The Parochial Church Council of the Ecclesiastical Parish of St Nicholas, Durham

Report and Accounts

Year ended 31 December 2025

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THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST NICHOLAS, DURHAM

CHARITY INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2025

Members of the Parochial Church Council

Ex-officio members	Incumbent	Revd Dr Will Foulger
	Curate	Helen Miller (appointed July 2025)
	Wardens	Louise Harvey
		Peter Clark
	General Synod	Angus Goudie
		Jamie Harrison
	Deanery Synod	Tim Packer
		Emma Clements (resigned April 2025)
	Diocesan Synod	Tim Packer
		Mary Anne Margaret Freer (appointed May 2025)
Elected Members	PCC Secretary	Naomi Stevens
		Sarah Alsop
		Thomas Bray (appointed May 2025)
		Sam Chapman (resigned May 2025)
		Fiona Courtman
		Fiona Cuthill
		Phil Dawson
		Ann Day (appointed May 2025)
		Toby Donegan-Cross
		Elaine Duddy (resigned May 2025)
		Andy Freer (appointed May 2025)
		Jane Ghosh (resigned May 2025)
		David Ross (appointed May 2025)
		Christopher Stokes
		Abigail Taylor
		Amy Tharakan

Charity Registration Number 1133809

Principal Address

St Nicholas' Church
Market Place
Durham
DH1 3NJ

Independent Examiner

Sarah Crispin ACA
Stewardship
1 Lamb's Passage
London
EC1Y 8AB

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Members' Annual Report

Year ended 31 December 2025

The members present their report and the unaudited financial statements of the Parochial Church Council for the year ended 31 December 2025.

Objectives and activities

The objectives of St Nicholas Church (known to all as 'St Nics') continue to be those of a city-centre Church of England church: to be a Christ-centred community that grows in discipleship, service and number. The church's stated vision (as of 2025) is to see: "Many people encountering Jesus, learning from him, and working with him. In the heart of the city for Durham, and from the heart of the city for the world." The vision speaks of the fact that St Nics has a local focus, to the residents and students of Durham, as well as to a wider world through prayer, mission, and equipping people to make a difference when they leave Durham. The church exists as part of the Diocese of Durham.

The PCC has the responsibility of co-operating with the incumbent (Revd. Will Foulger) in promoting in the parish all aspects of the mission of the church – pastoral, evangelistic, social and ecumenical. The church also this year took on a curate, Revd. Helen Miller.

In attempting to achieve its objectives, St Nics undertakes a number of different ministries, including:

Ministry as a Parish Church: We resource our members of all ages through regular Sunday services that include biblical preaching and teaching, worship, and the celebration of Holy Communion. Alongside these we hold daily prayer services (Tue - Thu at 8am), a wide range of midweek small groups for the cultivation of Christian discipleship, and many other ministries, including student work, dedicated children's and youth provision, music and worship ministry.

We have continued our established pattern of Sunday services – three Sunday services at 9am, 11am and 6.30 pm. We have continued to stream one service on a Sunday, aware that our online 'congregation' often numbers 50–100 views. If we include online numbers, we average a connection with 350 people every Sunday.

Other special events through the year include a children's holiday club, an introductory course to the Christian faith (Alpha), student weekend away, youth away weekend, and away week to a youth festival, and other social events.

We host additional seasonal events and services (Christmas and Easter), opening the church building at these times, and seeing many people attend or enter the church who wouldn't attend regularly.

Sunday Worship: During 2025 we employed a worship leader, a role filled as a job share between Elise Massa and Timmy Niblett and funded by the Church of England's Strategic Development Funding. This funding concluded at the end of the year, however we have made the decision to continue with the role going forward.

Small Groups Those who are involved in the life of the church are encouraged to join one of a network of Small Groups (SGs), hosted in members' homes. These groups play an important role in pastoral care, facilitating personal growth and encouraging an outward focus to our Christian lives. The group leaders meet periodically for training and support. Our small group ministry is overseen by volunteer leaders, who in turn oversee a team of small group volunteer leaders. There are 180 people meeting regularly in small groups.

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, as well as undertaking a course of accredited study at first year degree level through the local Lindisfarne College of Theology.

In September 2016, our Internship program became part of the Durham Diocese Church of England Ministerial Experience Scheme. This year we have had two MEVs with us, Abi West, and Ru Sanena.

Ministry with students: Our Student Ministry aims to welcome, integrate and disciple students as well as providing pastoral care. We run a weekly student night where students can come and eat a meal, and read the Bible together. In 2024 we appointed a 15 hour p/w student worker, Phoebe Turner, paid for through SD Funding through the diocese of Durham. Our student ministry has grown significantly in the past year, and we took the decision to provide Timmy Niblett, our worship lead, with 5 additional hours p/w to help oversee student ministry. We have also decided to retain these roles after the conclusion of the SDF funding at the end of 2025.

Ministry with international students ('Amigos'): This year we made the decision to stop our weekly Amigos group for international students, and invest time and resources instead into the weekly Globe Café, which is an ecumenical project run by a number of churches in Durham.

Ministry with children and families: In the context of Durham Diocese where fewer than 6 churches are in regular contact with more than half a dozen children and young people, St Nics is privileged to work with a large number of children under the oversight of our Children and Families Worker, Kate Swann. We have over 71 children under 11 in some degree of regular attendance on a Sunday and at our weekly stay and play group. Kate Swann provides support to them and to their families by resourcing their Christian discipleship. St Nics runs courses for parents on aspects of raising children in contemporary culture informed by Christian faith.

This year we continued with our toddler group – 'Little Stars' – which is held weekly here in church. This group has grown and now welcomes over 20 families each week.

Ministry with young adults Our Youth Enabler, Meg Haslam – line managed by our Youth Lead, Hannah Wilkinson - has continued her work with the Durham Sixth Form Centre that is located in our parish. As well as continuing to develop excellent relationships with staff, and maintain an innovative 'Big Questions' group for interested sixth formers, she has continued the mentor scheme. This draws in volunteers from the wider church membership who can offer expertise and reflection in a range of subject areas. The Christian Union, established last year, continues to grow and this year the students have begun meeting weekly for morning prayer.

Meg and Hannah maintain a range of activities for young adults (11-18) already attending church including Sunday morning worship materials for those 11—13 and Sunday meetings for 13-18 year olds. Supplementary funding from St Nics has permitted members of the youth organisation to go to a summer festival – Satellites - with youth from many other churches, as part of helping them to have a sense of the wider world of church possibilities.

The Teenaid Fund shown in the financial statements receives income from the interest on the Patterson Fund (£229.58), 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".

Mission Giving: The church supported mission activities in 2025. This year total donations came to £7.6k (although it shows as £5.8k in the accounts owing to an accounting issue in the previous year) and included donations to the Bible Society, the Church Missionary Society, Church Army, Mission Aviation Fellowship and the Latvia Biblical Centre. We had visits from representatives of 4 of the projects we are supporting in 2025.

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.

- The last Quinquennial Review was completed in 2021, the next one will be due in 2026.
- Significant works identified were repairs to the West Wall which were completed in 2024 (cost £16.6k) and replacement of the fire doors which was completed in 2025 (total cost £11.7k)

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 has served on the Deanery Synod, since the APCM of 2024, he also serves on the Diocesan Synod alongside Mary Anne Freer. 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 employment cost of our clergy, provision of Diocesan resources such as the use of a house for our MEVs, and other aspects of church life. The level of contribution is reviewed every year and may go up or down depending on Church priorities and capacity to pay. The Parish Share is used to support mission and ministry throughout the Diocese. We give according to the Diocese's suggested 'guided pledge' and we have sought to give up to the suggested amount. In 2025 we gave £132.3k in Parish Offering and the 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 amount is included as an expense in the 2025 SOFA.

Financial review

During the year, the PCC of St Nics made a surplus of £38.0k vs. a surplus in 2024 of £36.3k.

Donations including gift aid (excluding grants and legacies), increased by 22% compared to 2024 (£339.4k vs £278.7k in 2024). This was a very generous response to the launch of our new vision and the need to prepare for life without SDF funding, see later.

Expenses were up 13% on 2024 at £454.1k where the biggest drivers were Payroll, up 38% or £43.2k on 2024 (Youth Enabler/missioner +£10k, Worship Pastor +£15k and Student Worker +£10k being the main changes). There were also significant increases in the costs of the Parish Share, £6.3k, Admin Expenses, £6.7k and Utilities, £6.3k.

Giving generously was a significant theme in 2025 since during the year we launched our new 10 year vision which requires significant investment going forward as follows:

- At the end of 2025 our Strategic Development Funding (SDF) funding came to an end and after careful reflection we have decided to maintain the key posts paid for by this funding including ministry leads for Students, Youth and Worship. In 2025 this amounted to £79.9k
- As the church transitions into a "big" church we will need additional staff to cover the breadth of activity anticipated, particularly in relation to Ministry and Operational support.
- We need to invest in our bricks and mortar to make our facilities more appropriate for our regular activities and also to allow us to engage more fully with our local community.

In response to the new vision and accompanying sermon series on generosity the congregation responded brilliantly at the pledge Sundays with £32.9k raised in one-off donations (plus £3.2k of GA) and an increase in regular giving of £3.5k per month amounting to £14.3k in the year (plus £3.7k of GA) . These amounts are incorporated into “Donations of cash and similar” in 2025 as per 2024.

During the year we also benefitted from the receipt of a legacy to the value of £20k (cf £60.7k in 2024). We are extremely grateful for this form of giving, which allows the Church to benefit and continue transforming lives well after the donor has left.

Rental income in 2025 was up 22% on 2024 at £14.4k, driven by the additional hire of the church by Scriptorium and the use of the Youth Centre by the Greek Orthodox Church. We are very happy to continue to let out the Church Hall during the year for the SWAN (Safer Women at Night) initiative.

In this, the final year of our SDF funding, we received income totalling £79.9k (vs. £55.0k in 2024) taking us to the limit of available funding, whereas the costs incurred totalled £91.1k (vs. £57.1k in 2024). Staff funded by the SDF include the Youth Missioner/Youth Enabler, the Tech Coordinator, the Worship Pastor and the Student Worker. In addition to our SDF funding, we also receive support for our two Mission Experience Volunteers (MEVs). Generally, the programme runs from July to July with funding and expenses balancing out over this period. In 2025 we received funding of £10.9k (vs £12.7k in 2024) with direct expenses at £8.3k (vs £10.2k in 2024).

The Parish Offering for 2025 increased by £6.3k to £132.3k as agreed by PCC. This represented a 5% increase on the previous year and was in line with the suggested amount proposed by the Diocese.

During the year the PCC was awarded two small grants. The first totalling £4.8k was from the Archbishop’s council and was to cover the cost of installing a Hearing Loop which was completed in Jan 2026. The second grant was for £1k from the Catherine Cookson Trust and was to support the costs associated with replacing the gates in the Churchyard. This is work that is expected to complete in the first quarter of 2026. The balance of grant monies relate to a claim for VAT rebate on eligible works through the Government Listed Place of Worship Scheme (LPOWS).

Building works were much lower in 2025 compared with 2024 (£19.7k in 2025 vs £32.4k in 2024), reflecting the significant number of repairs required in that year as was expected after the last Quinquennial Report. The new quinquennial inspection will be conducted during February 2026.

Fixed Assets were added to at the end of the year by the following purchases:

● New AV System and staging	£55,593
● New laptops - 5 in total	£4,716
● New keyboard and bass guitar	£3,663
● New hearing loop (Part payment)	£2,860

Funds – Overall available cash reserves have reduced by £13k

● Available cash reserves at start of year	£192k
● Available cash reserves at year end	£158k
● Restricted and Endowment funds at start of year	£76k
● Restricted and Endowment funds at year end	£72k

Restricted Fund spends in the year

● Churchyard - Architects fees, Depreciation and Maintenance	£5.9k
● Hearing Loop	£2.9k

- SNACS - Support for Satellites £2.9k

Restricted Funds received in the year

- Grant for Churchyard £1.0k
- Grant for Hearing Loop £4.8k
- Interest from deposit account £2.9k

Reserves Policy

"It is the intention of PCC to try and maintain a balance on the designated "Reserve Fund" 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.

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 our Finance Committee (Andy Freer, Elaine Duddy, Sarah Alsop, Phil Dawson, Peter Clark and Will Foulger).

Structure, governance and management

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

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, senior leader 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 2025 the PCC met on 8 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. At the end of 2025 this team included: Revd Peter Johnson, Revd Steve Muneza, Revd Colin Patterson, Revd Philip Brookes, Revd Josh Cockayne, Revd Maeve Sherlock, Revds Fran and Gavin Wakefield. We are also blessed with a number of Lay

Licensed Ministers: Andrew Trigger, Lizzie Hare, Ruth Stokes and Jamie Harrision.

Staff team: By the end of 2025, the staff team reporting up to the vicar and directly employed by the church, included: Kate Dawson (Church Operations Manager), Jess Thornhill (Administrative Assistant), Kate Swann (Children and Families Worker), Elise Massa & Timmy Niblett (Worship), Meg Haslam (Youth), Phoebe Turner (Students), Claire Morley (part-time cleaner), and Chris Massa (Part time Tech coordinator).

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.

- 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.

- With regard to the PCC's obligations to safeguard children and vulnerable adults, the members of the PCC confirm that they have complied with their duties under section 5 of the Safeguarding and Clergy Discipline Measure 2016.

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

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.

Statement of Responsibilities of the Members of the Parochial Church Council

The PCC is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the PCC to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity as at the balance sheet date and of its incoming resources and application of resources for the financial year. In preparing these financial statements, the PCC are required to:

1. select suitable accounting policies and apply them consistently;
2. observe the methods and principles in the Charities SORP;
3. make judgements and estimates that are reasonable and prudent;
4. state whether the applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
5. prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The PCC is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approval

This report was approved by the PCC and signed on their behalf by:

Revd Dr Will Foulger
Revd Dr Will Foulger (Apr 14, 2026 15:47:35 GMT+1)

Revd Dr Will Foulger

Date: Apr 14, 2026

INDEPENDENT EXAMINER'S REPORT

TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST NICHOLAS, DURHAM
('the Charity')

I report to the members of the PCC (who are also the charity's trustees) on my examination of the accounts of the Charity for the year ended 31 December 2025 on pages 10 to 22 following, which have been prepared on the basis of the accounting policies set out on pages 12 and 13.

Responsibilities and basis of report

As members of the PCC you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 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 Charity'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 & Wales, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Charity as required by section 130 of the Act; or

2. the accounts do not accord with those records; or

3. the accounts 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.

Sarah Crispin
Sarah Crispin (Apr 14, 2026 16:59:25 GMT+1)

Sarah Crispin ACA
Institute of Chartered Accountants in England and Wales

Stewardship
1 Lamb's Passage
London
EC1Y 8AB

Date: Apr 14, 2026

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST NICHOLAS, DURHAM

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2025 £	Total Funds 2024 £
INCOME AND ENDOWMENTS FROM:						
Donations and legacies	3	360,776	6,137	-	366,913	343,431
Charitable activities	4	95,564	7,949	-	103,513	78,124
Other trading activities	5	14,398	-	-	14,398	9,726
Investments	6	4,376	2,722	230	7,328	8,150
Total income and endowments		475,114	16,808	230	492,152	439,430
EXPENDITURE ON:						
Charitable activities	7	436,882	17,226	-	454,108	403,088
Raising funds		-	-	-	-	47
Total expenditure		436,882	17,226	-	454,108	403,135
Net income/(expenditure)		38,232	(418)	230	38,044	36,296
Transfers between funds	15	3,090	(2,860)	(230)	0	-
Net movement in funds		41,322	(3,278)	-	38,044	36,296
Reconciliation of funds:						
Total funds brought forward		288,435	70,488	5,073	363,996	327,700
Total funds carried forward	15	329,757	67,210	5,073	402,040	363,996

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

All income and expenditure derive from continuing operations.

The notes on page 12-21 form part of these accounts.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST NICHOLAS, DURHAM

BALANCE SHEET

AS AT 31 DECEMBER 2025

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2025 £	Total Funds 2024 £
FIXED ASSETS						
Tangible assets	10	150,397	-	-	150,397	95,825
		150,397	-	-	150,397	95,825
CURRENT ASSETS						
Debtors	11	31,646	-	-	31,646	18,499
Cash at bank and in hand	12	158,420	67,210	5,073	230,703	268,080
		190,066	67,210	5,073	262,349	286,580
CREDITORS: Amounts falling due within one year	13	(10,706)	-	-	(10,706)	(18,408)
Net current assets / (liabilities)		179,360	67,210	5,073	251,643	268,171
Total assets less current liabilities		329,757	67,210	5,073	402,040	363,996
TOTAL NET ASSETS		329,757	67,210	5,073	402,040	363,996
FUND BALANCES	15					
Unrestricted Funds						
General funds		242,596	-	-	242,596	163,207
Designated funds		87,161	-	-	87,161	125,228
		329,757	-	-	329,757	288,435
Restricted Funds		-	67,210	-	67,210	70,488
Endowment Funds		-	-	5,073	5,073	5,073
		329,757	67,210	5,073	402,040	363,996

The financial statements were approved by the members of the PCC and were signed on its behalf by:

Revd Dr Will Foulger

Revd Dr Will Foulger (Apr 14, 2026 15:47:35 GMT+1)

Revd Dr Will Foulger

Date: Apr 14, 2026

Charity number: 1133809

The notes on page 12-21 form part of these accounts.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST NICHOLAS, DURHAM

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2025

1 Statutory Information

The Parochial Church Council of St Nicholas, Durham is a charity registered with the Charity Commission in England & Wales. The charity's registered number and principal address can be found on the Charity Information page.

2 Accounting Policies

These financial statements are prepared on a going concern basis, under the historical cost convention. The financial statements include all activities for which the PCC is legally responsible; the activities of informal gatherings of church members and groups that owe their main affiliation to another body and are excluded.

These financial statements have been prepared in accordance with The Church Accounting Regulations 2006, the 'Statement of Recommended Practice: 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)' ("the Charities SORP"), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102") and with the Charities Act 2011. The charity meets the definition of a public benefit entity as set out in FRS 102.

The Charities (Accounts and Reports) Regulations 2008 (the '2008 Regulations') requires charities to prepare their accounts in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005' but this accounting standard has since been withdrawn and has been replaced by the Charities SORP mentioned in the preceding paragraph. The charity has prepared these financial statements in accordance with the new Charities SORP; this departure from the 2008 Regulations is believed to be necessary for these financial statements to give a 'true and fair view'.

The principles adopted in the preparation of the financial statements are set out below.

a) Going concern

The PCC have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The PCC have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the PCC have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The PCC have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

b) Income

Income (which includes planned giving, collections and other donations) is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part income is generally recognised when it is received by, or on behalf of, the PCC. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Income from donations and legacies includes:

i) Recoverable gift aid. This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.

ii) Legacies. Income from legacies is recognised when a distribution is received from the estate or, if earlier, when the charity has been notified that a distribution will be made and the amount receivable can be measured reliably.

The charity relies on volunteers to carry out many of its activities. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured.

Income from charitable activities represents income receivable from goods, services and facilities supplied in furtherance of the charity's charitable objects. It includes income from the Strategic Development Fund via Durham Diocese to fund costs incurred as part of Discipling Church.

Income from other trading activities represents income receivable from activities undertaken to generate funds for the charity. It includes income from letting the church building & halls, and from the café.

Investment income represents income generated by the charity's assets and includes bank interest income.

c) Expenditure

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Contributions in respect of the diocesan parish share are included in the Statement of Financial Activities for all amounts agreed to being payable for the financial year. Any contributions that have not been paid over by the year end are included as a creditor.

2 Accounting Policies (cont.)

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

Expenditure on raising funds comprises the costs incurred on running the café.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the PCC in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the PCC for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects. Endowment funds are donations that are retained as capital in accordance with the donor's wishes. The nature of the restriction determines whether the endowments represent permanent endowments or expendable endowments.

e) Tangible fixed assets

Consecrated and beneficed property is not included in these financial statements by virtue of s.10(2) of the Charities Act 2011. All expenditure on consecrated or beneficed buildings is written off in the year in which it is incurred.

Movable church furnishings held by the incumbent and Churchwardens on special trust for the PCC and which require a faculty for disposal are capitalised in accordance with the policy set out below. These items are regarded as inalienable property and are listed in the church's inventory which can be inspected at any reasonable time. Inalienable property acquired prior to 2000 has not been capitalised as there is insufficient cost information available.

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

Items purchased or donated for the charity's own use since 1 January 2001 are capitalised when the cost of purchased items, or the fair value of donated items, is more than £2,000 and the item is expected to benefit the charity over more than one accounting period. Depreciation is charged on a straight line basis so as to write down the value of each asset to its estimated residual value (if any) over its expected useful economic life. To achieve this objective the following rates of depreciation are charged:

Youth Centre renovation	Over 50 years
Fixtures & fittings	Over 4 years
Equipment	Over 4 or 10 years
Office Equipment	Over 4 years

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable.

f) Pension scheme arrangements

The charity contributes to the Church Workers Pension Fund, which is a multi-employer defined benefits pension scheme as described in Section 28 of FRS 102. The charity is not able to identify its share of the Scheme's assets and liabilities and, therefore, as permitted by FRS 102, the Scheme is accounted for as if it were a defined contribution pension scheme. Contributions to the Scheme are charged to the Statement of Financial Activities as they become payable. Futher information about the Scheme is disclosed in note 14 'Pension Commitments'.

g) Taxation

The charity has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

h) Financial instruments

The charity's financial assets and financial liabilities all qualify as basic financial instruments, as defined by FRS102. Except for loans, creditors and debtors are measured at their expected settlement value (normally the amount of cash that the charity expects to pay or receive). The charity recognises liabilities for the principal of those loans that remains outstanding at the year end (i.e. the liabilities exclude any interest chargeable on the loans in future years).

i) Exemption from preparing a cashflow statement

The charity has taken advantage of an exemption conferred by the Charities SORP and has not prepared a cash flow statement.

2 Accounting Policies (cont.)

j) Critical accounting estimates and areas of judgement

The members of the PCC do not consider that there are any material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

3 Donations and legacies

	2025	2024
	£	£
Donations of cash and similar	289,293	238,984
Other grants receivable	7,475	3,947
Legacies receivable	20,000	60,737
Gift aid recoverable	50,146	39,762
	366,913	343,431

4 Income from charitable activities

	2025	2024
	£	£
Discipling Church income	90,855	67,754
PCC Activities	3,117	875
Fees retained by PCC (Weddings & Funerals)	1,591	2,325
Children's & Youth events	7,508	6,729
Miscellaneous income	441	441
	103,513	78,124

5 Income from other trading activities

	2025	2024
	£	£
Rental income	14,398	9,726
	14,398	9,726

6 Investment income

	2025	2024
	£	£
Bank interest	7,168	7,990
Rental income	160	160
	7,328	8,150

7 Charitable expenditure

	2025	2024
	£	£
a Costs incurred directly on specific activities		
Ministry expenses:		
Parish share	132,300	126,000
Ministry staff employment costs	18,018	16,119
Clergy expenses	2,907	2,186
Home Ministry	28,643	20,858
Discipling Church	98,477	66,452
	280,344	231,614
Property expenses:		
Operational costs for church	69,056	84,120
Operational costs for Youth Centre	3,679	3,297
	72,735	87,416
Grants payable (note 7c)	6,061	7,870
	359,140	326,900

7 Charitable expenditure (cont.)

b Costs incurred on support & administration

Governance costs		
Independent examiner's fee	2,904	2,832
Other	411	753
	3,315	3,585
Administrative & support staff employment costs	52,808	46,924
Church administration costs	24,311	19,364
Professional fees	2,273	-
Depreciation of tangible fixed assets	12,260	6,315
	94,967	76,188
Total expenditure	454,108	403,088

c Grants payable

	Institutions	Individuals	2025
	£	£	£
Grants for UK and overseas mission	6,061	-	6,061
	6,061	-	6,061

The comparatives for the previous year are as follows:

	Institutions	Individuals	2024
	£	£	£
Grants for UK and overseas mission	7,870	-	7,870
	7,870	-	7,870

The charity's principal grants to institutions comprised:

	2025	2024
	£	£
Church Missionary Society	2,100	2,000
Bible Society	1,600	1,500
Latvia Biblical Centre	1,450	1,800
Church Army (Friends of Bungokho)	1,100	1,000
Vereinigte Deutsche Missionshilfe (Manasseh & Catrin Tuyizere)	(1,000)	1,000
Mission Aviation Fellowship	600	540
Grants to institutions for less than £1,000 each	211	30
	6,061	7,870

The charity accrued for a donation to Vereinigte Deutsche Missionshilfe in 2024, but subsequently this was not paid over and the accrual was reversed as shown above.

8 Analysis of staff costs, the cost of key management personnel and trustee remuneration and expenses

The average monthly number of employees during the year was 9.75 (2024: 7.3). Most of the charity's activities are carried out by volunteers.

No staff received salaries at a rate of more than £60,000 per annum.

The charity's key management comprise the members of the PCC. No member of the PCC received employment benefits in either the current or preceding year.

Revd Dr Will Foulger (who was a clergy member of the PCC) received a stipend from the Diocese and so he is not an employee; some of the Parish Share paid to the Diocese is used to help meet the cost of this stipend. The Diocese also provided him with accommodation (which is customary for clergy). The charity reimbursed expenses to Revd Dr Will Foulger; these costs are disclosed in note 7 'Charitable Expenditure' under the heading 'Clergy expenses'.

9 Acting as agent

On occasion the charity receives money on behalf of other charities, which it banks and then pays out to these charities. This income is received as agent for these other charities and the income, and the related payments, are excluded from the Statement of Financial Activities; any money that has not been distributed by the year end is recognised as a creditor.

During the year the charity acted as agent for the Janet Foster fund and, in that capacity:

a) received £nil (2024: £nil) and paid £2,796 (2024: £2,000)

b) at the year end the charity held £nil (2024: £2,796) on behalf of the trustees of the fund.

10 Tangible fixed assets

	Youth Centre £	Fixtures & Fittings £	Equipment £	Office Equipment £	Total 2025 £
Cost					
At 1 January 2025	149,558	11,103	14,360	7,901	182,922
Additions	-	-	62,116	4,716	66,832
At 31 December 2025	149,558	11,103	76,475	12,617	249,753
Accumulated depreciation					
At 1 January 2025	61,413	10,210	8,552	6,922	87,097
Charge for the year	2,991	893	6,709	1,666	12,260
At 31 December 2025	64,404	11,103	15,261	8,588	99,356
Net book value					
At 31 December 2025	85,154	-	61,215	4,029	150,397
At 31 December 2024	88,145	893	5,807	979	95,825

11 Debtors

	2025 £	2024 £
Falling due within one year:		
Tax recoverable	14,687	12,151
Other debtors	9,948	2,120
Prepayments and accrued income	7,011	4,228
	31,646	18,499

12 Cash at Bank and in Hand

	2025 £	2024 £
Cash at bank with immediate access	230,703	268,080
	230,703	268,080

13 Creditors: liabilities falling due within one year

	2025 £	2024 £
Trade creditors	-	80
Pension liability	970	2,063
Accruals	8,956	5,179
Deferred income	780	-
Janet Foster fund	-	2,796
Grant obligations	-	8,290
	10,706	18,408

14 Pension commitments

The Church Workers Pension Fund (CWPF)

The PCC participates in the Pension Builder Scheme section of CWPF for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the PCC and the 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 (2025: £12,842, 2024: £8,904).

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 2022.

For the Pension Builder Classic section, the valuation revealed a surplus of £34.8m on the ongoing assumptions used. At the most recent annual review effective 1 January 2026, the Board chose to grant a discretionary bonus of 10% to both pensions not yet in payment and pensions in payment in respect of service prior to April 1997; and a bonus on pensions in payment in respect of post April 1997 service so that the pension increase was also 10% (where usually it would be calculated based on inflation up to an annual cap of 5% for pensions in payment in respect of service prior to April 2006 and 2.5% for pensions in payment in respect of service post April 2006). This followed improvements in the funding position over 2025. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £8.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time. The next valuation is being carried out as at 31 December 2025.

The legal structure of the Scheme is such that if another employer fails, the PCC could become responsible for paying a share of that employer's pension liabilities.

15 Funds

During the year the movements in the charity's funds were as follows:

	Opening balance 2025 £	Incoming resources 2025 £	Outgoing resources 2025 £	Transfers in the year 2025 £	Gains and losses 2025 £	Closing balance 2025 £
Designated Funds						
Reserve Fund	52,297	-	-	-	-	52,297
Ministry Assistants' Fund	1,000	-	-	(1,000)	-	-
St Nicholas' Estate Fund	1,707	77	-	-	-	1,785
Teen Aid	1,346	-	-	230	-	1,576
Maintenance Fund	31,503	-	-	-	-	31,503
Legacy	37,374	-	-	(37,374)	-	-
	125,228	77	-	(38,145)	-	87,161
General Unrestricted Funds	163,207	475,037	(436,882)	41,234	-	242,596
Total Unrestricted Funds	288,435	475,114	(436,882)	3,090	-	329,757
Restricted Funds						
Bells	366	370	-	-	-	736
Flower Fund	142		(53)	-	-	88
International Student Fund	5,368	243	-	-	-	5,610
Other restricted funds	975		-	-	-	975
SNACS - Main account	2,863		-	(2,863)	-	(0)
St Nic's Puppet Ministry	1,067		-	(1,067)	-	-
Vicar's Fund	2,985	135	-	-	-	3,121
Insulation of Upper Hall	6,258	283	-	-	-	6,541
Recovery Group	5,018	227	-	-	-	5,246
Churchyard	25,141	1,914	(5,940)	-	-	21,116
Streetlights	1,790	81	-	-	-	1,871
Satelites	155	7,949	(11,232)	3,416	-	288
Youth & Children	7,571	366	-	514	-	8,452
International Mission Council	4,085	185	-	-	-	4,270
Student Ministry	6,356	288	-	-	-	6,644
Hearing Loop	-	4,767	-	(2,860)	-	1,907
Big Question - Sixth Form Centre	347	-	-	-	-	347
	70,488	16,808	(17,226)	(2,860)	-	67,210
Endowment Funds						
Permanent						
Patterson Endowment Fund	5,073	230	-	(230)	-	5,073
	5,073	230	-	(230)	-	5,073
Aggregate of funds	363,996	492,152	(454,108)	0	-	402,040

The transfers referred to above were made for the following reasons:

a) From the SNACS & Youth & Children's Fund to the Satelites fund to subsidise the Youth trip to the Satelites event. This event meets the criteria of both of these funds

b) From St Nics Puppet Ministry fund to the Youth & Children's Fund as agreed by PCC. The puppet ministry is no longer active but supported the children's work, where the balance will be used.

c) From Legacy designated fund to General fund to recognise the fixed asset addition of the AV system.

d) From the Hearing Loop fund to General funds to relect the cost of installing a new hearing loop.

e) Interest received by the Patterson Endowment Fund was transferred to the Teenaid Fund in line with the endowment policy.

15 Funds (cont.)

Analysis of net assets by fund

The assets and liabilities of the various funds were as follows:

	Unrestricted Funds				
	General funds £	Designated funds £	Restricted funds £	Endowment funds £	2025 £
Tangible fixed assets	150,397	-	-	-	150,397
Debtors	31,646	-	-	-	31,646
Cash at bank and in hand	71,259	87,161	67,210	5,073	230,703
Creditors falling due within one year	(10,706)	-	-	-	(10,706)
	242,596	87,161	67,210	5,073	402,040

In the previous year the movements in the charity's funds were as follows:

	Opening balance 2024 £	Incoming resources 2024 £	Outgoing resources 2024 £	Transfers in the year 2024 £	Gains and losses 2024 £	Closing balance 2024 £
Designated Funds						
Reserve Fund	52,297	-	-	-	-	52,297
Ministry Assistants' Fund	1,000	-	-	-	-	1,000
St Nicholas' Estate Fund	1,672	36	-	-	-	1,707
Teen Aid	1,238	-	-	108	-	1,346
Maintenance Fund	30,848	655	-	-	-	31,503
Legacy	36,597	778	-	-	-	37,374
	123,652	1,469	-	108	-	125,228
General Unrestricted Funds	127,301	415,633	(379,727)	-	-	163,207
Total Unrestricted Funds	250,952	417,101	(379,727)	108	-	288,435
Restricted Funds						
Bells	366	-	-	-	-	366
Flower Fund	164	-	(22)	-	-	142
International Student Fund	1,256	4,112	-	-	-	5,368
Other restricted funds	975	-	-	-	-	975
SNACS - Main account	4,806	60	-	(2,002)	-	2,863
St Nic's Puppet Ministry	1,067	-	-	-	-	1,067
Vicar's Fund	2,923	62	-	-	-	2,985
Insulation of Upper Hall	6,127	130	-	-	-	6,258
Recovery Group	4,914	104	-	-	-	5,018
Churchyard	39,562	527	(14,948)	-	-	25,141
Streetlights	1,753	37	-	-	-	1,790
Satelites	-	6,590	(8,438)	2,002	-	155
Youth & Children	7,414	158	-	-	-	7,571
International Mission Council	-	4,085	-	-	-	4,085
Student Ministry	-	6,356	-	-	-	6,356
Big Question - Sixth Form Centre	347	-	-	-	-	347
	71,674	22,221	(23,407)	-	-	70,488

15 Funds (cont.)

Endowment Funds

Permanent						
Patterson Endowment Fund	5,073	108	-	(108)	-	5,073
	5,073	108	-	(108)	-	5,073
Aggregate of funds	327,699	439,430	(403,135)	-	-	363,996

Analysis of net assets by fund

In the previous year, the assets and liabilities of the various funds were as follows:

	Unrestricted Funds				
	General funds £	Designated funds £	Restricted funds £	Endowment funds £	2024 £
Tangible fixed assets	93,616	-	2,209	-	95,825
Debtors	18,499	-	-	-	18,499
Cash at bank and in hand	69,500	125,228	68,280	5,073	268,080
Creditors falling due within one year	(18,408)	-	-	-	(18,408)
	163,207	125,228	70,488	5,073	363,996

Restricted funds

Fund restrictions are included in the fund titles where possible. Where this is not clear, descriptions are given below:

Other restricted funds relates to other one off donations received for specific appeals.

The SNACS funds is for events which met the following criteria: a) a Christian ethos/ element b) an outdoor "education" element c) a residential element

The Vicar's Fund was money given during COVID specifically to help those suffering from financial hardship

The Streetlights Fund was transferred to St Nic's for the work carried out by this team.

The Satelites Fund was to subsidise the costs of a youth trip to the Satelites event

Designated funds

The Reserve Fund represents three months worth of essential costs and is set aside to ensure the charity is meeting its reserves policy

Ministry Assistants' Fund is designated for / set aside to fund ministry assistants

The St Nicholas' Estate Fund relates to Church Estates entity

The Teen Aid is to enable & encourage Christian growth of young people at St Nics by providing finance for Christian Centred activities.

The Maintenance Fund was designated to hold funding for any large amount of expenditure needed for the building.

The Legacy fund is a legacy left to St Nics in 2022 and is designated as such to allow a specific purpose to be designated for it by the PCC

Endowment funds

The Patterson Endowment Fund is part of the Church Estate entity and cannot be used. The interest received on this is transferred to the Teenaid fund as a requirement of the fund.

16 Transactions with related parties

During the year the charity:

a) received donations totalling £73,729 (2024: £59,805) from related parties (which includes members of the PCC and anyone closely connected to them).

b) No expenses (2024: £nil) were paid to, or for, non-clergy members of the PCC.

During the year the charity also made the following payments to, or for, related parties:

a) Kate Dawson who is closely related to a member of the PCC, received employment benefits totalling £29,205 (2024: £26,541) for acting as operation manager to the charity.

b) Thomas Bray, who is a member of PCC, was paid £500 to produce a Net Zero feasibility report.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST NICHOLAS, DURHAM

DETAILED STATEMENT OF FINANCIAL ACTIVITIES WITH COMPARATIVES

FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Unrestricted funds General 2025 £	Designated 2025 £	Restricted 2025 £	Endowment 2025 £	Total 2025 £	Unrestricted funds General 2024 £	Designated 2024 £	Restricted 2024 £	Endowment 2024 £	Total 2024 £
INCOME AND ENDOWMENTS FROM:											
Donations and legacies	3	360,776	-	6,137	-	366,913	329,181	-	14,250	-	343,431
Charitable activities	4	95,564	-	7,949	-	103,513	71,534	-	6,590	-	78,124
Other trading activities	5	14,398	-	-	-	14,398	9,726	-	-	-	9,726
Investments	6	4,299	77	2,722	230	7,328	5,192	1,469	1,381	108	8,150
Total income and endowments		475,037	77	16,808	230	492,152	415,633	1,469	22,221	108	439,430
EXPENDITURE ON:											
Charitable activities:	7	436,882	-	17,226	-	454,108	379,680	-	23,407	-	403,088
Raising funds		-				-	47	-	-	-	47
Total Expenditure		436,882	-	17,226	-	454,108	379,727	-	23,407	-	403,135
Net income/(expenditure)		38,155	77	(418)	230	38,044	35,906	1,469	(1,186)	108	36,296
Transfers between funds	15	41,234	(38,145)	(2,860)	(230)	0	-	108	-	(108)	-
Net movement in funds		79,389	(38,067)	(3,278)	-	38,044	35,906	1,576	(1,186)	-	36,296
Reconciliation of funds:											
Total funds brought forward		163,207	125,228	70,488	5,073	363,996	127,301	123,652	71,674	5,073	327,700
Total funds carried forward	26	242,596	87,161	67,210	5,073	402,040	163,207	125,228	70,488	5,073	363,996