

CHARITY NUMBER: 1128304

**THE PAROCHIAL CHURCH COUNCIL
OF ST LUKE'S, CRANHAM PARK**

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2021

Parish of St. Luke Cranham Park
CHAIR OF TRUSTEES REPORT Jan-Dec 2021
for presentation at 2022 Annual Parochial Church Meeting (APCM)

INTRODUCTION

St Luke's Parochial Church Council (PCC) has the responsibility of co-operating with the incumbent, Revd Michael Vickers, to promote in the ecclesiastical parish the whole mission of the church: pastoral, evangelistic and social. Michael chaired the Parochial Church Council for the whole of 2021. The PCC has maintenance responsibility for the St. Luke's church building and Centre on Front Lane, the Moor Lane Church Building and two houses for pastoral use: 72 Marlborough Gardens and 226 Moor Lane.

PCC MEMBERSHIP (as of APCM September 2020)

Members of the PCC, in accordance with church representation rules, are elected by the Annual Parochial Church Meeting (APCM) or are ex-officio or co-opted members. The following served as members of the PCC from the Annual Parochial Church Meeting (APCM) September 2020:

Chair - Revd Michael Vickers (ex officio voting member Vicar)

Lay Chair – Vacant

Clergy: Revd Jenny Heinink - Associate Minister (ex officio voting member) Revd Ken Perkins - Associate Minister SSM with responsibility for Moor Lane (ex officio voting member) Revd Phil Wright - licensed as NHS trust chaplain with PTO in our parish having formerly served as curate (ex officio voting member) Rev Kevin Barnard - licensed in January 2021 as Associate Minister self-supporting (ex officio voting member) Revd, Chris Cozier - Joined November 2021 as Children's and Families Minister part time (non-voting member)

Elected Members: (voting members of PCC) Ravi Bhalla, Ijeoma Blunt, Carly Lucas, Christine Rose,

Elected Church Wardens (voting members of PCC): Chikezie Apakama, Pete Newall

Treasurer: Stuart Beck (ex officio voting member)

Moor Lane Church Lay Chair – Rich Tomlin (co-opted voting member)

Non-Voting members (salaried employees are not permitted to be Trustees)

Tom Lambert – Director Kingdom Overflow

Miles Picknell – C.A.P. Centre Manager

Chris Cozier – Children's and Families' Minister

COMMITTEES

The PCC operates through a few committees which meet between full meetings of the PCC.

Standing Committee

Has the power to transact the business of the PCC between meetings subject to any directions given by the PCC.

Finance Committee

Oversees the financial work of St Luke's by monitoring income and expenditure, budgeting and co-ordinating the annual review of planned giving. Has the power to authorise individual items of expenditure up to £500.

Moor Lane Congregation Committee

In early 2010 an elected council from the Moor Lane congregation was duly created as a sub-committee of the PCC consisting of a Chair, Lay Chair and up to 4 other members. The Chair being an Associate Minister of the Parish. The Lay Chair is accepted as a co-opted voting member of the full Parish PCC.

Buildings Maintenance Team

Guides, directs, and helps execute plans for repair and decorative improvement works to our various properties.

The PCC thanks all those who have served the church on these committees throughout the year.

ELECTORAL ROLL

At the April 2021 APCM, the total Electoral roll number was 285 of which 143 are Resident in the Parish and 142 are Non-Resident. It should be noted that the Parish covers a relatively small geographical area, and, whilst a number live technically outside of the parish boundary, most church members reside in the Upminster area.

REVIEW OF THE YEAR

Covid-19 Pandemic

Physical Church services restarted with Govt. restrictions on Palm Sunday at Moor Lane and Easter Sunday at St. Luke's, compliant with Covid safety requirements. Most Govt. restrictions were lifted in July 2021 but due to the surge of the Omicron variant some restrictions on services were re-implemented in December 2021 under Govt. 'Plan B'. All services have had appropriate Risk Assessments to manage all any potential ongoing risks.

PCC

PCC met 8 times during the calendar year of 2021 – 5 times as full PCC, 3 times as Standing Committee. All PCC/SC meetings considered financial reports from the Treasurer/finance committee.

Other committees

Other committees met according to their work requirements and reported their minutes and recommendations to the PCC.

Chris Cozier / Curate

Chris's official license as Curate at St. Luke's ended in September 2021, but from the end of September 2020 to end of October 2021, Chris was asked by the bishop to minister in a temporary post in Manor Park. Chris then re-joined us as Children's and Families minister part time in November 2021, replacing Liz Piper (retired). Bishop Guli (Chelmsford) has given Chris a PTO until October 2022.

OTHER ISSUES OF NOTE

Debt Counselling Centre

During 2021 various presentations were made to the PCC and the wider church related to the ministry of Christians Against Poverty (C.A.P.) and the issue of ministering to those in debt. C.A.P. itself is an established charity providing free and holistic support to those suffering from the problem of severe debt. This ministry has run successfully since 2011 and, despite the difficulties of providing this ministry during the Covid crisis, we have been able to keep it going over 2021 and have allocated funds for it to continue over 2022.

Payments to voting PCC members & declaration of financial interest

Rev'd Jenny Heinink (voting member) - Self Supporting Ministers (SSM) are entitled to a portion of official diocesan fees for funerals and weddings.

Ministry risks

The PCC has implemented policies to ensure safeguarding of children and young people and for the safeguarding of vulnerable adults. Tom Lambert is the designated parish safeguarding officer, and the Vicar, Michael Vickers, attended the Diocesan Training for safeguarding in **October 2019** meaning that he is also accepted as being qualified for the level of training required for a parish safeguarding officer.

We have approved Fire and Health and Safety (H&S) Policies and review our procedures and undertake checks to help improve the quality and monitoring of Fire and H&S issues. We have procedures for the handling of money and an agreed policy to ensure good practice in our financial decision making and management.

Reserves Policy (Contingency Fund)

It is the policy of the PCC of St Luke Cranham Park to hold sufficient reserves to cover the equivalent of one month's general running costs as well as three months' salary costs of its employees. In November 2018 PCC agreed that this should be increased from £10,000 to £12,000 and reviewed and increased each year. This earmarked fund is now invested in equities through the CCLA CBF Investment Fund and now stands at in excess of £17,000, although this figure can fluctuate both up and down on a daily basis.

FINANCIAL REVIEW / Recent History

End of 2019 / start of 2020, The Fabric & Building fund had been severely depleted due to the unexpected £31,000 costs of replacing the centre roof and the PCC wanted to start 2020 with a minimum of £15,000 in this fund to be able to cover for possible building issues over 2020. The payment for the roof repairs from the F&B fund was split between 2019 & 2020 with £14k being incurred in 2019 and the remaining £16k to be paid out of the F&B fund in January 2020. PCC agreed a transfer of £19k transfer into the F&B Fund to be made in the final 2019 Accounts so that when the £16k cost was charged to the Fund in January 2020, the balance in the fund at the start of 2020 was the desired level of £15k.

After taking away the Contingency Fund (which is to remain set-aside as reserves) this left £47,647 of available general funds carried forward into 2020.

2020 & Covid-19 – The Lockdowns and restrictions over 2020 had a dramatic effect on church finances. General giving income dropped by £20,783 (against 2019) by the end of 2020. This was mainly due to a loss of cash donations from suspended church services. Fortunately, expenditure also dropped considerably with reduction in cleaning, refreshment, other maintenance costs, and costs associated with many ministries no longer able to take place. Thankfully because of reductions in expenditure the final 2020-year end showed a further surplus of £40,949 to carry forward into 2021 (on top of the surplus carried forward into 2020).

2021 & lifting of restrictions – Surprisingly over 2021 and despite Covid issues, general income giving unexpectedly increased over 2020 giving. Expenditure also increased with the re-start of physical services from Easter, and the gradual resumption of several ministries. Despite increased expenditure, income over expenditure still generated a surplus at year end of £78,129. In October 2021, the boilers in the Church Centre had to be replaced at a cost of about £14.3k which was also paid for from the F&B fund. However, due to the transfer of £8k during the course of the year from the General Fund into the F&B Fund, the F&B fund is still some £16,323 in credit at the year end.

REVIEW OF ACTIVITIES RELATED TO CHARITABLE OBJECTIVES

Up to the lifting of Govt Covid requirements in July 2021

With no ministries and groups able to effectively meet in our church buildings, Church services were limited (see review of the year) with many ministries and activities either suspended or available online. For instance, as well as regular Sunday service, the gospel choir, many children's activities, coffee mornings etc were examples of ministries that were able to switch to online meetings.

Since the lifting of Govt Restrictions in July 2021

The church, in terms of its activities in line with its charitable objectives, undertook normal expected Occasional Offices of the Church of England (baptisms, weddings, funerals) and a variety of other mission and ministry activities in both the St. Luke's and Moor Lane buildings. For example, two weekly pop-in clubs for the elderly, two weekly mother and toddler groups (Sunbeams and Acorn); a number of different weekly youth ministries; bereavement ministry; work in local schools; evangelism courses, such as Alpha; weekly pastoral ministry to homeless in conjunction with Church Without Walls in Ilford and Westminster.

There are a wide range of groups and ministries active in the parish which can be looked at in more detail on our website, but the ministries mentioned above, hopefully, give a flavour of the wide scope of pastoral ministries that the church undertakes for church members and to support the local community.

The Charity trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission.

**Michael Vickers,
Chair of PCC**

Annual Report and Accounts of the PCC St. Luke's, Cranham Park
for the Year Ended 31 December 2021

Independent examiner's report to the PCC of St. Luke's, Cranham Park

I report on the accounts of the PCC for the year ended 31 December 2021, which are set out on the attached pages.

Respective responsibilities of the PCC and the examiner

The charity's trustees are responsible for the preparation of the accounts.
The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the 2011 Act) and that an Independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Association of Chartered Certified Accountants.

It is my responsibility to:

- Examine the accounts under section 145 of the 2011 Act;
- Follow procedures laid down in the general directions given by the Charity Commission Section 145(5)(b) of the Charities Act; and
- State whether particular matters have come to my attention.

Basis of Independent Examiners Statement

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the management committee concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in a full audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

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

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



Edward C. Parker F.C.C.A.
Connah Goldsworthy
Chartered Certified Accountants

12 Station Court
Station Approach
Wickford
Essex
SS11 7AT

Dated this 28th day of February 2022

Parochial Church Council of St. Luke, Cranham Park

STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31st December 2021

	Note	Unrestricted General £	Unrestricted Designated £	Restricted Funds	TOTAL FUNDS	
					2021 £	2020 £
INCOMING RESOURCES						
<i>Donations, legacies and similar resources</i>	2(a)	269,265	4,956	-	274,221	250,193
<i>Incoming resources from operating activities in furtherance of the church's objectives</i>	2(b)	6,043	780	-	6,823	5,263
<i>Income from investments</i>	2(c)	78	-	-	78	440
<i>Other income</i>	2d	13,200	-	-	13,200	13,415
TOTAL INCOMING RESOURCES		288,586	5,736	-	294,322	269,311
RESOURCES EXPENDED						
<i>Charitable expenditure:</i>						
<i>Grants</i>	3(a)	20,875	-	-	20,875	15,875
<i>Activities directly relating to the work of the church</i>	3(b)	203,598	16,096	-	219,694	224,033
<i>Church management & administration</i>	3(c)	12,675	-	-	12,675	17,989
<i>Governance costs</i>	3(d)	870	-	-	870	870
TOTAL RESOURCES EXPENDED		238,018	16,096	-	254,114	258,767
NET INCOMING / (OUTGOING) RESOURCES BEFORE INVESTMENT GAINS/(LOSSES)		50,568	(10,360)	-	40,208	10,544
Net gains/(losses) on investments	6	-	2,070	-	2,070	317
NET INCOMING / (OUTGOING) RESOURCES		50,568	(8,290)	-	42,278	10,861
Transfer between funds	10	(10,829)	10,829	-	-	-
<i>Other recognised gains/(losses):</i>						
Gains and losses on revaluation of fixed assets for the charity's own use	5	-	425,000	-	425,000	-
NET MOVEMENT IN FUNDS		39,739	427,539	-	467,278	10,861
TOTAL FUNDS BROUGHT FORWARD		78,129	1,106,904	3,453	1,188,486	1,177,625
TOTAL FUNDS CARRIED FORWARD	10	117,868	1,534,443	3,453	1,655,764	1,188,486

Parochial Church Council of St. Luke, Cranham Park

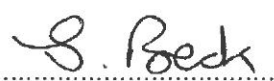
BALANCE SHEET AT 31 DECEMBER 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible Fixed Assets	5	1,489,149	1,061,320
Investments	6	17,387	15,317
		<u>1,506,536</u>	<u>1,076,637</u>
CURRENT ASSETS			
Debtors	8	12,369	11,218
Cash at bank and in hand		143,462	103,721
		<u>155,831</u>	<u>114,939</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
	9	6,603	3,090
NET CURRENT ASSETS			
		149,228	111,849
TOTAL NET ASSETS			
	7	<u>1,655,764</u>	<u>1,188,486</u>
FUNDS OF THE CHARITY			
Unrestricted	10	1,652,311	1,185,033
Restricted	10	3,453	3,453
		<u>1,655,764</u>	<u>1,188,486</u>

Approved by the Parochial Church Council on 28 February 2022 and signed on its behalf by:

Churchwarden. 

Mr P Newall

Treasurer. 

Mr S Beck

1 ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the Historical Cost convention except for Freehold Property, which has been shown at open market value. The accounts have been prepared in accordance with the Church Accounting Regulations 2006, the Statement of Recommended Practice: Accounting and Reporting for Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland (FRS 102), and with the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

Going Concern

The trustees have considered the impact of Covid-19 pandemic in their assessment of the charity's ability to prepare the accounts as a going concern. Due to the uncertainties surrounding the effects of the pandemic restrictions it is difficult to predict the impact on the charity and its beneficiaries. However, having taken all factors into account, the trustees are of the opinion that the charity has sufficient resources and it is therefore appropriate to prepare the financial statements on a going concern basis.

Fixed AssetsTangible fixed assets

Depreciation on office and audio equipment is provided on a straight line basis over 4 years. Individual items with a value less than £1,000 are written off when acquired. No depreciation has been provided on the piano on the basis that there has been no diminution in value.

Consecrated property is excluded from the accounts in accordance with s.10(2) (a) and (c) of the Charities Act 2011.

Investments

Fixed asset investments in quoted shares and similar investments are valued initially and cost and subsequently at fair value at the year end.

FundsUnrestricted

Unrestricted funds represent funds which are not subject to any restrictions regarding their use and are available for application for general purposes as approved by the PCC.

Restricted

Restricted funds represent funds where expenditure is restricted to use for the purpose to which they were intended by the original donors.

Incoming ResourcesRecognition of Incoming resources

Collections, covenanted giving and donations are accounted for only when received except in specific cases where it is certain that income will be received in the future.

Grants and legacies are accounted for as soon as the PCC is notified of legal entitlement of the amount due.

Government grants are recognised based on the accrual model and are recognised in income over the period to which the related costs are recognised.

Tax reclaim on Donations and Gifts

Incoming resources from tax reclaim are included in the SOFA during the same period as the gift to which they relate.

Other Income

Rental income arising from the letting of church property is recognised when the rental falls due.

Investment Income

Interest is accounted for when receivable.

Expenditure and liabilitiesLiability recognition

Liabilities are recognised as soon as there is a constructive or legal obligation committing the charity to pay out resources.

Governance costs

Governance costs include the costs of preparation and examination of statutory accounts.

2 INCOMING RESOURCES

	Unrestricted Funds		Restricted Funds	TOTAL 2021	Total 2020
	General	Designated			
	£	£	£	£	£
2a Donations, legacies and similar resources					
Planned giving and free will offerings	215,492	3,965	-	219,457	211,217
Gift Aid	39,991	991	-	40,982	38,976
Other donations and gifts	803	-	-	803	-
Government grants	12,979	-	-	12,979	-
	269,265	4,956	-	274,221	250,193
2b Incoming resources from operating activities in furtherance of the church's objectives					
Lettings (net)	4,958	-	-	4,958	4,217
Weddings & Funerals	1,085	-	-	1,085	298
Youth & Childrens Work	-	780	-	780	748
	6,043	780	-	6,823	5,263
2c Income from Investments					
Interest income	78	-	-	78	440
2d Other income					
Rental income	13,200	-	-	13,200	13,200
Other	-	-	-	-	215
	13,200	-	-	13,200	13,415
TOTAL INCOMING RESOURCES	288,586	5,736	-	294,322	269,311

Parochial Church Council of St Luke, Cranham Park

Notes to the Financial Statements for the Year Ended 31st December 2021

3	RESOURCES USED	Unrestricted Funds	Restricted Funds	TOTAL	Total
		General	Designated	2021	2020
		£	£	£	£
3a	<i>Grants payable</i>				
	Home missions	8,000	-	8,000	8,000
	Overseas missions	12,875	-	12,875	7,875
		20,875	-	20,875	15,875
3b	<i>Activities directly relating to the work of the Church</i>				
	Ministry: Diocesan Quota	80,000	-	80,000	80,000
	Evangelism	0	-	0	40
	Lay expenses	130	-	130	312
	Church running expenses	626	-	626	1,065
	Church & housing maintenance	35,029	14,297	49,326	50,725
	Staff salaries	84,224	1,799	86,023	84,274
	Staff training & expenses	1,664	-	1,664	2,676
	Alpha	60	-	60	258
	Youth ministry and Children's work	1,865	-	1,865	4,539
	Events	-	-	-	104
	Pastoral care	-	-	-	40
		203,598	16,096	219,694	224,033
3c	<i>Church management & administration</i>				
	Professional fees	1,420	-	1,420	624
	Printing & Stationery	10,560	-	10,560	11,437
	Sundry expenses	695	-	695	494
	Depreciation	-	-	-	5,434
		12,675	-	12,675	17,989
3d	<i>Governance costs</i>				
	Independent Examiner	870	-	870	870
		870	-	870	870
	TOTAL RESOURCES USED	238,018	16,096	254,114	258,767
4	STAFF COSTS	£	£	£	£
	Wages & salaries	74,448	1,419	75,867	73,413
	Social Security costs	-	-	-	759
	Pension costs	9,776	380	10,156	10,102
		84,224	1,799	86,023	84,274

During the year there were no employees who earned £50,000 p.a. or more.

5 FIXED ASSETS

Tangible Fixed Assets

	Freehold Buildings	Piano	Fixtures & Fittings	Total
COST/VALUATION				
	£	£	£	£
At 1st January 2021	1,055,320	6,000	86,314	1,147,634
Additions	-	-	2,829	2,829
Revaluation	425,000	-	-	425,000
At 31st December 2021	1,480,320	6,000	89,143	1,575,463
DEPRECIATION				
At 1st January 2021	-	-	86,314	86,314
Charge for the year	-	-	-	-
At 31st December 2021	-	-	86,314	86,314
NET BOOK VALUE				
At 31st December 2021	1,480,320	6,000	2,829	1,489,149
At 31st December 2020	1,055,320	6,000	-	1,061,320
Cost/valuation is represented as follows:				
	£	£	£	£
Cost	260,320	6,000	89,143	355,463
Valuation 2011	795,000	-	-	795,000
Valuation 2021	425,000	-	-	425,000
TOTAL At 31st December 2021	1,480,320	6,000	89,143	1,575,463

The Freehold Buildings comprise property at 226 Moor Lane, 72 Marlborough Gardens and St. Luke's Centre. The gross book value is based on the valuation reports by Morgan Sloane, Chartered Surveyors produced in December 2021.

No depreciation has been provided on the piano or in respect of freehold properties. Repair and maintenance costs are written off as incurred.

6	INVESTMENTS	Unrestricted Funds	Restricted Funds	Total Funds	
	Other investments			2021	2020
		£	£	£	£
	At 1st January 2021	15,317	-	15,317	-
	Additions	-	-	-	15,000
	Revaluations	2,070	-	2,070	317
	At 31st December 2021	17,387	-	17,387	16,317

7	ANALYSIS OF NET ASSETS BY FUND	Unrestricted Funds	Restricted Funds	Total Funds	
		£	£	£	£
	Fixed Assets	1,506,536	-	1,506,536	1,076,637
	Current Assets	155,831	-	155,831	114,939
	Current Liabilities	(6,803)	-	(6,803)	(3,090)
		1,655,764	-	1,655,764	1,188,486

8	DEBTORS	Unrestricted Funds	Restricted Funds	Total Funds	
		£	£	£	£
	Prepayments & other debtors	1,100	-	1,100	1,100
	Income tax recoverable	11,269	-	11,269	10,118
		12,369	-	12,369	11,218

9	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	Unrestricted Funds	Restricted Funds	Total Funds	
		£	£	£	£
	Other taxes & social security costs	707	-	707	544
	Accruals & deferred income	5,896	-	5,896	2,546
		6,603	-	6,603	3,090

10	FUND DETAILS	Balance 1.1.2021	Movement in the year	Reallocation between funds	Balance 31.12.2021
		£	£	£	£
	<i>Unrestricted funds:</i>				
	General Fund	78,129	50,568	(10,829)	117,868
	Maintenance Reserve Fund	22,620	(14,297)	8,000	16,323
	Fixed Assets	1,061,320	425,000	2,829	1,489,149
	Youth Fund	4,937	(1,019)	-	3,918
	The Well	847	-	-	847
	CAP	1,863	4,956	-	6,819
	Contingency Reserve	15,317	2,070	-	17,387
		1,185,033	467,278	-	1,652,311
	<i>Restricted funds:</i>				
	Discretionary Fund	2,417	-	-	2,417
	St. Luke's Pop In Fund	39	-	-	39
	Moor Lane Pop In Fund	345	-	-	345
	Moor Lane Childrens Work Fund	121	-	-	121
	Tuesday Pathfinders	531	-	-	531
		3,453	-	-	3,453
	TOTAL FUNDS	1,188,486	467,278	-	1,655,764