

CHARITY NUMBER: 1128304

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

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2022

Parish of St. Luke Cranham Park
CHAIR OF TRUSTEES REPORT Jan-Dec 2022
for presentation at 2023 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 up to and including July 2022. 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 April 2022)

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) April 2022:

Chair - Revd Michael Vickers (ex officio voting member Vicar) — Retired November 2022

Lay Chair — Ian Twine — First meeting chaired September 2022

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); and, Revd, Chris Cozier - Joined November 2021 as Children's and Families Minister part time (non-voting member) Revd Neil Barrett Curate (ex officio 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 four 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 2022 APCM, the total Electoral roll number was 288 of which 143 are Resident in the Parish and 145 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

PCC

PCC met 8 times during the calendar year of 2022 – 5 times as full PCC and 3 times regarding Parish Vacancy. The Standing Committee met 3 times. 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.

FINANCE

The balance sheet for the 2022 accounts appears to show a much rosier financial situation than is actually the case in that the total overall funds of the charity increased from £1,655,764 at the end of 2021 to £2,266,102 at the end of 2022. This increase was entirely due to a significant uplift in the commercial property valuation of the St Luke's Church Hall, deemed to belong to the PCC rather than to the Diocese, undertaken during the course of 2022 (the previous valuation having taken place in 1997). However, in reality, the total incoming resources (income) decreased from a total of £294,322 in 2021 to £247,911 in 2022, a difference of £46,411, and total outgoing resources (expenditure) in 2022 amounted to £291,529 in comparison with £254,114 in 2021 (admittedly when some periods of 2021 were still subject to COVID-19 restrictions), a difference of £37,415. Consequently, the Church had to use a total of £83,826 from its reserves at the end of 2022 to balance the books. This course of action is not sustainable and the budget for 2023 has been set with some stringent cost savings on previous years and with an assumption that income will need to increase by 10% on top of the sums donated in 2022, prompted by a stewardship campaign to be launched to all congregations in March 2023. Just over £11,000 of

further cost savings and/or contributions from reserves will still be needed to move the 2023 budget to break even status.

OTHER ISSUES OF NOTE

[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 reached a total of £15,000 and is now invested in equities through the CCLA CBF Investment Fund and now stands at in excess of £16,400, although this figure can fluctuate both up and down on a daily basis.

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.

**Ian Twine,
Lay Chair of PCC**

Annual Report and Accounts of the PCC St. Luke's, Cranham Park

for the Year Ended 31 December 2022

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 2022, 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.

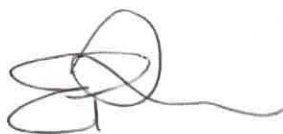
Basis of Independent Examiners Statement

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 29th day of March 2023

Parochial Church Council of St. Luke, Cranham Park

STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31st December 2022

	Note	Unrestricted General £	Unrestricted Designated £	Restricted Funds	TOTAL FUNDS	
					2022 £	2021 £
INCOMING RESOURCES						
<i>Donations, legacies and similar resources</i>	2(a)	237,480	-	-	237,480	274,221
<i>Incoming resources from operating activities in furtherance of the church's objectives</i>	2(b)	8,081	480	-	8,561	6,823
<i>Income from investments</i>	2(c)	770	-	-	770	78
<i>Other income</i>	2d	1,100	-	-	1,100	13,200
TOTAL INCOMING RESOURCES		247,431	480	-	247,911	294,322
RESOURCES EXPENDED						
<i>Charitable expenditure:</i>						
<i>Grants</i>	3(a)	15,875	-	150	16,025	20,875
<i>Activities directly relating to the work of the church</i>	3(b)	233,396	23,790	-	257,186	219,694
<i>Church management & administration</i>	3(c)	14,608	2,840	-	17,448	12,675
<i>Governance costs</i>	3(d)	870	-	-	870	870
TOTAL RESOURCES EXPENDED		264,749	26,630	150.00	291,529	254,114
NET INCOMING / (OUTGOING) RESOURCES BEFORE INVESTMENT GAINS/(LOSSES)		(17,318)	(26,150)	(150)	(43,618)	40,208
Net gains/(losses) on investments	6	-	(1,044)	-	(1,044)	2,070
NET INCOMING / (OUTGOING) RESOURCES		(17,318)	(27,194)	(150)	(44,662)	42,278
Transfer between funds	10	(21,533)	21,533	-	-	-
Other recognised gains/(losses):						
Gains and losses on revaluation of fixed assets for the charity's own use	5	-	655,000	-	655,000	425,000
NET MOVEMENT IN FUNDS		(38,851)	649,339	(150)	610,338	467,278
TOTAL FUNDS BROUGHT FORWARD		117,868	1,534,443	3,453	1,655,764	1,188,486
TOTAL FUNDS CARRIED FORWARD	10	79,017	2,183,782	3,303	2,266,102	1,655,764

Parochial Church Council of St. Luke, Cranham Park

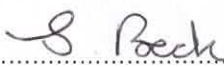
BALANCE SHEET AT 31 DECEMBER 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Tangible Fixed Assets	5	2,149,842	1,489,149
Investments	6	16,343	17,387
		2,166,185	1,506,536
CURRENT ASSETS			
Debtors	8	10,637	12,369
Cash at bank and in hand		93,448	143,462
		104,085	155,831
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	9	4,168	6,603
NET CURRENT ASSETS		99,917	149,228
TOTAL NET ASSETS	7	2,266,102	1,655,764
FUNDS OF THE CHARITY			
Unrestricted	10	2,262,799	1,652,311
Restricted	10	3,303	3,453
		2,266,102	1,655,764

Approved by the Parochial Church Council on 29 March 2023 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, convenanted 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 reclaims on Donations and Gifts

Incoming resources from tax reclaims 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 General	Designated	Restricted Funds	TOTAL 2022	Total 2021
		£	£	£	£	£
2a	<i>Donations, legacies and similar resources</i>					
	Planned giving and free will offerings	196,324	-	-	196,324	219,457
	Gift Aid	39,771	-	-	39,771	40,982
	Legacies & other donations	1,385	-	-	1,385	803
	Government grants	-	-	-	-	12,979
		237,480	-	-	237,480	274,221
2b	<i>Incoming resources from operating activities in furtherance of the church's objectives</i>					
	Lettings (net)	6,831	-	-	6,831	4,958
	Weddings & Funerals	702	-	-	702	1,085
	Youth & Childrens Work	548	480	-	1,028	780
		8,081	480	-	8,561	6,823
2c	<i>Income from Investments</i>					
	Interest income	770	-	-	770	78
2d	<i>Other income</i>					
	Rental income	1,100	-	-	1,100	13,200
	Other	-	-	-	-	-
		1,100	-	-	1,100	13,200
	TOTAL INCOMING RESOURCES	247,431	480	-	247,911	294,322

Notes to the Financial Statements for the Year Ended 31st December 2022

3	RESOURCES USED	Unrestricted Funds		Restricted Funds	TOTAL	Total
		General	Designated		2022	2021
		£	£	£	£	£
3a	<i>Grants payable</i>					
	Home missions	5,334	-	-	5,334	8,000
	Overseas missions	10,541	-	-	10,541	12,875
	Other	-	-	150	150	-
		15,875	0	150	16,025	20,875
3b	<i>Activities directly relating to the work of the Church</i>					
	Ministry: Diocesan Quota	80,000	-	-	80,000	80,000
	Evangelism	-	-	-	-	-
	Lay expenses	732	-	-	732	130
	Church running expenses	3,521	-	-	3,521	626
	Church & housing maintenance	56,945	21,340	-	78,285	49,326
	Staff salaries	83,374	-	-	83,374	86,023
	Staff training & expenses	4,829	-	-	4,829	1,664
	Alpha	450	-	-	450	60
	Youth ministry and Children's work	3,545	2,450	-	5,995	1,865
	Events	-	-	-	-	-
	Pastoral care	-	-	-	-	-
		233,396	23,790	-	257,186	219,694
3c	<i>Church management & administration</i>					
	Professional fees	1,014	-	-	1,014	1,420
	Printing & Stationery	12,139	-	-	12,139	10,560
	Sundry expenses	1,455	-	-	1,455	695
	Depreciation	-	2,840	-	2,840	-
		14,608	2,840	-	17,448	12,675
3d	<i>Governance costs</i>					
	Independent Examiner	870	-	-	870	870
		870	-	-	870	870
	TOTAL RESOURCES USED	264,749	26,630	150	291,529	254,114
4	STAFF COSTS	£	£	£	£	£
	Wages & salaries	72,758	-	-	72,758	75,867
	Social Security costs	-	-	-	-	-
	Pension costs	10,616	-	-	10,616	10,156
		83,374	-	-	83,374	86,023

During the year there were no employees who earned £60,000 p.a. or more.

5 FIXED ASSETS

Tangible Fixed Assets

	Freehold Buildings	Piano	Fixtures & Fittings	Total
COST/VALUATION				
At 1st January 2022	£ 1,480,320	£ 6,000	£ 89,143	£ 1,575,463
Additions	-	-	8,533	8,533
Revaluation	655,000	-	-	655,000
At 31st December 2022	2,135,320	6,000	97,676	2,238,996
DEPRECIATION				
At 1st January 2022	-	-	86,314	86,314
Charge for the year	-	-	2,840	2,840.40
At 31st December 2022	-	-	89,154	89,154
NET BOOK VALUE				
At 31st December 2022	2,135,320	6,000	8,522	2,149,842
At 31st December 2021	1,480,320	6,000	2,829	1,489,149
Cost/valuation is represented as follows:				
Cost	£ 260,320	£ 6,000	£ 97,676	£ 363,996
Valuation 2011	795,000	-	-	795,000
Valuation 2021	425,000	-	-	425,000
Valuation 2022	655,000	-	-	655,000
TOTAL At 31st December 2022	2,135,320	6,000	97,676	2,238,996

The Freehold Buildings comprise property at 226 Moor Lane, 72 Marlborough Gardens and St. Luke's Centre. The latest values are based on valuation reports by Morgan Sloane, Chartered Surveyors produced in December 2021 and by TMA Chartered Surveyors in October 2022.

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			2022	2021
		£	£	£	£
	At 1st January 2021	17,387	-	17,387	15,317
	Additions	-	-	-	-
	Revaluations	(1,044)	-	(1,044)	2,070
	At 31st December 2022	16,343	-	16,343	17,387

7	ANALYSIS OF NET ASSETS BY FUND	Unrestricted Funds	Restricted Funds	Total Funds	
				2022	2021
		£	£	£	£
	Fixed Assets	2,166,185	-	2,166,185	1,506,536
	Current Assets	104,085	-	104,085	155,831
	Current Liabilities	(4,168)	-	(4,168)	(6,603)
		2,266,102	-	2,266,102	1,655,764

8	DEBTORS	Unrestricted Funds	Restricted Funds	Total Funds	
				2022	2021
		£	£	£	£
	Prepayments & other debtors	499	-	499	1,100
	Income tax recoverable	10,138	-	10,138	11,269
		10,637	-	10,637	12,369

9	CREDITORS:AMOUNTS FALLING DUE WITHIN ONE YEAR	Unrestricted Funds	Restricted Funds	Total Funds	
				2022	2021
		£	£	£	£
	Other taxes & social security costs	678	-	678	707
	Accruals & deferred income	3,490	-	3,490	5,896
		4,168	-	4,168	6,603

10	FUND DETAILS	Balance 1.1.2022	Movement in the year	Reallocation between funds	Balance 31.12.2022
		£	£	£	£
	Unrestricted funds:				
	General Fund	117,868	(17,318)	(21,533)	79,017
	Maintenance Reserve Fund	16,323	(21,340)	13,000	7,983
	Fixed Assets	1,489,149	652,160	8,533	2,149,842
	Youth Fund	3,918	(1,970)	-	1,948
	The Well	847	-	-	847
	CAP	6,819	-	-	6,819
	Contingency Reserve	17,387	(1,044)	-	16,343
		1,652,311	610,488	-	2,262,799
	Restricted funds:				
	Discretionary Fund	2,417	(150)	-	2,267
	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	(150)	-	3,303
	TOTAL FUNDS	1,655,764	610,338	-	2,266,102