIDLEY (Ecclesiastical purposes)		
Central Board of Finance deposit	1,711	1,703
TRUST FUND 4/8 PELTON FELL MISSION CHURCH		

THE PAROCHIAL CHURCH OF ST MARY'S & ST CUTHBERT'S

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

11	Fixed asset investments	(Continued)	
	Central Board of Finance deposit	931	927
	TRUST FUND 4/10 ELIZABETH TEWART (Rectors expenses)		
	Central Board of Finance deposit	8,667	8,667
	TRUST FUND 4/11 BAYLES (Fabric and bells)		
	Central Board of Finance deposit	115,985	115,442
	THE LISLE AND DOROTHY PATTISON GIFT		
	394.189 Charifund units	6,053	5,653
		<u>138,611</u>	<u>137,174</u>

The balances on Trust Funds 4/5, 4/8 and 4/11 include amounts of accrued interest of £456.64 (2015 £448.64), £281.09 (2015 £276.73) and £13,972.58 (2015 £13,430.31) respectively. This accrued interest is available to be spent, subject to the restrictions set out by the benefactors.

During 2014 £7,677 was transferred to restricted funds. This related to church maintenance costs incurred which were funded from endowment income. The PCC had yet to transfer these funds out of endowment funds into the main bank account.

All of the Trust Funds shown above are endowment trusts and all are restricted in their use.

12	Stocks	2016 £	2015 £
	Finished goods and goods for resale	<u>1,500</u>	<u>1,500</u>
13	Debtors	2016 £	2015 £
	Amounts falling due within one year:		
	Income tax recoverable	27,531	76,435
	Prepayments and accrued income	9,096	42,265
		<u>36,627</u>	<u>118,700</u>
14	Creditors: amounts falling due within one year	2016 £	2015 £
	Accruals and deferred income	<u>8,955</u>	<u>10,931</u>

THE PAROCHIAL CHURCH OF ST MARY'S & ST CUTHBERT'S

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

15 Fund details

The unrestricted funds comprise the General and Areas/Groups Funds as well as the equity share of 16 Park Road North. All other funds are restricted in their use.

The endowment funds comprise the five trust funds as shown in note 12.

The bank account balances are represented by funds as follows:-

Fund		Balance @ 01.01.16 £	Change in year £	Transferred in year	Balance @ 31.12.16 £
General		92,995	2,629	(224)	95,400
Youth	R	2,551			2,551
Charities	R	92			92
Fabric	R	2,207	41,109		43,316
Organ restoration fund	R	-	127,731	128	127,859
Miscellaneous	R	29,972	(54)	96	30,014
Centre recoupment	R	20,958	150		21,108
Areas/Groups		2,229	(7)		2,222
		151,004	171,558	-	322,562
Total restricted bank balances	R				224,940
Total unrestricted bank balances					97,622

During the year £224 was transferred from the unrestricted to the restricted fund. This was due to payments being made out of the unrestricted fund when the restricted amounts raised did not cover the full cost of specific activities.

16 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total £
Fund balances at 31 December 2016 are represented by:				
Tangible assets	40,349	480,000	-	520,349
Investments	7,677	-	130,934	138,611
Current assets/(liabilities)	126,630	225,104	-	351,734
	<u>174,656</u>	<u>705,104</u>	<u>130,934</u>	<u>1,010,694</u>