

**CHURCH OF SAINT JOHN, NEVILLE'S CROSS, DURHAM**

**FINANCIAL STATEMENTS**

**of the**

**PAROCHIAL CHURCH COUNCIL**

**for the year ended 31<sup>st</sup> December 2006**

**Incumbent :**

The Rev. Barnaby T Huish  
10 Westhouse Avenue,  
Potters Bank,  
Durham, DH1 4FH

**Independent Examiner:**

Dr N.C.Grant  
St John's College,  
Durham

## **Independent Examiner's Report to the PCC of St John's Church, Neville's Cross**

This report on the financial statements of the PCC for the year ended 31 December 2006 is in respect of an examination carried out in accordance with the Church Accounting Regulations 2006 ('The Regulations') and s.43 of the Charities Act 1993 ('The Act')

### **Respective responsibilities of the PCC and the examiner**

As members of the PCC you are responsible for the preparation of the financial statements; you consider that the audit requirement of the Regulations and s.43(2) of the Act does not apply. It is my responsibility to issue this report on those financial statements in accordance with the terms of the Regulations.

### **Basis of this report**

My examination was carried out in accordance with the General Directions given by the Charity Commission under s.43(7)(b) of the Act and to be found in the Church guidance, 2006 edition. That examination includes a review of the accounting records kept by the PCC and a comparison of the accounts with those records. It also includes considering any unusual items or disclosures in the financial statements 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 I do not express an audit opinion on the view given by the accounts.

### **Independent examiner's statement**

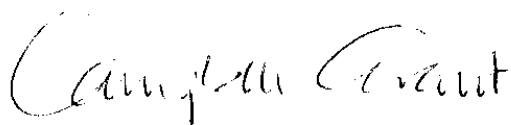
In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements

to keep accounting records in accordance with section 41 of the Act; and

to prepare financial statements which accord with the accounting records and comply with the requirements of the Act and the Regulations have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Dr N.C.Grant  
St John's College  
Durham

22 March 2007

**Statement of Financial Activities**  
**For the year ending 31st December 2006**

	Note	Unrestricted Funds			Endow- ment Funds	Total Funds 2006	Total Funds 2005
		General Fund	Desig- nated Funds	Res- tricted Funds			
<b>INCOMING RESOURCES</b>							
<i>Incoming resources from donors</i>	2(a)	60,131		3,266		63,397	59,942
<i>Other voluntary incoming resources</i>	2(b)	1,000		29,106		30,106	10,110
<i>Incoming resources to further the Council's objects</i>	2(c)	5,437		4,949		10,386	3,125
<i>Income from investments</i>	2(d)	10,871		2,605		13,476	12,734
<i>Transfers between funds</i>	2(e)	274	11,626	2,453		14,353	11,207
<b>TOTAL INCOMING RESOURCES</b>		<b>77,713</b>	<b>11,626</b>	<b>42,379</b>	<b>-</b>	<b>131,718</b>	<b>97,118</b>
<b>RESOURCES EXPENDED</b>							
<i>Grants</i>	3(a)	-	6,360	880		7,240	7,301
<i>Activities directly relating to the work of the church</i>	3(b)	53,115	519	193		53,827	54,490
<i>Church management and administration</i>	3(c)	1,673		5,398		7,071	5,253
<i>Superkids</i>	3(d)			4,310		4,310	5,938
<i>LOL Youth ministry</i>	3(e)			23,475		23,475	5,554
<i>Sundry events</i>	8	3,046		5,525		8,571	1,051
<i>Reordering Project</i>	3(f)	6,062				6,062	
<i>Transfers between funds</i>	3(g)	14,079			274	14,353	
<b>TOTAL RESOURCES EXPENDED</b>		<b>77,975</b>	<b>6,879</b>	<b>39,781</b>	<b>274</b>	<b>124,909</b>	<b>79,587</b>
<b>NET INCOMING/(OUTGOING) RESOURCES</b>		<b>-261</b>	<b>4,747</b>	<b>2,598</b>	<b>-274</b>	<b>6,810</b>	<b>17,531</b>
<b>GAINS AND LOSSES ON INVESTMENTS</b>					<b>36,412</b>	<b>36,412</b>	
<b>NET MOVEMENT OF FUNDS</b>		<b>-261</b>	<b>4,747</b>	<b>2,598</b>	<b>36,138</b>	<b>43,222</b>	
<b>BALANCES BROUGHT FORWARD AT 1ST JANUARY 2006</b>		<b>164,291</b>	<b>4,654</b>	<b>58,481</b>	<b>66,074</b>	<b>293,500</b>	
<b>BALANCES CARRIED FORWARD AT 31ST DECEMBER 2006</b>		<b>164,030</b>	<b>9,401</b>	<b>61,079</b>	<b>102,212</b>	<b>336,722</b>	

## Balance Sheet at 31st December 2006

	Note	2006 £	2005 £
<b>FIXED ASSETS</b>			
Tangible fixed assets	1(c)	-	-
Investments Assets	4	99,139	62,727
<b>CURRENT ASSETS</b>			
Debtors	6	5,365	2,533
Bank Deposits		236,257	223,938
Bank Current Accounts		9,455	4,302
Cash		47	
		<b>350,263</b>	<b>293,500</b>
<b>LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>			
Creditors and Accruals	7	13,541	-
<b>NET CURRENT ASSETS</b>			
		<b>237,583</b>	<b>230,773</b>
<b>NET ASSETS</b>			
		<b>336,722</b>	<b>293,500</b>
<b>FUNDS</b>			
Unrestricted	9		
General Fund		164,030	164,565
Designated Funds		9,401	4,654
Restricted		61,079	58,481
Endowment		102,212	65,800
		<b>336,722</b>	<b>293,500</b>

Approved by the Parochial Church Council on 15 March 2007 and signed on its behalf by:

The Revd. Barnaby T Huish (Chairman)

**Parochial Church Council of St John's Neville's Cross**  
**Notes to the Financial Statements**  
**For the year ended 31st December 2006**

**1 ACCOUNTING POLICIES**

- 1(a) The financial statements have been prepared in accordance with the Church Accounting Regulations 1997 as amended by the Church Accounting (Amendment) Regulations 2001 together with applicable accounting standards and Charities Statement of Recommended Practice (SORP 2005).  
 In previous years, the PCC accounts have been prepared on a "Receipts and Payments" basis. For the year 2006 the total of income exceeded £100,000 and we are therefore required to prepare the accounts on an "Accruals" basis. This means that the cost of goods and services is accounted for in the year that they were supplied even if payment was not made until the next year. The 2006 accounts include payments made in January 2006, totalling £198.55 which would have been included in the 2005 accounts if those accounts had been prepared on an accruals basis.
- 1(b) The Church Hall Trust Fund is invested in 8,378 units of the Central Board of Finance Investment Fund. In previous years' accounts this has been valued at cost (£62,727). The investment is now revalued on 31st December each year; any gain or loss in value during the year is shown in the Statement of Financial Activities. The gain of £36,412 shown in the 2006 accounts is the total increase in value since the units were purchased. The gain during the year 1st January - 31st December 2006 was £6,177.
- 1(c) We are required to produce a balance sheet which includes the value of fixed assets; any assets that are considered to have a limited useful life are depreciated. Consecrated and beneficed property is excluded from the accounts by s.96(2)(a) of the Charities Act 1993. As the purchase of all other assets has, in the past, been accounted for on a receipts and payments basis, they have, in effect, been written off in the year of purchase. No assets were purchased in the year 2006. The land on the South side of the church building (approximately 2,454 sq. m. is owned by the church. As it is effectively landlocked, it is considered to have no commercial value. The 19th Durham Scouts have a lease of the part of this land, on which their hut is situated. The lease is for a term of 10 years from December 2006; the rent is £1 p.a. Therefore the balance sheet does not include any fixed assets.

<b>INCOMING RESOURCES</b>	<b>General Fund</b>	<b>Desig- nated Funds</b>	<b>Res- tricted Funds</b>	<b>Endow- ment Funds</b>	<b>Total Funds 2006</b>	<b>Total Funds 2005</b>
<b>2(a) <i>Incoming resources from donors</i></b>						
Planned Giving	43,725		1,505		45,230	42,076
Income Tax Recoverable.	12,061		565		12,626	12,617
Loose Plate Collections	4,345		1,196		5,541	5,249
					<b>63,397</b>	<b>59,942</b>
<b>2(b) <i>Other voluntary incoming resources</i></b>						
Grants	1,000		11,667		12,667	5,360
Legacies				-	-	1,000
LOL Participating churches			16,000		16,000	3,750
Donations			1,439		1,439	
					<b>30,106</b>	<b>10,110</b>
<b>2(c) <i>Incoming resources to further the</i></b>						
		<i>council's objects</i>				
Fees, Funeral Collections	1,443				1,443	1,815
Sundry Events	2,937		4,949		7,886	1,060
Hire of Premises	1,057				1,057	250
					<b>10,386</b>	<b>3,125</b>
<b>2(d) <i>Income from investments</i></b>						
Interest and dividends received	10,871		2,605		13,476	12,734
<b>2(e) <i>Transfers between funds</i></b>	274	11,626	2,453		<b>14,353</b>	<b>11,207</b>
<b>TOTAL INCOMING RESOURCES</b>	<b>77,713</b>	<b>11,626</b>	<b>42,379</b>	<b>-</b>	<b>131,718</b>	<b>97,118</b>

## RESOURCES EXPENDED

	General Fund	Desig- nated Funds	Res- tricted Funds	Endow- ment Funds	Total Funds 2006	Total Funds 2005
<b>3(a) Grants</b>						
Missions and Gifts		6,360			6,360	6,207
Restricted collections			880		880	1,094
					<b>7,240</b>	<b>7,301</b>
<b>3(b) Activities directly relating to the work of the church</b>						
Diocesan and deanery parish share	42,625				42,625	41,401
Clergy expenses	222				222	799
Church services	3,162				3,162	1,701
Church maintenance and utilities	6,121	519	193		6,833	5,079
Organists	984				984	510
					<b>53,827</b>	<b>49,490</b>
<i>Administration</i>						
<b>3(c) Staff Costs</b>						
Office expenses	389		4,606		4,606	3,510
Rectory Carpets	1,000		792		1,181	1,220
Sundries	284				284	523
					<b>7,071</b>	<b>5,253</b>
<i>Superkids</i>						
<b>3(d) Staff costs</b>						
Project costs			4,165		4,165	5,161
			145		145	777
					<b>4,310</b>	<b>5,938</b>
<i>LOL Youth ministry</i>						
<b>3(e) Staff costs</b>						
Project costs			21,212		21,212	3,669
			2,263		2,263	1,885
					<b>23,475</b>	<b>5,554</b>
<i>Church re-ordering project</i>						
<b>3(f) Architect's Fee</b>	6,000				6,000	
Sundry expenses	62				62	
					<b>6,062</b>	
<i>Sundry events (note 8)</i>						
	3,046		5,525		8,571	1,051
<b>3(g) Transfers between funds</b>						
Missions and Gifts Fund	6,626				6,626	6,207
Building and Organ Fund	5,000				5,000	5,000
Superkids	2,453				2,453	
General Fund				274	274	
					<b>14,353</b>	<b>11,207</b>
<b>TOTAL RESOURCES EXPENDED</b>	<b>77,975</b>	<b>6,879</b>	<b>39,781</b>	<b>274</b>	<b>124,909</b>	<b>79,587</b>
<b>4 INVESTMENT FIXED ASSETS</b>						
Book value at 1st January 2006: see note 1(b)				62,727		
Gain on valuation at 31 Dec 2006				36,412		
Market value - 31 December 2006				99,139		
<b>5 ANALYSIS OF NET ASSETS BY FUND</b>						
Investment Fixed Assets				99,139	<b>99,139</b>	62,727
Current Assets	176,121	9,401	62,528	3,072	<b>251,124</b>	230,773
Current Liabilities	12,091		1,450		<b>13,541</b>	
<b>Fund balance</b>	<b>164,030</b>	<b>9,401</b>	<b>61,078</b>	<b>102,211</b>	<b>336,722</b>	<b>293,500</b>

6 DEBTORS	2006	2005
Income tax recoverable	2,639	2,533
Sneaton Castle (church weekend)	2,000	
British Gas	198	
Pantomime tickets	360	
Youth Pastor	168	
<b>Total</b>	<b>5,365</b>	<b>2,533</b>

**7 LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR**

Architect's Fee	6,000
Deferred income, church weekend	2,000
Parish Share (December instalment)	3,545
HMRC (tax & NI)	496
Youth Pastor's Pension	954
Other creditors	546
<b>Total</b>	<b>13,541</b>

8 SUNDRY EVENTS	General Fund	Restricted Funds	Total
<b>Income</b>			
Grant for church weekend deposit	2,000		<b>2,000</b>
Pantomime tickets	470		<b>470</b>
Collections for presentations	467		<b>467</b>
LOL Events		4,949	<b>4,949</b>
	<b>2,937</b>	<b>4,949</b>	<b>7,886</b>
<b>Expenditure</b>			
Pantomime tickets	470		<b>470</b>
Presentations	576		<b>576</b>
Church weekend deposit	2,000		<b>2,000</b>
LOL Events		5,525	<b>5,525</b>
	<b>3,046</b>	<b>5,525</b>	<b>8,571</b>

## 9 FUND DETAILS

### Restricted Funds

	Missions	Super-kids	Rector's Secretary	Youth Ministry	M.E. Rodger Fund	Community Hall Fund	Flower Fund	Total
b/f 1st January 2006	0	2,601	90	202	1,000	54,588	0	<b>58,481</b>
Income	881	1,897	5,417	28,996	40	2,457	239	<b>39,926</b>
Expenditure	-881	-4,310	-5,398	-29,000			-192	<b>-39,781</b>
Transfer from General Fund		2,453						<b>2,453</b>
c/f 31st December 2006	0	2,640	109	198	1,040	57,045	47	<b>61,079</b>

### Unrestricted Funds

	General Fund	Building & Organ	Missions & Gifts	Total
b/f 1st January 2006	164,291	4,297	357	<b>168,945</b>
Income	77,713	5,000	6,626	<b>89,339</b>
Expenditure	-77,975	-519	-6,360	<b>-84,854</b>
c/f 31st December 2006	164,030	8,778	623	<b>173,431</b>

### Endowment Funds

	Curacy Trust	Church Hall Trust	Total
b/f 1st January 2005	3,347	62,727	<b>66,074</b>
Gain on revaluation		36,412	<b>36,412</b>
Dividends & Interest			<b>0</b>
Transfers to General Fund	-274		<b>-274</b>
c/f 31st December 2005	3,073	99,139	<b>102,212</b>

## 10 CONTINGENT ASSETS AND LIABILITIES

The PCC has received notice of the award of a grant of £9,241 from The Banks Corporation, towards the cost of landscaping and resurfacing the church grounds. The terms stipulate that the grant is awarded on condition that the work is completed by 1st November 2007. The PCC is discussing the effect of this situation with Banks Corporation as the timing of the landscaping work may depend on the time schedule of the church re-ordering project.

The Church Estate Charity has agreed a grant of £2,000 towards the cost of redecoration of the interior of the church. This work will form part of the contract for the reordering of the church; the grant will be drawn on completion of the contract.

## Notes on Funds

### 11(a) Restricted Funds

#### Missions

Special collections at Sunday services and collections at funerals, where the family had requested that the collection should be given to a specific charity, amounted to £881. Proceeds were given to the following charities:

County Durham Society for the blind and partially sighted	£256
Children's Society	£ 21
Christian Aid	£489
Durham Action for Single Housing	£115

#### Superkids

Children from St Margaret's and Neville's Cross Schools and their parents are invited to St John's Church, after school on Tuesday afternoons. Activities are organised by the Superkids Chaplain who is employed by the church, on a part time basis. The chaplain also leads assemblies at the two schools. The project started in the year 2004, and at that time there was an appeal for funds. As a result of the generosity of many members of the congregation, and with the help of a grant from the Church Estate Charity together with a transfer of £2,453 from the General Fund sufficient resources were generated for Superkids to continue until the end of the school year 2006-7.

#### Rector's Secretary

The Rector's secretary is employed by St John's on behalf of the PCCs of St John's and St Margaret's churches. The salary and general office expenses are fully reimbursed by the Church Estate Charity.

#### Youth Ministry

LOL Youth Ministry is a joint project of St John's, St Margaret's, St Oswald's and Emmanuel churches. A full time Youth Pastor is employed by St John's on behalf of the four churches. The pastor's salary and all other costs of the project are charged to this restricted fund within the St John's Church accounts. Each of the other three churches contributes an equal share of the net costs. A donation of £1,000 was received from St Mary's Church, Shincliffe and donations (including income tax recoverable) from individuals amounted to £2,642. The St John's contribution is reimbursed by a grant from the Church Estate Charity.

#### M. E. Rodger Fund

This fund results from a legacy of £1,000 in the will of the late Margaret Elizabeth Rodger. It is stipulated that, as far as possible, the money is to fund some specific item or project and to record on a suitable plaque that it was "donated by Margaret Elizabeth Rodger a worshipper in this Church in recognition of the kindness and support given to her by members of the congregation of St John's Church, Neville's Cross."

#### Community Hall Fund

The scheme to build a new Church and Community Hall, on the site of the existing scout hut, was launched in 1999. The project was to be financed by the proceeds of the sale of the old church hall, various grants and donations from members of the congregation and local community. The fund raising target was successfully achieved, but contractors' tenders for the building were very much higher than expected and the PCC therefore took the decision that it would not be practicable to continue with the project. Some money was repaid to donors. The PCC are proposing that this fund should be used as part payment for the reordering project. A letter will be sent to all individual donors who can be contacted, giving an outline of the reordering project and giving them the opportunity to reclaim their donation if they do not wish it to be used for this purpose. The possible consequences must therefore be considered as a contingent liability.

## 11(b) Endowment funds

### Curacy Trust

This fund originated from the profit on the sale of the curate's house. Interest "is available to the PCC towards the curate's expenses". Accrued interest totalling £274 was transferred to the Superkids fund during the year as a contribution to the chaplain's salary.

### Church Hall Trust Fund

This fund originated from the sale of the site of the old church hall. The capital was invested in 8,378 units of the Central Board of Finance Investment Fund at a cost of £62,727. The use of this fund is restricted to the building of a new hall. As this restricted use of the fund is unlikely to be fulfilled, it is included in these accounts as an endowment fund. Dividends and interest are available for furthering the religious and other charitable work of the Church of England within the parish and are therefore included in the assets of the general fund.

## 11(c) Designated Funds

### Building and Organ Maintenance Fund.

The PCC determines, each year, the amount to be charged to the general fund for maintenance of the building and organ.

### Missions and Gifts

The policy of the PCC is that 10% of general income (defined as planned giving, gift aid, collections and interest) should be given to missions. This amount is transferred to the designated fund. Any balance, after distribution to missions is carried forward to the next year. In the year 2006, gifts totalling £6,360 were distributed, as follows:

USPG	1,450
Church of Uganda (Daudi Serubidde)	410
Lesotho-Durham Link	725
Bible Society	465
Childrens Society	330
Centre for Pastoral Care & Healing	130
Waddington Street Day Centre	465
St Margaret's Centre	660
St Cuthbert's Hospice	660
N East Prison After Care	200
Durham Action on Single Housing	200
Samaritans	265
4 <sup>th</sup> Durham Brownies	200
19 <sup>th</sup> Durham Scouts	200

## 12 The Church Estate Charity Durham

The objects of the Church Estate Charity include "furthering the religious and other work of the Church of England within the area of benefit" ie the parishes of St Margaret's and St John's. During the year, grants totalling £14,667 were received from the Church Estate Charity, as follows:

Superkids	£1,250
Rector's Secretary & Office	£5,417
Youth Ministry	£5,000
Contribution for carpets in the new rectory	£1,000
Church week-end deposit	£2,000 (deferred income)

## 13 Insurance

The insured values of the church buildings and contents are £2,833,053 and £46,635 respectively.

# St John's Church, Neville's Cross, Durham

## Annual Report for 2006

### Introduction

This annual report accompanies the Annual Financial Statements and sets the context in which our funds are used for the purpose of the worship and mission of the church. St John's Parochial Church Council (PCC) has the responsibility of co-operating with the Rector in promoting in the parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. It also has responsibilities for maintenance of church property, notably the church buildings, that is the church itself and the attached Church Centre.

The parish of St John's forms part of the joint benefice of St Margaret's and St John's. The Revd. Barnaby Huish became Rector of the benefice on 24 May 2006. Before then the parishes had been in interregnum, responsibility for the parish falling mainly on the churchwardens.

### The Parochial Church Council (PCC)

The PCC is a charitable corporate body, established by the Church of England. It operates under the Parochial Church Council Powers Measure. It is currently exempted by order from registering with the Charity Commission (although this situation may change in the near future, following the coming into force of the Charities Act 2006). The appointment of members of the PCC is governed by and set out in the Church Representation Rules 2006, which cover election and appointment, and conduct of business.

The following served as members of the PCC during the year.

Ex-Officio: Rector	Barnaby Huish (Chairman)	from 24 May
Licensed Clergy	Stephen Barton	until 3 December
	Richard Firth	from 2 July
Wardens	Stephen Cheffings (Lay Chairman)	
	Margaret Jefferson	
Deanery Synod Reps	David Atkinson	
	Colin Williams	
Laity Representatives	Sheila Alty	until 23 April
	Diana Barclay	
	Anna de Lange	until 23 April
	Peter de Lange (Secretary)	
	Clare Firth	from 23 April
	Antony Friswell (Treasurer)	
	Douglas Pocock	from 23 April
	Stuart Pascall	
	Chris Sherwin	until 1 October
	Corinne Slee	from 23 April
	Keith Twomey	

The PCC usually meets on the evening of the third Thursday of the month. Meetings are not normally held in August and December.

## Other Committees

There is a Standing Committee, the membership of which comprises the Rector, the Church Wardens, PCC Secretary and the Treasurer. It has the power to transact the business of the PCC between its meetings, subject to any directions given by the PCC. This committee has met regularly during the year.

There is also a small sub-committee concerned with receiving ideas and formulating proposals for St John's outward giving. It is PCC policy to set aside 10% of routine income for charitable purposes external to St John's.

## Objectives and Mission Statement

The primary objective of the PCC is the promotion of the Gospel of our Lord Jesus Christ according to the doctrines and practices of the Church of England. As stewards of the church's resources it seeks to fulfil this objective as efficiently and effectively as reasonably possibly, and bearing in mind its mission statement which is:

“St John's Church Neville's Cross welcomes people of all ages. In our worship, our daily lives, and our involvement with the community, we seek to experience, express, and share God's love and forgiveness through Jesus Christ. Strengthened and guided by God's Spirit, we seek to grow in faith and maturity as Christ's people and to communicate our understanding of that faith in a joyful and sympathetic way.”

## The Year in Review

For the first part of the year the parish was still in interregnum, and the high point of the spring was the installation in May of the new Rector, Barnaby Huish. With two parishes, a family (including a **very** new baby), and a new house, he has been busy right from the start. While he has been “reading himself into” the job, the pattern of worship has continued largely unchanged from the interregnum, with regular Sunday morning services at 0845 and 1000, Regular Sunday evening services have continued with “Tranquillity” and “Taste” alternating every fortnight, and the Guild of St Raphael has held its monthly service of healing on every fourth Sunday evening. The regular Thursday evening communion has also continued.

St John's continues to provide on Sunday mornings a full programme of teaching and activities for children. These are (with age ranges served):

Creche	0 – 2
Funky Monkeys	2 – 4
John's Juniors	5 – 10
Think Tank	11 – 14

The Superkids project (for 5 - 10 year olds) continued on Tuesday afternoons during school terms, led by Grace Newton, and continued to prove popular. Grace secured full

time employment at the end of the year and has left us. We advertised without success for a replacement, and in the new year continue to seek to recruit a new Superkids chaplain.

Through our support (in partnership with other churches in and around Durham) of the full time Youth Pastor, Susanne Bendoraitis, provision is made for activities, worship and teaching on various days for older age groups:

Super 6	10 – 11
Dive	11 – 13
Deeper	14+

Time in PCC meetings has frequently been taken up by discussions over the reordering scheme, and after years of discussion and consultation we are now very close to actually seeing the physical changes. We were also fortunate in securing a grant offer from the Durham Community Foundation towards environmental improvements in the churchyard. These too are expected to be carried out in 2007.

Under the new Rector's guidance, renewed impetus has been given to encouraging shared ministry. A Shared Ministry Development Team (SMDT) had been formed by the previous Rector David Glover, its purpose being to identify and encourage the diverse spiritual talents throughout the whole of St John's church family. A substantially expanded SMDT was appointed in November, in preparation for our formal commissioning in January 2007 as a shared ministry parish by the Bishop of Jarrow.

In July we gained an additional ordained minister in the shape of Richard Firth, who became the diocese's first Ordained Local Minister. Unfortunately this gain in numbers was offset in December by Stephen Barton moving to Hexham. He will be sorely missed and fondly remembered.

### **Church Attendance etc**

Over the year average church attendance of those over 18 years old was 104 a week (excluding those adults (about 10 in number) attending Superkids (Tuesday in term time)). This is no real difference from last year's figure of 105. In the year there were 2 weddings, 8 baptisms, and 5 church funerals.

At the time of the last Annual Meeting there were 154 names on the electoral roll. In accordance with Church of England procedures, a new roll will be compiled in 2007, and the normal expectation is that the number will decrease, with the removal of the names of those who for various reasons no longer live in the parish or attend St John's regularly.

### **Financial Review**

Charity Commission regulations require that the 2006 Financial Statements are presented in a different format from that of previous years, leading to some difficulty in making direct comparisons. In particular the value of Endowment Funds shows a sharp increase, but this is mainly due to the accounting change. What is significant, however, is that the finances of St John's continue to be in good order, due to existing assets and the maintenance of giving by church members.

It is clear from the balance sheet, and accompanying notes that St John's has substantial cash reserves, much of them originating from the sale of the former vicarage.. However, a large proportion of these reserves will be spent on the reordering project which is due to commence in March 2007. It is proposed that after the completion of the project, the remaining cash reserves should be transferred to a separate fund designated as "Special Reserve".

It is the policy of the PCC that "running costs" should be financed from routine revenue income and not from cash reserves. The Statement of Financial Activities for 2006 shows a small deficit on the General Fund (£261). However this deficit arises after charging £6,062 accrued costs of the reordering project. The PCC are therefore satisfied that routine revenue income in the year 2006 was in excess of routine expenditure. It must be said that this satisfactory state of affairs is the result of the continued generosity of members of the congregation which resulted in an increase of nearly 7% in the total of planned giving and collections.

### **Addresses**

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