

**PAROCHIAL CHURCH COUNCIL
of
ST MICHAEL and ST PAUL
ALNWICK**

**Annual Report and
Financial Statements**

**for the year ended
31st December 2021**

**Incumbent
Vacancy**

**St Michael's Vicarage
Howling Lane
Alnwick, NE66 1DH**

**Bank
Barclays Bank plc
Alnwick**

**Independent Examiner
Mr George Clark FCPFA**

Registered Charity Number 1131297

Annual Report of the Parish of St Michael and St Paul, Alnwick 2021

Parochial Church Council 2021

The PCC is the governing body of the parish of St Michael and St Paul Alnwick. The PCC is a team made up of members of clergy and lay members of the church. Together they are responsible for the overall wellbeing, practical as well as spiritual, of their church, the church members, and the church buildings. The PCC also has a duty to promote the mission of the church within the wider community.

The PCC is also responsible for the internal maintenance and running of the Parish Hall. The Hall is leased from the Northumberland Estate who is responsible for the external fabric.

Ex officio members:

Chairman: Revd Canon Paul Scott (until 31st January 2022)
Mrs Jean Darby (from 1st February 2022)
Curate: Revd Gerard Rundell (until 31st July 2021)

Churchwardens: Mrs Pat Taylor Mrs Anne Blades

Deanery Synod Members: (elected in 2021 for 3 years)
Mrs Annette Playle Mrs Jean Darby
Mrs Patricia Tweed Mrs Pat Taylor

Elected Members:

Mrs Frances Allsop (elected in 2019 for 3 years)
Mrs Rosie Buxton (elected in 2019 for 3 years)
Mr Richard Allsop (re-elected in 2020 for 3 years)
Mr John Cooke (re-elected in 2021 for 3 years)
Mr Richard Dale (re-elected in 2020 for 3 years)
Mrs Lindsay Johnston (elected in 2020 for 3 years)
Mrs Susan O'Neill (elected in 2020 for 3 years)
Mr Henry Playle (re-elected in 2020 for 3 years)

PCC Officers:

Vice Chairman: Mrs Jean Darby
PCC Secretary: Mrs Rosie Buxton
PCC Treasurer: Mr Richard Dale

Assistant Church Wardens:

Mrs Pat Tweed
One vacancy

Attendance at PCC meetings:

Seven regular and one extraordinary PCC meetings were held in 2021 (five on Zoom). The overall attendance was 83%.

PCC Committees and other groups:

The Standing Committee 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). Its members are Revd Canon Paul Scott (until 31st January 2022), Mrs Pat Taylor, Mrs Anne Blades, Mrs Jean Darby and Mr Richard Dale.

Parochial Church Council of St Michael and St Paul, Alnwick
Annual Report and Financial Statements for year ended 31st December 2021

Clergy with permission to Officiate:

Revd Canon Sue Allen, Revd Canon Philip Bourne, Revd Robert Chavner, Revd Colin Perkins, Revd Natasha Shemanoff, Revd Martin Turner, Revd Canon Denis Winter, Revd Martin Roff, Revd Gilly Maude

Readers:

Mr John Cooke, Mrs Annette Playle

Safeguarding Officer

Dr Patty Everitt

Church attendance:

For much of the year the church was closed for public worship and Occasional Offices because of Coronavirus. During this time services were streamed on YouTube and restricted to one service each Sunday. It is difficult to estimate accurate numbers. The number of viewings could be traced but not the number participating in each 'hit'. On the two occasions lockdown was eased there was an average of 50 people worshipping in church on a Sunday morning and the YouTube viewings reduced accordingly.

Statistics as reported to the Diocese for 2021 (2020 figures in brackets where available)

Baptisms	13 (1)
Confirmation	5 (0)
Weddings	2 (2)
Funerals	22 (38) in Church, and 19 (27) at the crematorium or cemetery only.

Average attendance: 123 adults and 5 children (80 adults and 2 children)

Christmas: 85 communicants, 98 attendees (53 communicants, 55 attendees)

Easter: 76 communicants, 80 attendees (No public worship because of lockdown)

People in our "worshipping community" at the end of 2021:

Total	Children (Age 0-10)	Young people (Age 11-17)	Adults (Age 18-69)	Adults (Age 70+)
99	0	4	20	75

Electoral Roll Officer's Report 2021 - *Susan Trafford, Electoral Roll Officer*

On revision of the Electoral Roll this year, 2021, there are **156** names on the roll. We have lost **9** members of St Michael's congregation either through death (**6**) or moving away (**3**). However, there have been **2** new names added to the roll for this year to date.

As required, the revised roll has been displayed in church and any further names can only be entered after the APCM.

Review of the Year 2021

Introduction

If 2020 was a year like no other because of Covid-19 then 2021 was equally memorable for a series of landmark events.

The highlight of the year was undoubtedly completion of the restoration of the tower and the installation of a peal of ten bells. The work is described more fully later in the Review of the Year but it is wonderful to hear the peal of bells to welcome us to worship and mark special events in the life of the church and the town. We are immensely grateful to all who donated to the costs of the project, to all the tradesmen who made our plans a reality and to Jean Darby and Jim Crowther for their vision and energy managing the project.

We had a number of arrivals and departures in the year. In July 2021, Revd Gerard Rundell and his family left Alnwick as Gerard took on a new role as Team Rector and Priest in charge at St. Aidan's, Brunton Park. Gerard served us well during his three years as Curate and we are grateful for his mastery of technology for worship during the Covid lockdowns and for his wonderful work to develop youth work in the town and beyond. We wish him well for the future.

In January 2022, Revd Paul Scott retired as our Vicar after almost ten years with us. Paul has overseen some great changes to the church, the Parish Hall and our worship and outreach. He will be greatly missed and we wish Jane and Paul a long and happy retirement. We are now in a period of vacancy and pray that we will be able to find an equally strong new Vicar.

The Bishop of Newcastle, Rt Revd Christine Hardman, retired at the end of the year with the Bishop of Berwick, Rt Revd Mark Wroe taking on the role of acting Bishop while the vacancy is filled. We were pleased to be able to welcome Mark to St Michael's three times during the year – once on-line during lockdown and twice in person to celebrate the Tower project.

We were pleased to welcome Revd Canon Philip Bourne and Revd Robert Chavner to the area as retired clergy with Permission to Officiate and they are already having an impact on our services and music.

Covid inevitably had a lasting impact on our worship throughout the year. The first three months of 2021 saw another suspension of in person worship and a return to our on-line services using YouTube. We were able to record the services in church which allowed greater involvement of our retired clergy, lay readers and other church members in preparation of our worship. The last few weeks of the year were also disrupted by the spread of the Omicron variant but we continued to meet in person, albeit with tighter social distancing arrangements. However our worship is now back to something much nearer to normal. We have restarted early morning communion and evening worship on a Sunday, we have started singing again and recently it has been agreed to allow worshippers, who wish to do so, to remove face coverings.

The PCC agreed to a trial period for a new pattern of worship. The 8.00am and 9.30am services have been put back by half an hour to 8.30am and 10.00am respectively. Sung evensong has been limited to the first Sunday in the month and, during the vacancy at least, will be a Deanery evensong. On other Sundays, there will be alternative patterns of worship including compline and Taize and Iona style worship. It was agreed to suspend the 11.15am service for a trial period and to adjust the 10.00am service on the first Sunday of the month to provide a more informal style of worship.

Parochial Church Council of St Michael and St Paul, Alnwick

Annual Report and Financial Statements for year ended 31st December 2021

Life elsewhere in the Parish has started to return to greater normality. The Parish Hall is open for business again (and is well used), church groups are reforming and we were able to hold our Winter Market, our main fundraising event of the year, for the first time since 2019. There is still much to do, the pace of which will depend on Covid infection rates and government and diocesan guidance. We know that some of us will remain nervous for some time to come and we want to be inclusive for all who regard this place as their spiritual home, regardless of whether or not they come in person and whether or not they wish to retain social distancing and face coverings.

Financially the position was much better than we might have feared. We didn't manage to pay our full Parish Share for the year but managed significantly more than the minimum contribution we were asked to make. Our balances are healthy, thanks in no small part to some significant donations from well-wishers, both in the Parish and beyond. We also need to acknowledge that our costs are increasing at the same time as we are losing members of our community so another stewardship campaign will be needed during 2022.

2022 will inevitably be a challenging year as we continue to rebuild our community life and as we navigate through our vacancy. Our churchwardens, retired clergy, readers, PCC and many other members of the church are doing much to ensure that we continue to thrive and we will hope to look back on 2022 in next year's report as another year to remember.

The Parochial Church Council

Volunteers:

We would like to thank all the volunteers who work so tirelessly to make our church the lively, welcoming and vibrant community that it is. There are many committees carrying out work in a variety of areas and many parishioners are members of more than one group. Without everybody's contribution we would not be able to keep the church running.

Church and School Links:

The links between the Church and St Michael's C of E Primary School remain strong. The foundation governors are John Cooke, Rosie Buxton, Alison Burden and Mike Samuels.

Communication:

The Church Web Site is www.alnwickanglican.com. It contains information about service times, church location, activities accessibility, and contact details. There are also details about the history of St Michael's and information about Denwick Chapel and the parish hall. In addition, there are weekly pew sheets, photographs and details of events. The parish magazine, 'Gateway', is normally published every month.

Fabric - Pat Taylor, Churchwarden

A huge part of the Fabric report is contained in the tower and south aisle exhibition report.

Other highlights during the year were:

- The sound system has now its own permanent cabinet.
- The camera is now in place and after "teething troubles" is working effectively and we are able to livestream our weekly 10am Parish Eucharist service.
- The blessing of the cholera memorial eventually took place on August 31st.
- The lamps on the Churchyard have been painted and cleaned.
- The floodlighting has been serviced and is now functioning well.

The Churchyard suffered greatly during storm Arwen in November. We lost three large trees and part of a large holly tree. The Northumberland Estates and Northumberland County

Parochial Church Council of St Michael and St Paul, Alnwick
Annual Report and Financial Statements for year ended 31st December 2021

Council were prompt and efficient in their clearing. Special thanks must go to John Onions for his sterling work in clearing up after the contractors had finished.

The Church Hall is now welcoming groups. Mariana continues to manage and organise the Hall to a high standard.

Tower restoration and south aisle exhibition – Jean Darby, Project coordinator

Paul spoke in his annual report last year of the excitement building as the work on the tower was beginning. Once the scaffolding was erected in February work started in earnest. Masonry and the louvre in the south of the belfry were removed in order to allow access for the bells and the steel frame. In March the medieval bells were removed and taken to Whites of Appleton. The rotten frame and wheels were also removed and we are very grateful to the team of volunteers who helped the professionals from Whites, thus allowing for a substantial reduction in the cost.

Inspection of the roof found over 400 pieces of graffiti dating from 1764 to 2008. This was catalogued and brought down to a safe place in the church by expert archaeologist, John Buglass. This will eventually form the centre of an exhibition space in the south aisle. Unfortunately, at the opening up of the roof it was discovered that the timbers which had been thought to be rotten only at the edges were in fact rotten right through and in need of complete replacement. It was also found that the masonry on the south parapet was leaning dangerously over the main entrance to the church and was in need of immediate repair. Consequently, costs soared and despite deciding to delay the improvement of the tower stairs there was still going to be a substantial shortfall in funding. We are therefore very much indebted to the anonymous benefactor who, at the beginning of the project, had so generously given us a loan on extremely beneficial terms, who at this point increased that loan in order that the project could be completed.

Much masonry which was worn and eroded was restored with impressive skill by Andy Hudspeth. The lead on the roof was completely renewed and guttering renewed and improved. These renovations will keep the tower in good repair for many generations to come.

As work continued four new bells were sponsored and cast by Taylor's of Loughborough. 6 bells removed from St. James Newton Hall were donated by the Keltek Trust, sponsored and taken to White's where they were cleaned, engraved and tuned to ring with the 4 new bells. In the belfry a new steel frame and wheels of traditional hard wood were installed. To allow ringing practice without disturbing neighbours excellent sound control was inserted behind new louvres with the facility provided to ring out fully for services and special occasions. A ringing room was created by lowering the ceiling of the clock room and moving the clock, which had its dial regilded, into a deafening chamber above. Dado panelling in oak, opening windows to afford ventilation and carpet tiles were fitted. The sallies are in the Northumberland colours. Andrew Beckwith, a third generation wood carver, skillfully restored an original wheel, which had been scrapped, into very attractive frames for coat hooks. On August 9th the two listed medieval bells, which had been cleaned, were brought back into church for honourable retirement. The ten new bells were brought into the chancel, viewed for one day only and blessed in a service that evening by Mark Wroe, Bishop of Berwick. All ten bells were then lifted into the restored belfry ready for a successful test ringing the next day. Again, we are very grateful to the team of volunteers who helped the professionals from White's.

On target, at Michaelmas, September 29th 2021, a service of dedication for the ten bells and the restoration was led by the Bishop of Berwick, who handed over the bell ropes to the

Parochial Church Council of St Michael and St Paul, Alnwick
Annual Report and Financial Statements for year ended 31st December 2021

Vicar, Canon Paul Scott. There was a full congregation and in celebration the bells rang a quarter peal.

We will always be grateful to David Beaumont the architect, David Ferguson, the contractor, Alan Coulson, the indefatigable site manager, Andy Hudspeth, the stone mason, Taylor's of Loughborough, White's of Appleton and all those whose skills glorified St. Michael's. Most grateful thanks go to all the individuals and trusts whose contributions made possible this project, which will prove a lasting asset for generations to come. However, we must be aware that we are morally bound to continue fund raising in order to make contributions towards repaying the loan made by our generous benefactor.

Deanery Synod – Annette Playle, Deanery Synod member

Over the past year the Deanery Synod has been meeting via Zoom. Our last meeting was on Tuesday 30th November 2021 and was led by the Area Dean, Alison Hardy.

A welcome was made to two people from Transforming Communities Together Tyne to Tweed who gave an interesting and informative talk about growing social action and discipleship in the Church of England, reaching out in different ways to the local community. They spoke about different ways in engaging with the community which may be implemented as and when restrictions and manpower allow.

Our next meeting again will be via Zoom and is on 22nd March 2022.

Safeguarding - Patty Everitt, PCC Safeguarding Advisor

Introduction:

As a church we want to welcome all those who come through our church doors. We want to make sure, in the best way we can, that we are a people who create a safe and respectful place for all who come to us and all those with whom we come into contact.

Our commitment to safeguarding is demonstrated by and led through the church leadership and the church officers: the vicar and Readers certainly, but mainly through the leadership of our churchwardens and members of the PCC.

Through the training that many of us have taken over this last year, we have become aware that being a safe place and safe people may also mean having the courage to say something if we notice something is not right and someone may be at risk. I think the tag line used on the trains is apt here "See it, Say it, Sorted". We do not take responsibility for investigating or sorting out the situation. The Parish Safeguarding Officer and Diocesan Safeguarding Advisor are responsible for responding to the concern.

How do we "do" safeguarding?

We "do" safeguarding by:

- having processes which tell us how to act in certain situations and how to report a concern we have;
- selecting appropriate people to lead and represent us;
- providing training for our leaders and volunteers to keep both themselves and the vulnerable safe.

We are now using a tool provided to each parish by the Diocese of Newcastle, the Parish Dashboard. In fact, the Parish Dashboard tool has been created by the national church and Newcastle Diocese has completely endorsed and embraced the tool.

Parochial Church Council of St Michael and St Paul, Alnwick
Annual Report and Financial Statements for year ended 31st December 2021

The Dashboard has been an excellent tool for me to understand what processes we need to have, who needs to be trained, and the training pathway each role should follow. The national church defines the training pathways and provides the training which is of excellent quality.

Activities and action over the past year:

During the past year my attention has been on:

1. Making sure that safeguarding information is posted within the church so that you have access to the Parish Safeguarding Handbook and anyone who visits the church knows that we are committed to providing a safe and respectful place.
2. Making sure the processes we need are in place and approved by our PCC.
These processes are now in place.
 - Responding to Concerns or Allegations of Abuse – this tells us how to report a concern and who to report it to.
 - Policy for Recruitment of Ex-Offenders – not all offences will bar a candidate for applying for a role in the church. Legally we must treat ex-offenders fairly.
3. Making sure that I am up-to-date with the requirements and training in the role of Parish Safeguarding Officer.
 - To obtain a DBS certificate
 - To keep up-to-date with the safeguarding training provided by the Church of England:
 - Basic Safeguarding
 - Foundation Safeguarding
 - Raising Awareness of Domestic Abuse
 - Leadership safeguarding training.
 - Safer Recruitment Procedure training
 - Learning about the Parish Dashboard and how to use it.
4. Working with the members of the PCC to help them fulfil their requirements and legal obligations as approvers and overseers of the groups and the volunteers who work with children on our behalf. These requirements and obligations are:
 - To obtain a DBS certificate
 - To keep up-to-date with the safeguarding awareness training provided by the national church:
 - Basic Safeguarding
 - Foundation Safeguarding
 - Raising Awareness of Domestic Abuse
5. Working with the churchwardens to help them meet the requirements and obligations of their roles, including:
 - To obtain a DBS certificate
 - To keep up-to-date with the safeguarding training provided by the Church of England:
 - Basic Safeguarding
 - Foundation Safeguarding
 - Raising Awareness of Domestic Abuse
 - Leadership safeguarding training.
6. Working with church officers: the Sacristan, church Secretary and church hall manager to take the Basic safeguarding training.

As you may imagine this is difficult material to address and can feel uncomfortable. On behalf of all of us I would like to thank our churchwardens, the members of the PCC and our church officers, for their commitment to the training for the roles they undertake.

Safeguarding concerns raised:

Over this past year four safeguarding concerns have been raised and managed by me, in the role of Parish Safeguarding Officer, and the Diocesan Safeguarding Advisor.

Parochial Church Council of St Michael and St Paul, Alnwick
Annual Report and Financial Statements for year ended 31st December 2021

Activities and actions for the next year:

For this coming year my attention will be on working with the volunteer groups that run within and on behalf of our church.

One of the things I am intending to do is to provide some group training to our volunteers for those who would prefer this, rather than working on the internet through the Church of England Safeguarding Platform. My next action is to find out how I can do this.

The training will be open to all, not just to our volunteers. If you would like to attend any training then I would be delighted. Just let me know.

I know that we are all grateful for the time and effort that our volunteers commit on behalf of St Michael's Church to make life richer for those whose lives we touch.

Foundation Governors' Report - Rosie Buxton, Secretary

Following the extreme challenges that arose in 2020 due to Covid this has been another very difficult year for staff and pupils alike. All have risen to the task of doing their best to maintain the continuity of teaching and learning and St Michael's Primary School has developed their whole curriculum aims around three key words: **Respect, Persevere and Achieve**.

These are words that sum up their hopes as the children learn to respect each other and the world around them, persevere and try hard without giving up, and achieve highly in all areas.

A major development in 2021 for the school is the proposal to join the Northumberland Church of England Academy Trust (NCEAT) which offers support to schools. The school will become part of a trust. The academy trust looks at all areas of the school to see which areas would benefit most, thereby improving strategic direction as well as supporting teaching and learning.

The Diocese of Newcastle is strongly encouraging all Church of England schools to form sustainable local partnerships and welcomes the proposal.

What are the benefits of joining the Northumberland Church of England Academy Trust?

- Opportunities to access wider facilities such as specialist design and technology rooms, drama studios and additional sporting provision.
- Access shared services and funding which will be bespoke to the school and that will take into account the challenges faced as a small school. Shared services can help small schools save costs so that more funding can be spent directly on education.
- The Trust has a very strong track record of transforming former first schools into highly successful primary schools.
- It will offer further training opportunities for all staff and access to support from a network of C of E schools who are part of the same Trust, including opportunities that they are currently unable to access as a small school.
- Joining a Church of England trust will continue to protect the distinctively Anglican ethos.
- To continue to develop extracurricular areas such as mental health and wellbeing, growth mindset and supporting the whole child. These are areas that the leaders and staff at Northumberland Church of England Academy feel very strongly about too.

Parochial Church Council of St Michael and St Paul, Alnwick
Annual Report and Financial Statements for year ended 31st December 2021

NCEAT has already helped with professional development, advice and training within the school and their guidance has definitely inspired all.

Mission Group

As with everything this year, the mission group's activities continued to be affected by the pandemic.

Mission giving in 2021 was £6,900 which the PCC agreed to split equally between St Michael's School, Alnwick Community Centre and Contagious.

Messy Church – Jane Brown

Messy Church meets in church once a month usually the 3rd Saturday in the month from 11am – 12.30. We invite families with children from 0-10 years old to come to our church to listen to/take part in a bible story, make crafts to do with the bible story and then we eat a light lunch together. We have a regular team of 8 who prepare the food and crafts and tell the story. The number of families coming to Messy Church varies from month to month. Last summer we had about 20 children and their parents. The last 2 months have been much quieter (9 children in February). Our aim is to create a family church where children and adults feel relaxed. It enables people to encounter Jesus in a relaxed space. The people who attend do not normally attend any Sunday services.

Mini Michael's – Pat Tweed

Mini Michaels continues to flourish although numbers are slightly less than before. Having said that we still average about 25 children each week and along with mums, dads, grandparents and carers we make a good and probably more manageable group.

Our intrepid helpers keep coming each week; welcome group, craft ladies (who continue to amaze us with their ideas) refreshment team, storytellers and general setters-up and chatters with mums.

We have been fortunate to get two new members to our team but if ever anyone feels moved to join us we would be very happy to have you.

This is a happy group and gives us much to smile about each week, as you can imagine dealing with little ones, from our youngest ever at three days old when she came with mum and big sister, to the three years olds when they "graduate" and move on to nursery school.

St Michaels's on-line events - Revd Sue Allen - Chair of Mission Group.

Livestreamed Worship:

Since the first Lockdown in March 2020, worship has been streamed regularly via YouTube. Since then the 10am Sunday worship, and initially also the midweek Wednesday Communion, has continued to be streamed. The initial technical difficulties have been overcome, and with Ant Allen's back-up a small group of volunteers is now running it more successfully. It would be very helpful to have more people involved; with the holiday season approaching it may not be possible to cover all Sundays. This would be a significant loss to the faithful online congregation, who value greatly the opportunity to participate in worship. Sunday Plus provided an opportunity for informal and creative worship at 4pm during the main Lockdown. It was much appreciated, drawing a significant congregation locally, as well as further afield. As restrictions eased, we experimented with combining zoom and in person

Parochial Church Council of St Michael and St Paul, Alnwick
Annual Report and Financial Statements for year ended 31st December 2021

worship. Sadly this was not viable long term as restrictions eased, and it ceased in September 2021.

Zoom Cuppa and Chat:

This began as a substitute for coffee in person after the 10am service, and especially during lockdown provided a much needed opportunity to catch up. The group has continued, and now meets at 4pm, usually on the First Sunday of the month. Though numerically smaller now, the mix of those who are housebound with those out and about (including 2 joining from USA) provides an excellent opportunity for informal fellowship. If you would like to join in, please contact Sue Allen for details.

Sidespersons – Pat Taylor

As worship has continued to come out of lockdown conditions have begun to use sidespeople at the Parish Eucharist. We have 12 names on the rota. The Churchwardens continue to act as sidespeople at the other services.

The Mothers' Union – Val Hawker

Due to the continuing trials surrounding Covid the meetings had to be halted for the majority of the year. However meetings began again in the autumn and we were delighted to host the deanery service at St Michael's. This was a lovely service taken by Rev Gilly Maude.

I would like to thank all volunteers for their support and look forward to another year of fellowship.

The Churchyard Project – Sue Allen

With the Climate Emergency upon us, we aim to help St Michael's to 'strive to safeguard the integrity of creation, and sustain and renew the life of the earth'¹, working with the active encouragement of Diocese and Deanery. The group was set up as a separate entity in September 2021, to report back both directly to the PCC and to the Mission Group.

After much discussion it was decided to focus initially on the area on the North side of the church, extending downwards to the boundary wall adjacent to the current building site of Northumberland Estates. We have been much helped by professional advice from various quarters, especially from Paul Stenhouse, and June Drage (via Michelle Duff). The aim is to plant native species to encourage a greater diversity of wildlife (insects, including bees, birds and mammals).

The first step was to make the area safe. To protect the drop below the low wall, a hedge has been planted. During the October Half Term a group of 10 young volunteers from Community@NE66, accompanied by their leaders (who were responsible for Safeguarding) came to plant approximately 100 hedge saplings, donated by the Duchess High School, surplus to their needs. The protective guards and canes were also donated by the High School.

We planned that the young volunteers would return to plant wildflower bulbs (snowdrops, wild daffodils, aconites and English bluebells) on the flat area to the east of the hedge. Unfortunately this was twice cancelled because of bad weather, and the bulbs were planted, a little late, by members of the churchyard group. Thanks to the congregation, donations almost exactly covered the cost of these bulbs (approx. £100), and to Paul Stenhouse for obtaining the bulbs.

Parochial Church Council of St Michael and St Paul, Alnwick
Annual Report and Financial Statements for year ended 31st December 2021

Most of the nettles on the slope have been cleared by Ant Allen for future planting of wildflower seeds or bulbs.

Annette Playle has produced an ongoing display of progress, currently on a board at the back of the church.

Future Plans already approved by the PCC.

To make the south side of the church more welcoming we hope to obtain further seats to place for example on the south side of the church (without obstructing parking).

To obtain some barrels, and plant them with flowers to be enjoyed by those on the seats.

These to be positioned so that they don't obstruct parking or vehicles.

To improve the signage around the churchyard, so that people know what is available.

We hope to obtain external funding for these projects.

Financial review - Richard Dale, PCC Treasurer

The financial statements for 2021 are significantly impacted by the project to repair the church tower and to install the new peal of bells. The Statement of Financial Activities shows net outgoing resources for the year of £49,085, almost all of which is due to use of the Church Tower Fund built up in previous years to complete the building work.

The project was the most significant undertaking by the Parish for many years. Although there were some bumps along the way, it was completed on time and broadly on budget for which we are grateful to Jean Darby and the various contractors who worked hard to overcome the challenges which we faced during the repair work. Much of the work was funded by a substantial loan and, although there is no legal obligation to repay, we will need to continue fundraising for some time to come to satisfy our moral obligation to repay. The cost of the bells and associated works is shown as a fixed asset on the balance sheet and the other costs incurred have been charged directly to the Statement of Financial Activities.

During the year, we also replaced the boiler in the Parish Hall and completed the reordering of the back pews in the church to enable better access. The former is also shown as a fixed asset on the balance sheet with the latter being charged directly to the Fabric Fund in the Statement of Financial Activities.

By comparison, the General Fund position was rather more stable despite the challenges of Covid-19. We recorded a net surplus of £1,876 in the year, compared to a net deficit of £1,415 in 2020.

General Fund voluntary income increased by 12% from £94,782 to £105,739. Most of this increase was due to some very significant donations by supporters of the church, both within and outside the parish for which we were immensely grateful. Regular giving declined by 2% in the year, reflecting the loss of members of the congregation and pointing the need for a stewardship campaign later this year. However, this was offset by a significant increase in collections at occasional services as we returned to holding funerals in church as lockdown restrictions abated during 2021.

General Fund fundraising income fell by 27% from £25,348 to £18,462. However this was distorted by a one-off receipt of £10,000 in Covid-19 support grants in relation to the Parish Hall in 2020. Excluding this distortion, fundraising was £3,114 better compared to 2020, mainly due to being able to restart the Winter Market (which raised £2,476) and running a number of market stalls during the summer in place of our usual efforts at the Alnwick International Music Festival.

Parochial Church Council of St Michael and St Paul, Alnwick
Annual Report and Financial Statements for year ended 31st December 2021

We were asked to contribute a minimum parish share of £65,000 in 2021 with a target to contribute £76,257. In the end, we were able to contribute £72,300, almost 95% of the requested amount. In line with previous policy, our budget for charitable giving was reduced by a similar proportion with total giving in the year of £6,900 which is split equally between St Michael's School, Alnwick Community Centre and Contagious.

Parish Secretary costs were significantly lower in 2021, following the retirement of Joan Dunn at the end of 2020 and clergy expenses and Council Tax costs were also lower, reflecting Gerard leaving the parish for his new role during the summer. Church gas and electricity costs increase during the year reflecting less time when the church was closed due to lockdown and price rises – the latter will significantly impact our finances during 2022.

Looking ahead, 2022 is highly uncertain. We have lost a number of members of our congregation which is impacting regular giving and we will see a very significant increase in gas and electricity costs in the coming months. These losses will be mitigated to some extent by lower clergy costs during the vacancy.

I am grateful to the Churchwardens for their support to me through another difficult year when I have had to rely on their good services more than I would normally need to. We are also grateful to the many individuals and organisations who have continued to support us through this period – without their generosity the PCC's financial position would be far worse than we are able to report.

Independent Examiner's Report

To the Parochial Church Council (PCC) of St Michael and St Paul, Alnwick

This report on the attached financial statements of the PCC of St Michael and St Paul for the year ended 31st December 2021 is in respect of an examination carried out in accordance with the Church Accounting Regulations 2006 (the Regulations) and section 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 under section 144(2) of the Charities Act 2011 does not apply and that an independent examination is needed.

Basis of this report

My examination was carried out in accordance with the General Directions given by the Charity Commission under section 43(7) 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 Examiners 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 accounts which accord with the accounting records and comply with the accounting requirements of the Act.

have not been met;

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

George Clark FCPFA
Independent Examiner

May 2022

Parochial Church Council of St Michael and St Paul, Alnwick
Annual Report and Financial Statements for year ended 31st December 2021

Statement of Financial Activities
For the period 1st January to 31st December 2021

	Note	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	2020
Incoming Resources						
Incoming resources from generated funds						
Voluntary income	2	105,739	193,290	0	299,029	156,041
Fundraising	3	18,462	1,072	0	19,534	28,598
Income from investments		7	2,411	0	2,418	2,549
Incoming resources from charitable activities						
Church activities	4	4,112	0	0	4,112	3,936
Other incoming resources		3	0	0	3	7
Total Incoming Resources		128,323	196,773	0	325,096	191,131
Resources used						
Cost of generating funds						
Cost of generating voluntary income	5	164	0	0	164	630
Fundraising costs	6	9,688	1,244	0	10,932	11,425
Church activities						
Parish Share		72,300	0	0	72,300	73,600
Church running expenses	7	34,795	248,229	0	283,024	58,726
Charitable giving	8	6,900	0	0	6,900	7,710
Governance costs	9	861	0	0	861	756
Total Resources Used		124,708	249,473	0	374,181	152,847
Transfers between funds		(1,739)	1,739	0	0	0
Net Incoming/Outgoing Resources		1,876	(50,961)	0	(49,085)	38,284
Balances Brought Forward		3,357	90,516	51,350	145,623	107,339
Balances Carried Forward		5,233	39,955	51,350	96,538	145,623

Parochial Church Council of St Michael and St Paul, Alnwick
Annual Report and Financial Statements for year ended 31st December 2021

Balance Sheet as at 31st December 2021

	Note	2021 £	2020 £
Fixed Assets			
Tangible assets	10	162,689	0
Forster Bequest Capital		40,640	40,640
		203,329	40,640
Current Assets			
Barclays Community Account		13,761	(2,256)
Barclays Business Premium Account		1,665	126,278
Cash in hand		0	0
CBF Fabric Capital account		10,710	10,710
CBF Fabric Income account		31,418	29,007
Accounts receivable (Debtors)	11	89,937	76,819
		147,491	240,558
Accounts payable (Creditors)	12	94,282	15,575
Loans		160,000	120,000
Total assets		96,538	145,623
Represented by			
Balance at 1st January 2021		145,623	107,339
Surplus/(Deficit) for year		(49,085)	38,284
Balance at 31st December 2021		96,538	145,623
Distribution of total equity by funds			
Unrestricted funds			
General Fund		5,233	3,357
Restricted funds			
Fabric Fund	31,383		36,438
Parish Hall Fund	4,545		0
Church Tower Fund	2,055		51,282
General Fund	1,796		2,796
Young People Activities Fund	176		400
		39,995	90,916
Endowment funds			
Forster Bequest	40,640		40,640
D E Reavell Fund	10,000		10,000
A Hogg Fund	710		710
		51,350	51,350
		96,538	145,623

Approved by the Parochial Church Council on 3 April 2022 and signed on its behalf by:

Jean Darby
Chair

Richard Dale
PCC Treasurer

Notes to the financial statements For the year ended 31st December 2021

1 Accounting policies

1.1 General

The financial statements have been prepared in accordance with the Church Accounting regulations 2006 together with applicable accounting standards and the Statement of Recommended Practice Accounting and Reporting by Charities (SORP) 2005.

The accounts have been prepared under the historical cost convention. The financial statements include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body (e.g. the Mothers' Union), nor those that are informal gatherings of church members.

1.2 Funds

Endowment funds are funds, the capital of which must be retained either permanently or at the PCC's discretion; the income derived from the endowment is to be used either as restricted or unrestricted funds depending on the purpose for which the endowment was established in the first place.

The parish's endowment funds consist of:-

- The Forster Bequest. The capital for this fund is held by The Newcastle Diocesan Society and is invested in The Investment Fund of the Central Board of Finance of the Church of England. The book cost is as shown on the Balance Sheet (£40,640) and its market value at 31st December 2021 was £94,182 (2020: £82,395).
- The Fabric Capital Fund (CBF 625063004D). This consists of the D E Reavell Fund (£10,000) and the Alan Hogg Fund (£710).

The income from all these funds is paid into The Fabric Income Account (CBF 625063003D) which is a **Restricted fund** (see below) and is only available towards the maintenance and repair of the fabric of St Michael's Church, Alnwick as the Vicar and churchwardens in their absolute discretion think fit. This was laid down by those who gave the endowments.

Restricted funds represent (a) income from trusts or endowments which may be expended only on those restricted purposes intended by the donor, and (b) revenue donations or grants for a specific PCC activity intended by the donor. Where these funds have unspent balances, interest on their pooled investment is apportioned to the individual funds on an average balance basis.

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

Designated Funds are **unrestricted** funds set aside by the PCC for a specific purpose. They may be "undesignated" by the PCC at any time.

Parochial Church Council of St Michael and St Paul, Alnwick
Annual Report and Financial Statements for year ended 31st December 2021

1.3 Receipts

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

Dividends are accounted for when declared receivable, and interest as and when accrued by the payer. All incoming resources are accounted for Gross.

1.4 Payments

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

1.5 Fixed assets

Consecrated and benefice property is not included in the accounts in accordance with sections 10(2)(a) and (c) of the Charities Act 2011.

Moveable church furnishings held by the vicar and churchwardens on special trust for the PCC and which require a faculty for disposal are inalienable property listed in the church's inventory which can be inspected at any reasonable time.

Office equipment and similar items used within the church premises are written off when the asset is acquired.

Capitalised assets are stated at cost and depreciated over their expected useful life as follows:

Parish Hall boiler	10 years
Church bells	50 years from 1st January 2022

Investments are valued at historical cost with a note of the value at 31st December if available.

1.6 Current assets and liabilities

Amounts owed to the PCC on 31st December are shown as "Accounts Receivable" commonly referred to as Debtors. Amounts owed by the PCC on 31st December are shown as "Accounts Payable" and are commonly known as Creditors.

Short term deposits are held either at Barclays or with the Central Board of Finance of the Church of England.

1.7 Staff costs

During the year the PCC paid an honorarium to a parish hall caretaker and fees and expenses to an organist. Neither of these persons are members of the PCC.

Fees were also paid to organists and vergers in respect of Occasional Offices (funerals, weddings etc) but these amounts do not form part of these financial statements.

Parochial Church Council of St Michael and St Paul, Alnwick
Annual Report and Financial Statements for year ended 31st December 2021

2 Voluntary income

	Unrestricted Funds	Restricted Funds	Total Funds	2020
Regular giving				
Gift Aid	45,615	2,054	47,669	47,288
Non Gift Aid	4,833	12	4,845	4,219
Parish Giving Scheme	18,998	0	18,998	20,777
Income tax recovered	17,614	2,178	19,792	25,730
Sub-total	87,060	4,244	91,304	98,014
Collections				
Regular services	2,046	0	2,046	2,187
Occasional services	2,211	118	2,329	789
Sub-total	4,258	118	4,375	2,976
Legacies	0	2,000	2,000	0
Donations and grants	14,422	186,928	201,350	55,051
Total	105,739	193,290	299,029	156,041

3 Fundraising

	Unrestricted Funds	Restricted Funds	Total Funds	2020
Fundraising activities				
Winter Market	2,476	0	2,476	0
Market stalls	589	615	1,204	0
Bells preview evening	0	457	457	2,450
Other events	0	0	0	438
Sub-total	3,065	1,072	4,137	2,888
Parish Hall				
Lettings and other income	13,275	0	13,275	12,878
Covid-19 grant	0	0	0	10,000
Monthly draw	0	0	0	800
Sub-total	13,275	0	13,275	23,678
Magazine	1,143	0	1,143	1,183
Catering income	172	0	172	213
Other	807	0	807	636
Total	18,462	1,072	19,534	28,598

4 Church activities

This income relates to PCC fees for weddings and funerals. During 2021, we collected £344 for weddings (2020: £733) and £3,768 (2020: £3,203) for funerals. Fees for clergy, vergers and organists are handled by the PCC on an agency basis and are excluded from these accounts.

Parochial Church Council of St Michael and St Paul, Alnwick
Annual Report and Financial Statements for year ended 31st December 2021

5 Cost of generating voluntary income

	Unrestricted Funds	Restricted Funds	Total Funds	2020
Fundraising expenses	0	0	0	453
Planned giving expenses	164	0	164	177
Total	164	0	164	630

6 Fundraising costs

	Unrestricted Funds	Restricted Funds	Total Funds	2020
Parish Hall				
Gas, electricity and water	3,994	0	3,994	3,761
Maintenance	490	0	490	2,183
Caretaker	4,200	0	4,200	4,200
Depreciation	0	1,244	1,244	0
Other expenses	1,004	0	1,004	1,087
Sub-total	9,688	1,244	10,932	11,231
Other	0	0	0	194
Total	9,688	1,244	10,932	11,425

7 Church running expenses

	Unrestricted Funds	Restricted Funds	Total Funds	2020
Church				
Gas, electricity and water	10,030	0	10,030	8,228
Insurance	6,060	1,168	7,228	5,761
Repairs and maintenance	2,927	0	2,927	2,844
Refurbishment	1,050	246,618	247,668	24,145
Wine, wafers and candles	271	0	271	392
Organists	800	0	800	0
Organ maintenance	1,320	0	1,320	1,320
Worship	705	159	864	833
Other costs	100	66	166	106
Sub-total	23,263	248,229	271,294	43,069
Clergy				
Council Tax	4,539	0	4,539	5,797
Expenses and other costs	1,090	0	1,090	1,666
Sub-total	5,629	0	5,629	7,463
Administration				
Parish secretary	100	0	100	2,200
Photocopier	4,443	0	4,443	4,174
Office supplies etc	540	0	540	568
Telephone and internet	820	0	820	682
Sub-total	5,903	0	5,903	7,634
Total	34,795	248,229	283,024	67,733

Parochial Church Council of St Michael and St Paul, Alnwick
Annual Report and Financial Statements for year ended 31st December 2021

8 Charitable giving

	Unrestricted Funds	Restricted Funds	Total Giving	2020 from PCC Funds
Alnwick Community Centre	2,300	0	2,300	2,125
Contagious	2,300	0	2,300	2,125
St Michael's School	2,300	0	2,300	2,125
Carbon offsetting fund	0	0	0	1,335
Total	6,900	0	6,900	7,710

Special collections, donations and fundraising events which are specifically on behalf of another charity are not included in the accounts.

9 Governance costs

	Unrestricted Funds	Restricted Funds	Total Funds	2020
Bank charges	581	0	581	507
Independent examination	150	0	150	120
Treasurer's expenses	130	0	130	130
Total	861	0	861	756

10 Tangible fixed assets

	Church Bells	Parish Hall Boiler	Total Assets
Cost			
Balance at 1 st January 2021	0	0	0
Additions	151,495	12,438	163,933
Balance at 31 st December 2021	151,495	12,438	163,933
Depreciation			
Balance at 1 st January 2021	0	0	0
Charge for year	0	1,244	1,244
Balance at 31 st December 2021	0	1,244	1,244
Net Book Value at 31st December 2021	151,495	11,194	162,689

11 Accounts receivable

	Unrestricted Funds	Restricted Funds	Total Funds	2020
Income tax recoverable	76,342	11,793	88,135	73,092
Gas refund	1,267	0	0	0
Electricity refund	0	0	0	3,033
Parish Hall rental income	468	0	468	344
Other	67	0	67	350
Total	78,144	11,793	89,937	76,819

Parochial Church Council of St Michael and St Paul, Alnwick
Annual Report and Financial Statements for year ended 31st December 2021

12 Accounts payable

	Unrestricted Funds	Restricted Funds	Total Funds	2020
Parish share	52,300	0	52,300	0
Gas	0	0	0	156
Electricity	3,435	0	3,435	790
Charitable giving	22,506	114	22,620	9,045
Agency balances	15,239	0	15,239	4,520
Clergy expenses	0	0	0	835
Other	688	0	688	229
Total	94,168	114	94,282	15,575