

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

**Annual Report and
Financial Statements**

**for the year ended
31st December 2022**

**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 2022

Parochial Church Council 2022

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 which 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)

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 2022 for 3 years)
Mrs Rosie Buxton	(re-elected in 2022 for 3 years)
Mr Richard Allsop	(re-elected in 2020 for 3 years)
Mr Michael Carter	(elected in 2022 for 3 years)
Mr John Cooke	(re-elected in 2021 for 3 years)
Mr Richard Dale	(re-elected in 2020 for 3 years)
Mr George Ives	(elected in 2022, resigned 6 th December 2022)
Mrs Judy Jobson	(elected in 2022 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:

Ten regular PCC meetings were held in 2022. The overall attendance was 72%.

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.

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Clergy with permission to Officiate:

Revd Canon Sue Allen, Revd Canon Philip Bourne, Revd Robert Chavner, Revd Colin Perkins, Revd Martin Turner, Revd Martin Roff

Readers:

Mr John Cooke, Mrs Annette Playle

Safeguarding Officer

Dr Patty Everitt (until 7th December 2022)

The Area Dean is currently overseeing safeguarding issues in the Parish

Church attendance:

Statistics as reported to the Diocese for 2022 (2021 figures in brackets where available)

Baptisms	15 (13)
Confirmation	0 (5)
Weddings	4 (2)
Funerals	26 (22) in Church, and 6 (19) at the crematorium or cemetery only.

Average attendance: 93 adults and 1 child (123 adults and 5 children)

Christmas: 76 communicants, 81 attendees (85 communicants, 98 attendees)

Easter: 85 communicants, 97 attendees (76 communicants, 80 attendees)

People in our "worshipping community" at the end of 2022:

Total	Children (Age 0-10)	Young people (Age 11-17)	Adults (Age 18-69)	Adults (Age 70+)
110	0	3	29	78

Review of the Year 2022

Introduction

It has been another busy year for the St Michael's community with the key themes being living through our vacancy, getting back to normal after Covid and marking several key national and regional events.

Our former Vicar, Revd Paul Scott, retired at the end of January and we wish him and Jane well for the future. Our new Vicar Revd Christian Mitchell (Mitch) and his family will join us from East Sussex in May. The intervening 16 months have not been without challenge, but we have largely maintained our normal pattern of worship. We need to thank our retired clergy, our readers, our Area Dean and a number of visiting clergy who have supported us through that period. We have been particularly pleased to welcome friends from across the Deanery to a joint evensong on the first Sunday of each month.

Inevitably, a period of vacancy places increased pressures on the lay members of the community. The PCC wants to thank everyone who has helped us through that period and in particular our wonderful churchwardens Pat Taylor and Anne Blades. Some of the issues they have had to deal with have been very evident, but others are less so – Pat and Anne have given freely of their time and talent to ensure they were all handled sensitively and well.

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Despite continued public health concerns across the nation, we have continued to recover from the very real disruption to our church life caused by the Covid pandemic. Our services are much closer to the pattern seen before the pandemic including sung responses, clergy processions and normal coffee/tea after services. We continue to intinct wafers as we feel some way off being ready to return to the common cup and are still not using the High Altar. Our arrangements continue to be reviewed by the PCC and will no doubt change again after the arrival of our new Vicar.

The bellringers have made a particularly joyful contribution to our worship, and it has been good to see them develop through the year. We were pleased to see Messy Church and Mini Michael's both have a strong year – a vital part of our outreach to younger people. Parish Hall usage has recovered from the fall seen in the previous two years although it is still not back to 2019 levels. We saw a large number of occasional services - baptisms, wedding and funerals - during the year, the church was well filled for some of our major festivals, notably at Christmas, and our Denwick Chapel carol service was well attended. We held a very moving service for All Souls Day, greatly appreciated by all who attended. Our fundraising and social activities continued to resume, and we were particularly pleased to welcome back the Royal Northern Symphonia in December. The church was open during the summer afternoons and we were able to welcome a large number of visitors to our lovely building.

2022 was a momentous year for our country and the wider world. The political upheavals could only be a matter for our continued prayers but we played a more active role in some of the other landmark events of the year. The church was full for a special service to commemorate the late Queen's Platinum Jubilee and, sadly, only a few weeks later, it was open again for people to mourn her passing. Ukrainian refugees were rarely far from our minds and we are thankful for the generous welcome given to those who settled in Alnwick. The cost of living crisis, exacerbated by huge increases in energy prices, has been a huge challenge and we have continued to support our local foodbanks and warm hubs. We were pleased to welcome our new Bishop Helen-Ann to St Michael's on her first official visit to the diocese and we look forward to seeing her again for Mitch's installation in May.

The financial picture is challenging – we are starting to feel the impact of the loss of members of our community who have died or moved away in the last couple of years and are mindful of the extent to which we can ask others to make up the shortfall in the current climate. A number of recent legacies will provide breathing space for us but are not a sustainable way to fund the church for the future. This is a matter which will need our prayerful attention in the coming year.

Once again, the PCC wants to thank everyone for their help and support during the past year. Mitch's arrival in May will be a great opportunity for renewal and we pray that the Holy Spirit will continue to guide our work during 2023.

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, Victoria Molnar-Brown and Katja Purvis.

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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.

Safeguarding

Newcastle Diocese is committed to safeguarding children, young people and adults and creating protective and supportive environments where all people, and especially those who may be vulnerable, are able to worship and pursue their faith journey in safety. It follows the national legal and procedural framework for safeguarding children and adults, and Church of England policy and practice. The PCC fully supports these aims.

The PCC is grateful to Patty Everitt, our former Safeguarding Advisor, for her dedicated attention to this role for an extended period of time. This involved supporting the PCC and others putting in place appropriate procedures and training and dealing with some complicated and, at times, quite stressful, individual cases which have also impacted other church officers. Patty stood down from this role on 7th December and the Area Dean is leading on safeguarding issues with day to day support from Henry Playle until we are able to appoint a successor. Safeguarding is a standing agenda item at each PCC meeting. We have agreed role descriptions for all the key positions within the church which will be the basis for future recruitment of volunteers and DBS checks are carried out on all relevant volunteers.

The PCC believes that it has complied with its duty to have 'due regard' to the House of Bishops' Safeguarding Policy and Practice Guidance, although we recognise we still have more work to do in terms of completion of the required training for all impacted volunteers and to fully achieve Level 3 of the Church of England Safeguarding Dashboard.

Fabric – Anne Blades and Pat Taylor, Churchwardens

The Church Quinquennial Inspection took place on Wednesday 16th March 2022. No major problems were identified and smaller items mentioned in the report are in hand. We were advised not to use the two heaters in the parish room and parish office and these have been turned off. A new heater has been provided in the parish office.

PAT testing took place on 5th September 2022. Fire extinguishers in the church and Parish Hall were serviced on 26th October 2022.

The organ was tuned twice in the year - 26th April and 11th October. An old piano has been disposed of and our remaining piano has been tuned and fitted with castors.

Big Cleans were held in church on 9th April and 1st October. A weekly Cleaning Rota has been established for the toilet and Parish Room.

Tower – Jean Darby

It is now over a year since work finished on the installation of the bells and the restoration work on the tower.

In September the final inspection of the work on the tower was undertaken by the contractor and the architect and passed as being in good order.

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Unfortunately, it has been noticed that there is rusting on the face of the clock. This was reported to Cumbria Clocks in July but to date, despite being made aware of the situation more than once, they have not sent a rope engineer to look at the dial more closely to assess the damage. Hopefully this will be rectified when the weather improves in the spring.

The amount of ringing has surpassed all expectation. There is now a competent band of local ringers who are capable of ringing out the 10am service every Sunday. This has been achieved with much help from experienced ringers teaching novices and encouraging local ringers who had previous but not recent experience. There have been several visiting bands who have rung full peals or quarters. During the period between the Queen's death and her funeral 33 people rang in her memory. Quarter peals have been rung for the late Bill Hugonin and for the late Margaret Mc Farlane for which both families were very appreciative. Almost every week visitors from all parts of the country and indeed from further afield have attended the weekly practices. This new aspect of church life has certainly put St Michael's on the national map.

South aisle exhibition – Jean Darby, Project coordinator

Two of the larger pieces of graffiti are framed and mounted on the south wall and the two medieval bells brought down from the tower are also on display. These have all been of interest to the people of St Michael's and visitors alike.

Throughout the stewarding open season an outline of the project with explanations and illustrations was demonstrated through a slide show. This aroused the interest of many visitors.

In July there was an open drop-in day. All the graffiti which has been identified as essential to keep was displayed. Children from St Michael's school spent the morning in a range of activities devised by Katherine Williams. They were fascinated by what they saw, made some interesting suggestions, and asked probing questions. These were carried forward to the afternoon session when visitors from many diverse organisations in the town and from further afield dropped in to see this unique sample of the town's history. Many suggestions were made as to how the graffiti might be used as inspiration for community projects. Our thanks to Katherine and to Lorna Gilroy for all their help on the day. Later in the year an interview on Radio Newcastle and information on their website brought in further interest from around the county and another morning of viewing was made available.

We look forward in 2023 to having the cabinet to house the graffiti completed and to working on some of the many suggestions that have been made for interesting community projects. The exhibits of previously hidden items from St Michael's history are certainly beginning to bring the wider community to an awareness of the church in the town.

Foundation Governors' Report - Rosie Buxton, Secretary

A major development in 2021 was that of the proposal for St Michael's School to join the Northumberland Church of England Academy Trust (NCEAT) which offers support to schools by becoming part of a trust. A decision for this is expected within the next few weeks.

Throughout 2022 evidence of the school's aims have been always apparent; **Respect, Persevere and Achieve**. Every member of the school (both teacher and pupil) has worked tirelessly to improve every area of teaching and learning especially in the wake of Covid and the inherent problems to education. The School Improvement Plan is a tremendous example of what has been achieved this year.

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In the Autumn term an Ofsted inspection was followed two weeks later by a SIAMS inspection. They were deep robust inspections which were really challenging. Both came out strongly as GOOD with lots to be proud of. Both also offered some suggestions for areas that may benefit from improvement and these will be developed in the coming months.

The school vision inspires the curriculum development and the children demonstrate the end product.

Mission Group

A small sub-group met and made recommendations to the PCC for distribution of our missing giving budget for 2022:

St. Michael's School	£2,000
Community Centre NE66	£1,000
Ignite (formerly Contagious)	£1,000
Alnwick Food Bank	£1,000
Ukrainian Refugees	£450
Crisis Newcastle	£500
West End Refuge Service	£500

Messy Church – Jane Brown

Messy Church occurs on the third Saturday every month (except August) from 11am to 12.30pm in church. There are eight regular volunteers who run Messy Church and we have three volunteers who have just started to help when they can. We also have two volunteers that help before Messy church with the preparation of cakes and soup. Children attend with an adult. Messy church has a regular routine – play with toys at the beginning, song time and bible story followed by crafts and a meal together.

Between March and June, the number of children attending averaged 10. Since October (we had no messy church for July, August and September) the number of children varied between 16 and 28. We are very pleased with this increase in numbers and hope that families continue to come regularly and feel that they are part of the church family.

Mini Michael's – Pat Tweed

As we approach our tenth year, Mini Michaels continues to flourish, with numbers still averaging around 25 children each week along with mums, grandparents and sometimes a dad or two.

Our helpers come along every week and do anything that needs to be done, serving tea and coffee, helping at the craft table if it gets too busy (the amazing craft ideas from Judy and Pam never fail to amaze us), generally chatting to mums and the setting up/clearing up at each session.

We have just bought a set of screens on which we are going to display the children's crafts and photographs, so anyone coming into church can see what the group is all about. We all get much joy from the group, the children never fail to brighten any day and if anyone wants to join us as a helper please do come along, you would be very welcome.

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First Sunday Eucharist - Revd Sue Allen

This service was initiated by Revds Paul Scott, Gerard Rundell and Sue Allen in July 2021, when morning services at St Michael's were reorganised after Lockdown. The intention was to provide worship that is more accessible to those unfamiliar with church, and especially to welcome families.

Since the departures of Paul and Gerard, Sue has taken responsibility for the organisation and delivery of First Sundays. Although it is sadly now unusual for children to be present, the greater informality and flexibility of the service is much appreciated by a significant number of those who attend, including those who would not otherwise be part of St Michael's. And it provides a wonderful opportunity to celebrate people's gifts, for example in music, art, craft, drama and cookery, as well as the more usual opportunities to read and lead prayers. Thanks to all concerned.

St Michaels's on-line events - Revd Sue Allen

Livestreaming.

The Sunday 10am services have continued to be livestreamed each week and are very much valued by those who are unable to attend worship in person. The technical hitches which were such a feature to begin with are now largely a thing of the past, thanks to all concerned and especially to Ant Allen. Our ability to livestream depends on a small group of faithful volunteers, and if anyone else would be willing to join they would be extremely welcome. Please contact Sue Allen via pineapple.sue@gmail.com

Compline

A weekly service of Compline has continued via zoom since the beginning of lockdown. It meets every Thursday evening, currently at 7pm. If anyone else would like to join please contact Annette via rene.p@btinternet.com

Zoom Cuppa

This happens once a month, normally on the first Sunday at 4pm, for a catch-up and a chat on zoom. It is a varied group of people, some housebound, and some out and about, and includes 2 regulars from USA. For more details please contact Sue Allen via pineapple.sue@gmail.com

Sidespersons – Pat Taylor

During the last year we have had nine people on the rota for sides people at the 10am Eucharist on Sunday mornings. Thank you to these reliable friends who carry out their duties carefully and diligently and welcome parishioners and friends to this service.

Since the pandemic and during the vacancy it has fallen to the Churchwardens to carry out this job for the other three services during the week: 8.30am and 6pm on Sunday and 10.15am on Wednesday. The congregations at these services are not huge and it would be very helpful if we could find someone to pick up the sidesperson's duties. It is good to have someone to make attendees feel welcome.

The Mothers' Union

Mothers Union meets on the second Wednesday of the month in the afternoon.

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We start our meeting with a short service, bible reading and very occasionally a hymn. The business part of the meeting comes next, usually discussing anything that needs to be done for the church or the members.

The social side comes next and we try to have something different each month. During the last year we have had some interesting meetings and one of the most enjoyable was the tea party we had for Queen Elizabeth's Jubilee. We decorated the church with red, white and blue, had rousing traditional music and a delicious feast of sandwiches, savouries and cake.

Our meetings are informal and friendly. We are a small group but find our time together very enjoyable.

We would welcome new members and contrary to popular belief you don't have to be a mother to join, you don't even have to be female!

Do think about joining us, we would love to see you.

Eco Church – Bronze Award – Annette Playle

Around two years ago, an Eco Church incentive was encouraged across the country. This was to make congregations aware of ways in which we can help to reduce waste, and to be more environmentally friendly. The incentive took off in St. Michaels under the guidance of our curate at the time, Gerard Rundall and Gilly Maude a retired priest. Once both Gerard and Gilly moved on to pastures new, the baton was handed to myself along with some willing helpers. I am happy to announce that we have now reached Bronze level.

The scheme is divided into five categories, which are:

1. Worship and Teaching
2. Building
3. Land
4. Community and Global Engagement
5. Lifestyle

In each category there are targets to attain, for instance, in the first heading Worship and Teaching, one is Special Sundays relating to caring for God's earth, another is the lighting in our church premises, under the buildings heading, we also offer eco tips in the pew sheet. We are using environmentally friendly products in our kitchen and toilet, and we have planted shrubs and bulbs at the north side of the church.

To attain bronze, we have had to address each area, and the aim is that we continue to work towards silver then gold, in each respectively. There is also a notice board at the back of church to see the progress we are all making.

Thank you for your support as we look forward to our continuing journey to a greener St. Michaels.

The Churchyard Project – Sue Allen

Results of earlier planting

The hedge saplings planted in autumn 2021 are doing well, with almost all of them showing good growth. The protective covers will remain on them to prevent rabbit damage. The bulbs planted in 2021 are coming up well again, with snowdrops in profusion and other bulbs showing signs of growth.

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Bird boxes

In April 2022 we hosted a very successful morning with children and leaders from the Community Centre @ NE66, assembling bird boxes from the kits painstakingly created by George Ives. Unfortunately, it was so successful that the children insisted on taking them all home! However more bird boxes have since been assembled from the left-overs, and should be up and ready for occupation in 2023.

Strategy for future plans

The Churchyard Group's proposal to zone the churchyard was accepted by the PCC. The south side will focus on welcoming people, with pretty flowers, seats, tubs etc. The north side will focus on being more welcoming for wildlife, with natural planting to attract insects and birds etc.

Cherry Trees

After gaining permissions from the Diocese and other bodies, members of the Churchyard Group were able to plant 8 Japanese flowering cherry trees on the south side of the church. These had been among a large number gifted to the Council. The assistance and advice from Janet Pibworth of the Town Council was much appreciated.

Nettles and wildflower seeds

An amazing number of nettles have been cleared, and wildflower seeds planted on the north side of the church by Ant Allen. This should allow for further planting this year.

Community Picnic

It had been hoped to host children from the Community Centre for a picnic in the churchyard during the school summer holidays, but unfortunately due to their staffing issues this was unable to take place. We hope to have another opportunity.

Future Plans

Key people involved in the Churchyard have also been covering extra duties during the Vacancy, and / or involved with Ukrainian refugees. It is hoped that later this year the momentum for progress in the churchyard will increase again.

Financial review - Richard Dale, PCC Treasurer

The financial results for 2021 were significantly impacted by the project to repair the church tower and to install the new peal of bells which used nearly all the Church Tower Fund built up in previous years to complete the building work.

By comparison 2022 was a more normal year. The Statement of Financial Activities shows net incoming resources for the year of £7,915 comprising:

General Fund	£1,242
Designated Funds	£2,693
Restricted Funds	£3,980

The increase in designated funds was due to legacies received during the year and donations from bellringers which are held in a fund to pay for future bell rope replacement.

The increase in restricted funds was due to interest income for our Fabric Fund and some additional fundraising for the Tower project. The income received for the Tower project allowed us to pay back £10,000 of the loan generously made to fund the project. However, there is still £150,000 of the loan to be repaid and this is a continuing matter which we need to focus on.

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Cash balances were boosted by receipt of historic Gift Aid claims from HMRC and we ended the year in sound shape with just over £40,000 in our two Barclays Bank accounts.

General Fund voluntary income declined by 15% year on year from £105,739 to £89,752. Most of this reduction was due to some very significant donations by supporters of the church in the prior year. Regular giving declined by 8% 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 healthy increase in collections at both regular and occasional services as lockdown restrictions were lifted during 2022.

General Fund fundraising income grew by 43% from £18,490 to £26,479. Fundraising was £1,829 better compared to 2021, reflecting the welcome returns of the flower festival and the Royal Northern Symphonia in December. Parish Hall income grew by 39% as usage recovered following Covid-19 lockdown closure but was still 15% lower than pre-Covid levels. Stall sales and magazine income also grew in the year as we returned to normality.

We were asked to contribute a minimum parish share of £65,000 in 2022 with a target to contribute £76,257. In the end, we were able to contribute £69,000, just over 90% of the target amount. In line with previous policy, our budget for charitable giving was reduced by a similar proportion with total giving in the year of £6,450, the allocation of which is listed in the Mission Group report.

There was a very sharp increase in utility costs in 2022 with church costs 38% higher and parish hall costs 61% higher. Some of this was driven by higher consumption due to higher levels of activity and a very cold December but, in common with others, we also saw a significant increase in charges for both gas and electricity. This is being partly mitigated at the moment by the Government's Business Energy Support Scheme and a grant from the Church Commissioners but the position from April 2023 onwards is highly uncertain. In the short term, we will benefit from being out of "heating season" but we have no understanding yet of the picture for next winter.

Repairs and maintenance costs for the church were 46% lower than 2021 due to the timing of repairs and a reasonably benign quinquennial inspection outcome but this was partly offset by higher maintenance costs for the parish hall.

Clergy expenses and Council Tax payments were negligible in the year due to the vacancy. Not surprisingly, we saw a significant increase in worship costs (including wine, wafers and candles) as activity returned to a normal level.

Looking ahead, 2023 should be reasonable due to some expected one off benefits from VAT refunds and legacies but the position for future years is more worrying. We have lost a number of members of our congregation which is impacting regular giving, we have seen a very significant increase in gas and electricity costs in recent months and we will see higher clergy related costs when our new Vicar arrives in May.

I am grateful to my Standing Committee colleagues for their support to me through another difficult year. 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 2022 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.

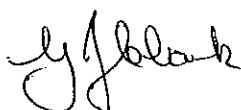
Independent Examiners Statement

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

15th February 2023

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Statement of Financial Activities
For the period 1st January to 31st December 2022

	Note	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	2021
Incoming Resources						
Incoming resources from generated funds						
Voluntary income	2	92,574	26,857	0	119,431	299,029
Fundraising	3	26,530	0	0	26,530	19,534
Income from investments		5	2,978	0	2,983	2,418
Incoming resources from charitable activities						
Church activities	4	8,078	0	0	8,078	4,112
Other incoming resources		184	0	0	184	7
Total Incoming Resources		127,371	29,835	0	157,206	325,096
Resources used						
Cost of generating funds						
Cost of generating voluntary income	5	220	622	0	842	164
Fundraising costs	6	14,719	1,244	0	15,963	10,932
Church activities						
Parish Share		69,000	0	0	69,000	72,300
Church running expenses	7	33,070	24,015	0	56,085	283,024
Charitable giving	8	6,450	0	0	6,450	6,900
Governance costs	9	952	0	0	952	861
Total Resources Used		123,411	25,881	0	149,292	374,181
Transfers between funds		(26)	26	0	0	0
Net Incoming/Outgoing Resources		3,935	3,780	0	7,915	(49,085)
Balances Brought Forward		5,233	39,955	51,350	96,538	145,623
Balances Carried Forward		9,166	43,935	51,350	104,453	96,538

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Balance Sheet as at 31st December 2022

	Note	2022 £	2021 £
Fixed Assets			
Tangible assets	10	158,828	162,689
Forster Bequest Capital		40,640	40,640
		199,468	203,329
Current Assets			
Barclays Community Account		6,544	13,761
Barclays Business Premium Account		33,550	1,665
Cash in hand		0	0
CBF Fabric Capital account		10,710	10,710
CBF Fabric Income account		24,396	31,418
Accounts receivable (Debtors)	11	13,103	89,937
		88,303	147,491
Accounts payable (Creditors)	12	33,318	94,282
Loans		150,000	160,000
Total assets		104,453	96,538
Represented by			
Balance at 1st January 2022		96,538	145,623
Surplus/(Deficit) for year		7,681	(49,085)
Balance at 31st December 2022		104,219	96,538
Distribution of total equity by funds			
Unrestricted funds			
General Fund		6,475	5,233
Designated Funds		2,693	0
Restricted funds			
Fabric Fund	32,616		31,383
Parish Hall Fund	5,097		6,341
Church Tower Fund	6,222		2,055
Young People Activities Fund	0		176
		43,935	39,955
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
		104,453	96,538

Approved by the Parochial Church Council on 7th February 2023 and signed on its behalf by:

Jean Darby
Chair

R Dale

Richard Dale
PCC Treasurer

J. Darby

Notes to the financial statements For the year ended 31st December 2022

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 2022 was £83,096 (2021: £94,182).
- 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 "undesigned" by the PCC at any time.

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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 2023

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.

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2 Voluntary income

	Unrestricted Funds	Restricted Funds	Total Funds	2021
Regular giving				
Gift Aid	45,100	92	45,192	47,669
Non Gift Aid	3,229	0	3,229	4,845
Parish Giving Scheme	15,859	0	15,859	18,998
Income tax recovered	16,138	19	16,157	19,792
Sub-total	80,326	111	80,437	91,304
Collections				
Regular services	2,443	0	2,443	2,046
Occasional services	3,820	0	3,820	2,329
Sub-total	6,263	0	6,263	4,375
Legacies	1,000	0	1,000	2,000
Donations and grants	4,985	26,746	31,731	201,350
Total	92,574	26,857	119,431	299,029

3 Fundraising

	Unrestricted Funds	Restricted Funds	Total Funds	2021
Fundraising activities				
Winter Market	2,084	0	2,084	2,476
Market stalls	1,119	0	1,119	1,204
Flower Festival	941	0	941	0
Bells preview evening	0	0	0	457
Other events	840	0	840	0
Sub-total	4,984	0	4,984	4,137
Parish Hall	18,480	0	18,480	13,275
Magazine	1,256	0	1,256	1,143
Catering income	240	0	240	172
Other	1,570	0	1,570	807
Total	26,530	0	26,530	19,534

4 Church activities

This income relates to PCC fees relating to weddings and funerals. During 2022, we collected £1,524 for weddings (2021: £344) and £6,554 (2021: £3,768) for funerals. Fees for clergy, vergers and organists are handled by the PCC on an agency basis and are excluded from these accounts.

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5 Cost of generating voluntary income

	Unrestricted Funds	Restricted Funds	Total Funds	2021
Fundraising expenses	104	623	727	0
Planned giving expenses	116	0	116	164
Total	220	623	843	164

6 Fundraising costs

	Unrestricted Funds	Restricted Funds	Total Funds	2021
Parish Hall				
Gas, electricity and water	6,429	0	6,429	3,994
Maintenance	2,554	0	2,554	490
Caretaker	4,200	0	4,200	4,200
Depreciation	0	1,244	1,244	1,244
Other expenses	1,097	0	1,097	1,004
Sub-total	14,280	1,244	15,524	10,932
Other	439	0	439	0
Total	14,719	1,244	15,963	10,932

7 Church running expenses

	Unrestricted Funds	Restricted Funds	Total Funds	2021
Church				
Gas, electricity and water	13,794	0	13,794	10,030
Insurance	6,181	0	6,181	7,228
Repairs and maintenance	1,456	1,745	3,201	2,927
Refurbishment	0	19,056	19,056	247,668
Wine, wafers and candles	489	0	489	271
Organists	920	0	920	800
Organ maintenance	1,392	0	1,392	1,320
Worship	1,220	176	1,396	864
Depreciation	0	3,038	3,038	3,038
Other costs	123	0	123	166
Sub-total	25,575	24,015	49,590	271,294
Clergy				
Council Tax	(91)	0	(91)	4,539
Expenses and other costs	60	0	60	1,090
Sub-total	(31)	0	(31)	5,629
Administration				
Photocopier	4,731	0	4,731	4,443
Office supplies etc	1,101	0	1,101	640
Telephone and internet	694	0	694	820
Sub-total	6,526	0	6,526	5,903
Total	32,070	24,015	56,085	283,024

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8 Charitable giving

	Unrestricted Funds	Restricted Funds	Total Giving	2021 from PCC Funds
Alnwick Community Centre	1,000	0	1,000	2,300
Contagious	1,000	0	1,000	2,300
St Michael's School	2,000	0	2,000	2,300
Alnwick Foodbank	1,000	0	1,000	0
Ukrainian Refugees	450	0	450	0
Crisis Newcastle	500	0	500	0
West End Refugee Service	500	0	500	0
Total	6,450	0	6,450	6,900

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	2021
Bank charges	622	0	622	581
Independent examination	180	0	180	150
Treasurer's expenses	150	0	150	130
Total	952	0	952	861

10 Tangible fixed assets

	Church Bells	Parish Hall Boiler	Total Assets
Cost			
Balance at 1 st January 2022	151,495	12,438	163,933
Additions	420	0	420
Balance at 31 st December 2022	151,915	12,438	164,353
Depreciation			
Balance at 1 st January 2022	0	1,244	1,244
Charge for year	3,038	1,243	4,282
Balance at 31 st December 2022	3,038	2,487	5,526
Net Book Value at 31st December 2022	148,847	9,951	158,828

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11 Accounts receivable

	Unrestricted Funds	Restricted Funds	Total Funds	2021
Income tax recoverable	12,244	0	12,244	88,135
Electricity refund	174	0	174	0
Parish Hall rental income	626	0	626	468
Other	50	0	50	67
Total	13,094	0	13,094	89,937

12 Accounts payable

	Unrestricted Funds	Restricted Funds	Total Funds	2021
Parish share	7,300	0	7,300	52,300
Gas	3,258	0	3,258	0
Electricity	0	0	0	3,435
Charitable giving	22,620	0	22,620	22,620
Agency balances	0	0	0	15,239
Other	140	0	140	688
Total	33,318	0	33,318	94,282