

# **St. Luke's Church, Watford**

*(Charity Reg. no. 1130376)*



## **Annual Report and Financial Statements 2023**

*"For my house will be called a house of prayer for all nations." Isaiah 56:7*

## **ANNUAL REPORT AND FINANCIAL STATEMENTS**

<u>CONTENTS</u>	<u>Page</u>
St Luke's Vision	3
Vicar's Introduction	3
PCC report	5
Financial statements	
Statement of financial activities	15
Balance sheet	16
Notes to the financial statements	17
Statement of PCC responsibilities	26
Independent examiner's report	27
Administrative information	28

## **St Luke's Vision**

**A beacon of light and love; a lighthouse, with small boats going out to rescue people. We are to be a place that shines the Father's light, love and safety into the world. We are reaching out with the gospel of Jesus Christ in the power of the Holy Spirit to rescue those drowning in the sea of life.**

### **Priorities**

1. Rediscovering and developing corporate worship and prayer
2. Growing our children, youth and family ministry through faithful bible teaching and the outward working of our faith.
3. Reaching out in obedience to scripture, to those on our estate and beyond with the good news of Jesus Christ found in God's living word

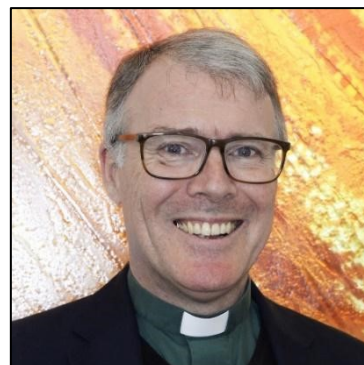
### **Goals for 2024 (Jan-Dec)**

1.
  - increase half days of prayer to 6 times a year and look to develop later in the year.
  - increase use of scripture in our worship and preaching.
  - revamp the evening Encounter with an emphasis on healing with the prayer ministry team in action every week, including the morning by the end of the year.
  - provide opportunities for extended worship, either as part of a half day of prayer, Sunday services, or at other times.
  - continue to build morning and evening worship teams, training up newcomers and young people and meeting monthly to pray for each other and have fellowship.
2.
  - provide bridges for those attending church groups, other than Services, to enquire about following Jesus and becoming more involved in church life. These groups include all children and Youth Groups, Holiday Club, etc
  - engage children, youth, and families in Sunday worship with an all-age production of Esther.
  - Use our ordinand and soon-to-be curate to help continue developing our family ministry.
  - Continue to develop the Saturday morning Breakfast Club as an important opportunity for family ministry.
3.
  - Wycliffe Mission in March to provide opportunities for invitation events and community outreach.
  - Continued prayer visiting during the Spring and Summer with an enhanced team of 16.
  - To further develop our church as a welcoming community for people to join especially through meals in groups or with individuals.
  - A Spring and Autumn Alpha course and an effort to include more volunteers in this work

## **VICAR'S INTRODUCTION**

2023 was a year of good things and some lows as a church. Recovery from the pandemic levelled off, some very encouraging things happened, and much service was done in Jesus' name.

Encouragements included a seven-week series of drama and song in our morning services in January and February on the life of Joseph, the continued growth of the Cassiobury and Nearby Community Choir, and an incredible Easter Day, with the main service full to overflowing. There



was our church family meal celebration of the enthronement of King Charles in May and a holiday club in August which was very well attended. The autumn saw a busy programme with a church weekend, Harvest Festival, the launch of Alpha, Remembrance Sunday and more.

One of the great signs of hope for the future was having 11 people on the Alpha course. Christmas saw two nights of sharing faith through the Christmas story and Carols/songs at the Essex Arms and an amazing Christmas Eve with two well attended services, a morning Nativity and an early evening Christingle. Our schools work also continued well, in a number of Schools especially Cassiobury Infants and Nascot Wood Infants.

The lows were the struggle to see attendance return to pre-Covid levels, the sad loss of dear older church members, the financial struggles to meet costs, mainly due to the increase in Gas and Electricity bills. The decision of the General Synod to allow prayers of blessing of gay couples divided the church nationally and caused much disquiet among many St Luke's church members. The PCC faced this issue in the Autumn. Although Encounter had started well in the Autumn of 2022, the 5.30pm service has struggled to see growth in 2023. Cancelling a group trip to Israel due to the war in Gaza was sad for the group who had planned to go.

My sabbatical covering 4 months in the middle of the year led me to several areas for us as a church to ponder on for the future. One was discipleship, to look as individuals and as a church at rhythm and balance and resilience in our lives. The rediscovery of Sabbath, will I believe play an important part in regaining life's physical and spiritual balance.

The church as Community also struck me on my travels and led me to ask the question how do we become more of a close, loving community where all can be welcome, loved and pointed to Jesus? That combined with an emphasis on God's presence with us, speaking in our day-to-day lives and providing us many providential moments. My thanks to the staff team, outside preachers and celebrants and thanks to ALL involved in any way, serving, praying or just being part of our lovely church family during my sabbatical and during the year.

Looking forward to 2024 I want to use our Mission Action Plan as a guide;

1. **Focus on Prayer and Worship** - Increasing half days of prayer to 6 times a year and revamping Encounter services with an emphasis on prayer for healing with the prayer ministry team every week will make a positive difference to the life of our church.

2. **Children, Youth and families** - The Midweek groups are thriving for toddlers and early secondary age young people, the challenge is for people to move into true discipleship, which will encourage more involvement in Sunday worship. The all-age 5-week production of Esther will be an opportunity for church family members of all ages to work together. The input of our ordinand and soon-to-be curate will help continue to develop our family ministry, as will the continued growth of Saturday morning Breakfast Club.

### **3. Outreach**

The Wycliffe Mission in March, continued prayer visiting during the Spring and Summer, an emphasis on community, Spring and Autumn Alpha courses and more participating in our work to reach out, I trust will lead to growth in 2024.

This must all be undergirded with prayer, guided by the Holy Spirit and the Word of God. I trust our financial situation will continue to improve as we pray and learn from a sermon series on Giving in Lent 2024.

May God continue to guide and bless us in 2024.

Yours in Christ,

Michael,

Vicar of St.Luke`s

## PCC REPORT

### AIM AND PURPOSES

The Parochial Church Council ("PCC") has the responsibility of cooperating with the vicar, the Reverend Michael Norman, to promote the whole mission of the Church - pastoral, evangelistic, social and ecumenical - within the parish of St Luke's Watford.

### OBJECTIVES

The PCC is committed to encouraging as many people as possible to worship Jesus Christ and to be part of our parish community. Our activities take into account the Charity Commission's guidance on public benefit including guidance on charities for the advancement of religion. We want to help ordinary people to live out their faith in Jesus every day, encouraging and supporting one another, and being led by the Holy Spirit and fed by God's written word.

Our Mission Action Plan was reviewed. We continued our priority areas but set some specific goals for 2023.

#### **Developing and deepening our culture of prayer and worship**

- Deepen the culture and rhythm of prayer through corporate half days of prayer and prayer for each other in small groups of 2/3.
- Hold 2 music workshops to establish different teams of musicians.
- Build up an established prayer ministry team who pray together before services and attend regular team meetings.

#### **Growing our children, young people, and families**

- Continue building, enthusing, and equipping teams of volunteers for children, youth and family ministry through regular sharing and training opportunities

#### **Reaching out – to our parish, to one another and to our world**

- Increase the number taking part in prayer visiting to 16. Revisit past homes and aim to visit 200 new houses.
- Appoint a coordinator for prayer visiting.
- Pray for those visited on Tuesday mornings.
- Weekend at home October 2023 with Greg Downes on sharing the Gospel with our neighbours.
- Wycliffe mission March 2024.

It is good to review the year and see the progress we have made in all areas despite the challenges we have faced. The updates on our activities in 2023 are grouped into our MAP priority areas:

### OVERVIEW OF ACTIVITIES AND ACHIEVEMENTS

#### **Developing and deepening our culture of prayer and worship**

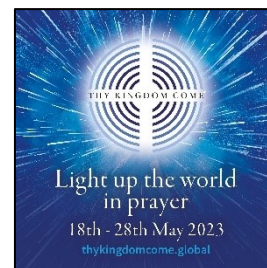
Worship is at the heart of our Christian discipleship witness and purpose. Leading worship is a particular vocation and joy for many Christians. The Diocese is actively encouraging people to explore this calling and equipping them to lead a variety of services in their local church. Five from St Luke's underwent this training and received a letter of permission from the Bishop recognising them as **Lay leaders in Worship**. Each was commissioned by Michael and prayed for by the church community. We have enjoyed seeing them in action, particularly when Michael was on Study Leave this summer.

A **Prayer Ministry team** continues to be built up, praying, and listening to God together before the services, with particular emphasis on the more informal 5.30pm service. The team met once a term last year to pray for each other, study a passage of Scripture related to this ministry and give feedback. They have tried some different ways to improve the ease in which people can come forward for prayer. There has been some encouragement in responses to the words given out and answers to prayer. Team members have been encouraged to continue to pray individually for people during the week whilst ensuring confidentiality is always kept.





**Half day of prayers** have increased in attendance and been valuable times of intercessory prayer for our church, parish, and world.



**Two music workshop days** were held to encourage the continuing development of a core team of singers and musicians who participate regularly in helping enhance our worship on Sundays both morning and evening. It has been good to see a handful of our young people involved in the music and see their musical growth. A BBQ for our Music & AV team in September was a good chance to get together as team communities and give thanks for our very talented bunch of people. The two Jeremy's have met on a regular basis devoting a Friday morning to pray for the worship ministry. Christmas saw many services with heavy musical participation, including our beautiful Carols by Candlelight service with St Luke's Christmas Choir.

The **Encounter** service at 5.30pm began the year well, with young people engaging and enjoying the pizza afterwards. However, as the year went on, numbers have dropped off, with fewer youth coming, making it difficult for the youth leaders to predict how many may be in the youth teaching group. The format of the service has not changed, with sung worship led by the band on the stage, shared testimonies, a talk, and individual prayer ministry offered, and this style seems to be appreciated by those who come. We continue to review and will pray that some changes will help encourage growth.

New people are joining **Life groups**; however, it would still be good to see more groups get started. There are two women's groups, one for men and several mixed, meeting in the morning or evening, mostly weekly, with one meeting on Zoom for those for whom getting out is difficult. There have been two lunches during the year to ask for feedback, and to encourage and thank the leaders.

The leadership team went to the **New Wine** Leaders conference in Harrogate which was very refreshing and a group of 26 from St Luke's went to New Wine United 2023 in Kent in the summer. Highlights included wonderful meals together, powerful worship sessions and excellent teaching on a wide range of topical issues such as climate change, persecution, mental health, answering tough questions about your faith, sexuality, and how to talk about Jesus without sounding weird!

### **Growing our children, young people, and families**

There is a growing **team of volunteers** who help in the many different and varied activities led by Neil and Lydia in leading, supporting and growing children, young people and families, both within and outside the church, in following Jesus. Without these volunteers, we would not be able to reach so many around our neighbourhood and we are grateful for all who have ensured they have done the relevant safeguarding training and given their time and energy to serving in this way.



*Lego Family Service*

Young people took part with other church members in the story of **Joseph** drama on Sunday mornings in January. It was lovely to see the generations enjoying this Bible story together and understanding from it that God's plans and purposes are far greater than our own. Families attended more consistently in the mornings during the mornings. An unintended consequence was that those young people attended less at **Encounter** services, and by the end of the year, few were attending in the evening, more had returned to morning services.

The **Toddler** group flourished this year, with the Bible story craft corner, an established and well used feature. **Breakfast Club** continues to grow both in numbers and in a sense of community, with those coming starting to bring their friends. Two of those attending also went onto do the Alpha course in the Autumn. **Friday coffee for Pre-school parents** saw many from different cultures sharing their stories and traditions with each other. Some moved onto school in September, so numbers were smaller but started to pick up as the Autumn term progressed. Lydia and Michael continued to link with **local schools**, taking assemblies and receiving different year groups for teaching activity sessions in the church



*Bible story craft*

itself. Queens and Parmiters schools held their Carol Services in our church.

**Urban Saints** is established on a Tuesday evening, however we missed the Year 6's when they moved up in the summer and numbers have been small in the Autumn Term. The teenage helpers remain dedicated and appreciated.



The first week of August saw a large rocket in the church as it was transformed into Starship discovery **Holiday Club**. About 75 children aged 5-11 joined to learn about Peter choosing, trusting, failing, and following Jesus. They enjoyed crafts, games, delicious lunches, great songs and a strange alien who kept appearing at odd times!



Two **midweek youth groups**, K2 and Base continue to be well attended with an amazing leadership team, committed to discipling young people and introducing them to Jesus. The Sunday morning Altitude Group explored the story of Joseph, and Acts, and the Sunday evening group worked through Youth Alpha. Twenty young people enjoyed a fantastic weekend at Alton Towers in June and explored our faith journey through a series of road signs and connecting with a local church. Special outreach events included visits to local attractions, pancake day and pumpkin party encouraging youth to join us.

Other outreach events have included an **Easter experience** with videos, activities and Hot Cross Buns available through the week for all groups coming into the building, including our midweek children and youth groups, uniformed and secular groups, It was a lot of work but good to see so many take part. A **Community Light Party**, which saw the church transformed into a 'disco' room with flashing lights and videos to dance along to. The two **Christmas Eve services**, a Nativity all age service in the morning and the lovely Christingle service in the evening rounded off the year and were very well attended.

### **Reaching out to our parish, to one another, to our world**

We focused on becoming a missional community at our **Weekend away and at home** in October at Restore Hope, Latimer Park on the Saturday and at St Luke's on Sunday. We were led by Greg Downes, an international speaker and gifted evangelist, and he challenged us with two questions as he reminded us that people want to join a community where they are loved and accepted, especially true in the case of young people struggling with their identity and gender: **At St Luke's, are we a shepherding community? Are we a missional community?** He disagreed with the well-known quotation attributed to St Francis of Assisi "Preach the gospel at all times, if necessary, use words." He said the gospel was about proclamation, giving the example of the Ethiopian Eunuch from Acts 8.



An important part of St Luke's ministry is the **Alpha course** which was run in the Autumn Term. Twelve guests met each week for a meal, DVD presentation and discussion groups. Several guests came through various church groups such as CanCC, Creative Space and Breakfast Club. The Holy Spirit Awayday was run at Christ Church Chorleywood and proved a significant day for many of the guests. A follow-up 'Beta Group' run by the Vicar, was put in place for the New Year with encouraging uptake.

During 2023 we have continued our programme of **prayer-visiting** homes to meet and listen to those who live in our parish; to understand their concerns and needs; and to offer prayer and support. We write in advance to every home we will visit and then take literature and information about St Luke's activities to leave, if appropriate. In the year we have visited over 250 homes, largely those to the south-east of The Gardens and managed to speak with someone in 75% of them. People are almost always welcoming, and we have good conversations with about half those we meet. Some have specific prayer requests, and we pick up several general themes for prayer each time we go. Prayer visiting is a real team effort. In addition to those visiting on Wednesday afternoons and Saturday mornings, there are those who pray while we go out and then the congregation at Tuesday morning services ensure that all the requests and themes are brought to God in prayer. Occasionally the prospect of going out may feel daunting - but the actual experience is really encouraging.

Other reaching out initiatives continue weekly with **Community Coffee** after the Tuesday 10.00am service, and monthly with **Friday club**, afternoon tea and entertainment for the older people living nearby.

**Creative Space** meets monthly on Mondays or Saturdays and up to 34 ladies attend. Many non-church members come, and all enjoy craft teaching on alternate months, this year on cross stitch, sock projects, decoupage, silk painting and Christmas crafts. The group started a Community Collage banner for putting in the Gathering area which they aim to finish in 2024. The group revamped the Poppy cross on the outside of the church which is a stunning symbol for Remembrance Day. There is a 5-minute God-focussed slot at each event.

**Cameo** meets every month for talks, films, and social events. It is mainly for ladies to meet with each other and bring friends along, but men are invited to special Cameo Plus events. Talks this year included Michael Norman speaking about his recent pilgrimage to the Holy Land, the RNLI showed breathtaking stories of rescues, and the owner of Cinnamon Square, the Artisan Baker, demonstrating how to make the perfect Victoria sponge! In September, David Dean from the Barnabas Trust spoke about their work with persecuted Christians around the world, by sending food boxes to Christians suffering from war or discrimination. In response, St Luke's sent twelve boxes of dried food to show our support for the persecuted church abroad. Trips out included a walk in Ashridge Forest among the bluebells, a visit to Chenies Manor gardens and Christmas lunch at The Cock in Sarratt.

The **Cassiobury and nearby Community Choir (CanCC)** has been growing steadily and continues to meet on a Wednesday evening weekly. The choir has had the opportunity to visit the Essex Arms with a Turkey & Syria earthquake fundraiser in March, as well as two carolling evenings in December. CanCC also hosted a successful Summer Concert that featured Gospel music. The CanCC contributed to an NHS bereavement service hosted at St Luke's in October, alongside a Gospel choir. In October we facilitated an evening with Face2Face music ensemble who shared testimonies of how God had intervened in their lives. This was a good opportunity for church members to invite others along and it received a positive reception. There is potential for more such concerts in the future. Monthly recitals continue to include a range of talented guest musicians, drawing in a modest audience from both within and outside of St Luke's community.



In May, we had a church family lunch to celebrate the **Coronation of King Charles III**. Over 100 people came and enjoyed coronation chicken, and activities for all the family.

CanCC performed some rousing songs.



It has been a busy year for the **Pastoral care team**. Sadly, many of our church family have been unwell, in hospital and an unusually high number of dear church members have died. The pastoral team has offered support by distributing small gifts of love at Easter, Harvest and Christmas. These have been much appreciated. The team and church family members have visited those sick in hospitals and nursing homes. The Vicar thanks all those who have given sacrificially of their time to pray and visit. The group meets around six times a year and is updated about those unwell in our church family and those connected with our church. A WhatsApp group also helps keep us updated on how people are.



### **Reaching out - Partners in Mission**

St Luke's has a long tradition of supporting Mission both at home and overseas. The relationship with our Mission Partners is managed by the Partners in Mission PCC Sub-Committee (or PIM as it is commonly known), who each year allocate 10% of the church's income (in **2023 £30,690**) for their support.

We support eight individuals with whom we have a direct relationship – providing financial support, prayer and love.

We also provide financial support to several agencies, at home and abroad. The organisations that we provide the greatest annual support to (£1,000+) are local. There are several other organisations that we support to a lesser extent, both local and further afield. Other organisations receive one-off support from time to time for particular causes.

This year, Partners in Mission sub-committee organised a Mission Sunday in May with contributions from mission partners from home and abroad both in person and by video. They agreed new Terms of Reference for Partners in Mission and refreshed the content for the Partners in Mission noticeboard. There was no Tearfund Big Quiz night due to a change of date by Tearfund, but we hope to do this again in 2024. There have been ongoing discussions about a possible Partnership Fund project for 2024.

Once again, we provided 50 Christmas Hampers for families seeking help with the Watford and Three Rivers Refugee Partnership.

### **FACILITIES**

We are blessed with our excellent buildings which provide a focus for the community as well as our own ministry. However, the church buildings are showing the effect of age, it being over 18 years since the new church was built. In addition, the buildings are being used more extensively and are showing signs of wear and tear.

We are grateful to all who volunteer their time to assist with building maintenance, however these are reducing in number and ageing. It is difficult now to find several able body volunteers capable of undertaking any new building projects.

23 Orchard Close had an annual inspection and several repairs had to be undertaken. All Church external door locks were changed, and new keys issued and recorded. Several Church high level window electric motors had to be replaced as did the toilet extractor fans. The car park fence to the Vicarage had to be repaired after being hit by a vehicle. The lift, fire alarms, extinguishers, emergency lighting and gas boilers have been regularly serviced, and the urinals, gutters, lights, and gardens etc., have been maintained by volunteers.

Ongoing repairs and maintenance will need to be considered for the future. The Fire Safety report has produced several door repairs and alterations required at some cost. The gutters and high-level glass need to be cleaned this year at some cost. The Energy Group is looking at the Hall and Church main high-level lights being changed to LED for energy efficiency and easier maintenance; all other lights already have been changed to LED's. This group is looking at a more efficient way of heating the church buildings which would also incur a cost.

### **RISK MANAGEMENT**

The PCC considers that the principal risks faced by St Luke's have been:

- Safeguarding children and vulnerable adults
- Managing the health, safety and well-being of staff and congregation
- Financial risk
- Use of personal data (GDPR)

### **Safeguarding**

The PCC is committed to doing all we can to ensure that any vulnerable person coming to St Luke's is kept safe and protected. The care and protection of children, young people and adults involved in church activities is the responsibility of everyone who participates in the life of the church.

The Parish Safeguarding Officer and Lead Recruiter ensure that effective and correct documentation and procedures are in place and followed. During 2023, they have worked with the Church Administrator to check that each church and non-church activity has a Risk Assessment and Safeguarding Policy in place. They also arrange and monitor DBS and training for individuals with any sort of involvement and ensure that accurate records are maintained on the Parish Dashboard. 24 new DBS certificates have been issued and 50 DBS certificates have been checked using the DBS Update Service.

The Dashboard now has a secure Safeguarding Hub with a Role Creator and a People Manager. 100 members of our congregation are now listed on the People Manager, performing a variety of 29 roles within the church. Since July 2023, we have begun the process of compiling a digital Job Description for each role. All these details are uploaded on to the Parishes Safeguarding Dashboard although no personal information is recorded.

The PCC reviews all safeguarding documentation annually and regularly receives reports on safeguarding activity.

The PCC considers it has complied with the duty under section 5 of the Safeguarding and Clergy Discipline Measure 2016 (duty to have regard to the House of Bishop's guidance on safeguarding children and vulnerable adults).

### **Health, safety and well-being**

This is a wide brief, which covers a range of risks. The Health and Safety Officer and the Church Administrator ensure that policy and procedures are in place and that people are aware of them. Health and safety inspections are carried out at least annually, enabling areas of concern to be addressed and policy to be updated where necessary.

An unscheduled and unexpected environmental health inspection during Holiday Club in July resulted in a 5-star hygiene award. Thanks go to all those involved with this and all who give their time and expertise to maintaining the fabric and safety of the church premises.

A Fire safety inspection was carried out in Autumn 2023. The report is with the PCC for their consideration and action.

A review of all Risk Assessments is being undertaken. The Annual Health and Safety inspection took place and is with the PCC for consideration and action.

### **Financial**

The church treasurer has established a robust system of financial controls, based on budgets, proper authorisation of all payments and segregation of duties. The PCC sets the annual budget and scrutinises monthly management accounts, which analyse variances to budget and prior year. At every meeting the treasurer delivers a report.

### **GDPR**

**We are still in need of a church GDPR officer**, our administrator does a good job of ensuring we are compliant in the meantime.

The church directory has gone online to be GDPR compliant – everyone has control of their own information and how much of it can be used.

Care is taken to ensure individuals do not appear on live stream broadcasts without their permission. Personal consent forms have also been updated to allow individuals to give consent for appearance on social media and streaming.

There has been no recorded report of data breaches or data losses at St Luke's.



## STRUCTURE, GOVERNANCE AND MANAGEMENT

The PCC is a corporate body established by the Church of England. It operates under the Parochial Church Council Powers Measure. The PCC is a Registered Charity (No 1130376).

The method of appointment of PCC members is set out in the Church Representation Rules. At St Luke's the membership of the PCC consists of the incumbent (our vicar), churchwardens, one of the readers and members elected by those members of the congregation who are on the electoral roll of the church. All those who attend our services are encouraged to register on the electoral roll and stand for election to the PCC. Two of the elected places are reserved initially for youth aged 16-18, if they wish to stand.

The PCC is responsible for making decisions on all matters of general concern and importance to the parish including deciding on how the funds of the PCC are to be spent.

The full PCC met 6 times during the year with an average attendance of 75%. Given the breadth of its responsibilities, the PCC has sub-committees and working parties dealing with specific aspects of parish life:

### Sub-committees

- Executive (standing committee)
- Building and Energy group
- Finance
- Partners in mission

### Working parties

- Life group/Alpha coordination
- People and pastoral care
- Prayer ministry
- Children and youth
- Communication/publicity

The PCC appoints individuals to be Prayer Coordinator, Health & Safety Officer, Parish Safeguarding Officer, Lead Recruiter/DBS Administrator and GDPR Officer.

All these committees and officers are responsible to the PCC and report back to it regularly. Minutes of relevant meetings are received by the full PCC and discussed as necessary.

There are two other working groups at St Luke's which report directly to the vicar:

- Leading and preaching team
- Mission advisory group



## FINANCIAL REVIEW AND RESERVES POLICY

Our financial statements reveal a deficit for 2023 of £2.5k with an additional £1k for last year's carryover in the Partners in Mission [PIM] giving fund. This includes £1.3k estimated gain in share prices which represents a slight recovery from last year's loss of £3.5k. The deficit compares with a gain in 2022 of £16.7k + £100k in 23 Orchard Close revaluation.

A more significant deficit had been anticipated from the budget but several factors ensured only a small deficit. Saving items that of note are:

- +£12.5k legacies
- +£4k interest with remains at a stable level
- +£4k due to reduced energy costs half of which came as a one-off refund upon moving to a fixed three year electricity contract
- +£5k building work not carried out

Significant items to compare between 2023 vs 2022 results are as follows:

### INCOME

- Unrestricted income contracted £2.5k from £317.3k to £314.9k (0.8%)
- Unrestricted giving was down £7.5k from £225.8k to £218.3k. Underlying in this is a £10.8k reduction in one-off giving.
- Room lettings were down £5.7k from £64.3k to £58.6k-
- £4.2k increase in interest and dividends from £2.2k to £6.4k as interest rates remained stable

### EXPENDITURE

- Total expenditure increased by £18.3k from £308.4k to £326.6k (5.6%)
- The utilities cost increased by £15.6k from £13.6k to £29.2k with removal of government subsidies
- Other premises costs were cut-down by £11.1k from £37.2k to £26.1k

With the price of utilities remaining high, it continues to remain a significant drain on the balance of church income vs expenditure. Savings were made by not spending on the church fabric to minimise use of the Deficit Fund setup last year. This, however, should not be a long term fix.

As costs are increasing, it is of concern that the income has not risen in proportion. This was noted in October during preparation of 2024 budget. And appears to be due to either members moving away, moving into homes or death. A strong reminder in December after October PCC meeting was sent to the membership to review their giving namely was it keeping up with inflation and for non-givers to consider participating in funding of their church. This included giving an explanation to membership about our income and expenses and preaching during Sunday morning services, through weekly sheet and newsletter publications.

### General reserve

This fund handles all the church's regular income and operating costs.

The church continues to pay its full parish quota which was £115.4k (35% of total expenses).

### Designated Fund

Each year the PCC reviews the value of its unrestricted reserves. In line with last year, an operating general reserve of over £40k is retained. This represents the amount the PCC thinks is necessary to operate in the normal course of events. This allows for income that is sometimes sporadic, whilst major costs are monthly namely for staff, parish quota and utilities and also gives due consideration to the reserves held. Funds which are tied up in fixed assets are held in the Capital Reserve. The PCC decides when and how it anticipates that any additional unrestricted funds will be used and move them to and in the Designated Fund. At year-end PCC had designated £121.1k as follows:

- £30.0k to fund key maintenance over and above routine yearly work.
- £47.5k is designated to cover the cost of housing for the nominated curate whose appointment is due June 2024.
- £1.1k is designated for PIM. PCC seeks to give away 10% of the unspecified income received. This was not fully reflected in 2023 giving and £1,133 is being carried over to 2024.



- £27.5k has been designated to pay for starter payment for solar panels or other initiatives which may be recommended by the Energy Review Committee.
- £15.0k has been put aside as a caution against the 2024 budget deficit of £35k.

#### **Earmarked Fund**

This fund is used to hold and distribute amounts given for specific purposes. £7.9k was received and £7.3k paid out during the year.

Following crises with earthquake in Turkey and cyclone destruction in Malawi. £0.2k was raised for the former and £3.5 for the latter. £0.2k was also raised for Watford foodbank and £2.1k for Christmas hampers which continues to be well supported.

#### **Partnership Fund**

There were no specific appeals during 2023 and the balance on the fund is £2,530 including interest for the year of £25. A Partnership appeal is being considered for 2024.

#### **Balance Sheet**

Total net assets have reduced slightly from £877k to £875k.

## **VOLUNTEERS AND STAFF**

The PCC is hugely appreciative of the many, many individuals who work so hard to make our church the lively and vibrant community that it is.

- Our deputy wardens, stewards, the welcome team, and those who do the coffee and refreshments at services and other events
- The musicians who play, sing, compose or record songs to help our worship
- The technology and AV team who work to help us see, hear and follow the services - whether we are in the building, or watching on-line, or receiving a pre-recorded DVD
- Those who preach, lead prayers or read Scripture at services
- Those who prepare, teach and help with our toddler, children and youth groups on Sundays or during the week; including the youth leaders who are so crucial at Urban Saints
- The pastoral network team and the prayer ministry team as they continue to phone, visit and pray.
- Those who lead and support life groups, Alpha, Creative Space, Cameo, CanCC and the various social and outreach activities.
- Those who provide meals for Alpha meetings and those who wash up afterwards
- The Building Group and all who volunteer to do maintenance and cleaning work in the building or garden
- Those who prepare the church for services – flowers, communion laundry, cleaning silver
- Those who come back late every evening to make sure the church is locked up and lights switched off
- Those who ensure that the giving we receive is counted and banked, and that bills are paid on time and properly accounted for
- Those who give, often sacrificially, both through regular giving and in response to specific appeals
- Those responsible for making sure that we are legal and that everyone is kept safe
- People who write to our partners-in-mission, who keep us informed and prompt us to pray for them
- Those who write content, edit, print and distribute our magazine
- Those who organise and prepare door drop material and gifts; and those who together knock on every door in the parish to deliver them
- Those who design and produce our communications including website content and posters

## 2023 Annual report and Financial Statements

- Those who cover everything which happens at St Luke's in prayer – at prayer meetings and privately
- Those who notice and take the time to thank and encourage people who serve and worship at St Luke's
- Those who have served on PCC, its sub-committees or working groups
- Our staff team

Whenever we prepare a list such as this, we are astonished at just how much is being done, and by so many. We thank each one of you – and give thanks to God for you.

Approved by the PCC on 16<sup>th</sup> April 2024 and signed, on its behalf by Michael Norman (Chair of PCC)

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**PAROCHIAL CHURCH COUNCIL OF ST LUKE'S, WATFORD**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
for the year ended 31 December 2023

		Unrestricted funds	Restricted funds	Total funds	
	Notes	£	£	2023 £	2022* £
<b>Income from:</b>					
<i>Donations and legacies</i>	3(a)	218,329	7,709	<b>226,038</b>	236,976
<i>Charitable activities</i>	3(b)	73,403	239	<b>73,642</b>	73,132
<i>Other trading activities</i>	3(c)	16,549	0	<b>16,549</b>	15,920
<i>Investments</i>	3(d)	6,359	0	<b>6,359</b>	2,207
<i>Other income</i>	3(e)	300	0	<b>300</b>	300
<b>Total income</b>		<b>314,940</b>	<b>7,948</b>	<b>322,888</b>	328,535
<b>Expenditure on:</b>					
<i>Charitable activities</i>					
<i>Grants</i>	4(a)	30,950	7,257	<b>38,207</b>	35,841
<i>Other charitable activities</i>	4(b)	288,452	0	<b>288,452</b>	272,554
<b>Total expenditure</b>		<b>319,402</b>	<b>7,257</b>	<b>326,659</b>	308,395
<b>Net income before gains/(losses) on investments</b>		<b>(4,462)</b>	<b>691</b>	<b>(3,771)</b>	20,140
Net gains/(losses) on investments		1,304	0	<b>1,304</b>	(3,483)
Revaluation of 23 Orchard Close		0	0	<b>0</b>	100,000
<b>Net income/(expenditure)</b>		<b>(3,158)</b>	<b>691</b>	<b>(2,467)</b>	116,657
<b>Net movement in funds</b>		<b>(3,158)</b>	<b>691</b>	<b>(2,467)</b>	116,657
Total funds brought forward		865,175	12,145	877,320	760,663
<b>Total funds carried forward</b>		<b>862,017</b>	<b>12,836</b>	<b>874,853</b>	877,320

\*Comparative figures for Funds for 2022 are set out in Note 2

**PAROCHIAL CHURCH COUNCIL OF ST LUKE'S, WATFORD**  
**BALANCE SHEET**  
**at 31 December 2023**

	Notes	2023 £	2022 £
<b>Fixed assets</b>			
Tangible	6(a)	700,000	700,000
Investments	6(b)	23,191	21,887
		<b>723,191</b>	<b>721,887</b>
<b>Current assets</b>			
Debtors	7	10,318	11,074
Short term deposits		138,707	142,244
Cash at bank and in hand		12,505	10,324
		<b>161,530</b>	<b>163,642</b>
<b>Current liabilities</b>			
(Amounts falling due within one year)	8	(9,868)	(8,209)
<b>Net current assets</b>		<b>151,662</b>	<b>155,433</b>
<b>Net assets</b>		<b>874,853</b>	<b>877,320</b>
<b>Funds</b>			
Unrestricted	10	862,017	865,175
Restricted	11	12,836	12,145
		<b>874,853</b>	<b>877,320</b>

Approved by the Parochial Church Council on 16th April 2024, and signed on its behalf by:

-----  
Michael Norman  
Chair, St Luke's Parochial Church Council

-----  
Martin Kirk  
Treasurer

The notes on pages 17 to 25 form part of these financial statements



**PAROCHIAL CHURCH COUNCIL OF ST LUKE'S, WATFORD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2023**

## **1 ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 and the Charities Statement of Recommended Practice (SORP) FRS102. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings and investments. The PCC is a Public Benefit Entity as defined by FRS 102.

### **Critical accounting estimates and judgements**

In the application of the PCC's accounting policies, the members of the PCC are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### **Going concern**

The members of the PCC assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the PCC to continue as a going concern. The members of the PCC make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the PCC has adequate resources to continue in operational existence for the foreseeable future. Thus, the PCC continues to adopt the going concern basis of accounting in preparing the accounts.

### **Funds**

Unrestricted funds represent funds of the PCC that are not subject to any restrictions regarding their use and are available for use for the general purposes of the PCC. The General Reserve holds the liquid funds which the PCC believes are necessary to run the church in the normal course of events; the Capital Reserve represents those unrestricted funds which are tied up in the form of fixed assets; and the Designated Fund contains unrestricted liquid funds which have been designated for specific purposes by the PCC.

Earmarked Fund handles funds which have been donated for a specific purpose. These funds are restricted.

Partnership Fund (previously Thanksgiving Fund) handles funds donated by way of major appeal, to enable the Church to make specific grants to other churches and Christian organisations. This fund is also restricted.

The accounts 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 nor those that are informal gatherings of Church members.

### **Income**

#### Voluntary income and activities for generating funds:

Collections are recognised when received by or on behalf of the PCC.

Income tax recoverable on gift aid donations is recognised when the donations are recognised.

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

Funds raised at social and similar events are accounted for gross.

Sales of books and magazines are accounted for gross.

#### Activities related to church work

Rental income from the letting of church premises is recognised when the rental is due.

#### Investment income

Interest and dividends are accounted for when receivable.

## **Expenditure**

### Grants

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC. The PCC has decided to make total grants in the year equal to 10% of the non-specific income to the General Fund. Grants are made to support living and other costs of other charities or individuals who have or have had a personal, established connection to St Luke's church. The grants are made in support of the primary objects of the PCC.

### Activities relating to church work

The diocesan parish share is accounted for when payable.

## **Fixed assets**

### Consecrated land and buildings and movable church furnishings

Consecrated and beneficed property is excluded from the accounts by s.10 of the Charities Act 2011. All of St Luke's premises, with the exception of the Large Hall (formerly the church), the Chapel and 23 Orchard Close, are consecrated.

No value is placed on movable church furnishings held by the churchwardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be inalienable property.

All expenditure incurred during the year on consecrated or beneficed buildings and movable church furnishings, whether maintenance or improvement, is written off as expenditure in the SOFA and separately disclosed.

### Other fixtures, fittings, furniture and office equipment

Fixtures and fittings are depreciated on a straight line basis over 5 years and furniture and equipment over 4 years. Individual items costing less than £1,000 are not capitalised but are fully written off in the year of acquisition.

## **Current assets**

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors less provision for amounts that may prove uncollectable.

Cash and cash equivalents include cash in hand, deposits held at call with banks. Short-term deposits include cash held on deposit either with the CBF Church of England Funds or at the bank.

## **Financial instruments**

The PCC has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the PCC's balance sheet when the PCC becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

## **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

## **Creditors and provisions**

Creditors and provisions are recognised where the PCC has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

## **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### Derecognition of financial liabilities

Financial liabilities are derecognised when the PCC's contractual obligations expire or are discharged or cancelled.

#### Risk Management

Financial risk is managed through budgets and regular reporting of the management accounts to the PCC.

2	COMPARATIVE NUMBERS FOR 2022	Unrestricted Funds £	Restricted Funds £	Total funds £
	<b>Income from:</b>			
	<i>Donations and legacies</i>	225,787	11,189	236,976
	<i>Charitable activities</i>	73,132	0	73,132
	<i>Other trading activities</i>	15,920	0	15,920
	<i>Investments</i>	2,207	0	2,207
	<i>Other income</i>	300	0	300
	<b>Total income</b>	317,346	11,189	328,535
	<b>Expenditure on:</b>			
	<b>Charitable activities</b>			
	<i>Grants</i>	30,700	5,141	35,841
	<i>Other charitable activities</i>	270,799	1,755	272,554
	<b>Total expenditure</b>	301,499	6,896	308,395
	<b>Net (expenditure) before gains/(loss) on investments</b>	15,487	4,293	20,140
	Net (losses) on investments	(3,483)	0	(3,483)
	Revaluation of 23 Orchard Close	100,000	0	100,000
	<b>Net income/(expenditure)</b>	112,364	4,293	116,657
	<b>Net movement in funds</b>	112,364	4,293	116,657
	Total funds brought forward	752,811	7,852	760,663
	<b>Total funds carried forward</b>	865,175	12,145	877,320

**PAROCHIAL CHURCH COUNCIL OF ST LUKE'S, WATFORD**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
For the year ended 31 December 2023

<b>3 INCOME FROM:</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total funds 2023 £</b>	<b>2022 £</b>
<b>3(a) <i>Donations and legacies</i></b>				
Planned Gift Aided	131,491	0	131,491	127,933
Unplanned Gift Aided	12,829	4,871	17,700	30,460
Income tax recoverable	38,279	1,218	39,497	43,426
CAF & Stewardship	3,395	950	4,345	3,738
Other planned giving	9,302	0	9,302	15,184
Cash collections & donations	10,274	670	10,944	9,956
Legacies	12,509	0	12,509	5,000
Grants	250	0	250	1,279
	<b>218,329</b>	<b>7,709</b>	<b>226,038</b>	<b>236,976</b>
<b>3(b) <i>Charitable activities</i></b>				
Room lettings	58,643	0	58,643	64,305
Church events	9,344	10	9,354	4,219
Fees	2,058	0	2,058	2,594
Other related to church work	3,270	229	3,499	1,890
Books and photocopies	88	0	88	124
	<b>73,403</b>	<b>239</b>	<b>73,642</b>	<b>73,132</b>
<b>3(c) <i>Other trading activities</i></b>				
Rent received from Orchard Close	16,549	0	16,549	15,920
Fund raising	0	0	0	0
	<b>16,549</b>	<b>0</b>	<b>16,549</b>	<b>15,920</b>
<b>3(d) <i>Investments</i></b>				
Interest and dividends	6,359	0	6,359	2,207
	<b>6,359</b>	<b>0</b>	<b>6,359</b>	<b>2,207</b>
<b>3(e) <i>Other income</i></b>	<b>300</b>	<b>0</b>	<b>300</b>	<b>300</b>
<b>Total income</b>	<b>314,940</b>	<b>7,948</b>	<b>322,888</b>	<b>328,535</b>



**PAROCHIAL CHURCH COUNCIL OF ST LUKE'S, WATFORD**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
For the year ended 31 December 2023

4	EXPENDITURE ON:	Unrestricted Funds	Restricted Funds	Total funds 2023	2022
		£	£	£	£
<b>4(a)</b>	<b>Grants</b>				
	Overseas work	17,050	5,777	22,827	20,811
	UK work	3,500	175	3,675	4,605
	Local work	10,400	1,305	11,706	10,425
		<b>30,950</b>	<b>7,257</b>	<b>38,207</b>	<b>35,841</b>
<b>4(b)</b>	<b>Other charitable activities</b>				
	Parish Share	115,439	0	115,439	112,985
	Utility costs	29,195	0	29,195	13,567
	Other premises running costs	26,057	0	26,057	37,248
	Youth and children	42,422	0	42,422	39,601
	Music director and music costs	30,355	0	30,355	30,228
	Administration	31,222	0	31,222	29,982
	Church events	4,663	0	4,663	1,533
	Printing and stationery	2,893	0	2,893	2,111
	Adult groups and outreach	1,811	0	1,811	2,055
	Catering	1,239	0	1,239	1,291
	Vicar's expenses	2,406	0	2,406	1,203
	Books & bible notes	0	0	0	0
	Governance costs (note 14)	750	0	750	750
		<b>288,452</b>	<b>0</b>	<b>288,452</b>	<b>272,554</b>
	<b>Total expenditure</b>	<b>319,402</b>	<b>7,257</b>	<b>326,659</b>	<b>308,395</b>

A £9,000 local grant was made from restricted funds in 2021, of which £1,171 was returned during 2022 as the full cost hadn't been incurred as soon as originally expected. A second £1,171 was returned in July 2023.

5	STAFF COSTS			2023	2022
		£	£	£	£
	Salaries and allowances	68,194	0	68,194	65,511
	National Insurance	0	0	0	0
	Pensions	4,076	0	4,076	3,899
		<b>72,270</b>	<b>0</b>	<b>72,270</b>	<b>69,410</b>

The year the PCC employed an Administrator, a Worship Leader / Administrator, a Youth Director, and a Children & Families leader. None earned more than £60,000 pa. No member of the PCC received remuneration or reimbursement of expenses, except as referred to in Notes 13 and 15. The PCC contributes to a defined contribution pension scheme for the benefit of its employees. Contributions payable are charged to the statement of financial activities in the year that they are payable. The amounts paid during the year are as shown above.

**PAROCHIAL CHURCH COUNCIL OF ST LUKE'S, WATFORD**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
For the year ended 31 December 2023

6	FIXED ASSETS FOR USE BY THE PCC	2023	2022
6(a)	<b>Tangible</b>		
	Land & Building	Furniture Fittings & Equipment	Total
	£	£	£
<b>Cost or valuation</b>			Total
At 1 January	700,000	24,946	724,946
Additions	0	0	0
Disposals	0	0	(4,020)
Revaluation adjustment	0	0	100,000
At 31 December	700,000	24,946	724,946
<b>Depreciation</b>			
At 1 January	0	24,946	24,946
Charge for the year	0	0	0
Disposals	0	0	(4,020)
At 31 December	0	24,946	24,946
<b>Net book value</b>			
At 1 January	700,000	0	700,000
At 31 December	700,000	0	700,000

*In accordance with the appropriate accounting policy (based on the Charities Act 2011 and the Charities SORP (FRS102)), the cost of the new church and associated buildings has been excluded, as the whole complex comprises Consecrated Land & Buildings.*

*The PCC regards all the moveable church furniture and fittings (primarily the seating, audio-visual equipment and the organ) as inalienable property which would require a faculty for disposal.*

*The value of 23 Orchard Close is based on the PCC's reasonable best estimate having regard to local market conditions as at 31 December 2023.*

6(b)	<b>Investments</b>	£	£
	Market value at 1 January	21,887	25,370
	Additions at cost	0	0
	Revaluation	1,304	(3,483)
	Market value at 31 December	23,191	21,887

*During the year an investment has been held for the Unrestricted Funds in the CBF Church of England Fixed Interest Fund. The holding throughout the year has been 16,021.53 shares and the value per share at 31 December 2023 was 144.75p (136.61p at 31 December 2022).*

**PAROCHIAL CHURCH COUNCIL OF ST LUKE'S, WATFORD**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
For the year ended 31 December 2023

<b>7 DEBTORS</b>	<b>2023</b>	2022
	£	£
Income tax recoverable	4,268	6,945
Accrued income/Trade Debtors	4,064	1,300
Prepayments & deposits	1,986	2,829
	<b>10,318</b>	<b>11,074</b>

<b>8 AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b>2023</b>	2022
	£	£
Creditors for goods and services	2,233	794
Accrued expenses	6,516	6,248
Room hire deposits held	632	672
Other creditors	487	495
	<b>9,868</b>	<b>8,209</b>

<b>9 ANALYSIS OF NET ASSETS BETWEEN FUNDS</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total funds</b>	
	<b>Funds</b>	<b>Funds</b>	<b>2023</b>	2022
	£	£	£	£
Fixed assets	723,191	0	723,191	721,887
Current assets	148,694	12,836	161,530	163,642
Current liabilities	(9,868)	0	(9,868)	(8,209)
Fund balance	<b>862,017</b>	<b>12,836</b>	<b>874,853</b>	<b>877,320</b>

**PAROCHIAL CHURCH COUNCIL OF ST LUKE'S, WATFORD**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
For the year ended 31 December 2023

<b>10 UNRESTRICTED FUND DETAIL</b>	<b>2023</b>	2022
	£	£
General reserve	<b>40,884</b>	40,185
Capital reserve	<b>700,000</b>	700,000
Designated fund	<b>121,133</b>	124,990
	<b>862,017</b>	865,175

*Designated fund represents unrestricted funds in excess of that required to operate in the normal course of events, and which is not tied up in fixed assets. The PCC need to disclose how it anticipates such funds will be used.*

*The current balance of £121,133 comprises:*

- *£1,133 additional discretionary giving in respect of 2023 income, which will be distributed in 2024 (PCC seek to give away 10% of the unspecified income received)*
- *£30.0k available for maintenance over and above routine yearly maintenance [no change]*
- *£47.5k has been put aside to cover three years potential accommodation costs for curate being appointed in June 2024 [no change]*
- *£27.5k has been designated for use by the energy review committee for the provision of solar panels or other changes that may be proposed. This might be spent by end 2025 [delayed by one year following 2024 budget]*
- *£15.0k is being held to cover a deficit in 2024*

*The prior year balance of £124,990 comprised:*

*£47,500 curate housing fund, £27,500 energy fund, £30,000 long term maintenance fund, £19,000 budget deficit fund for ending 2023 and £990 Partners In Mission carry over from 2022*

<b>11 RESTRICTED FUND DETAIL</b>	<b>2023</b>	2022
	£	£
Earmarked Fund	<b>10,306</b>	9,641
Partnership Fund	<b>2,530</b>	2,504
	<b>12,836</b>	12,145

**12 STATEMENT OF FUNDS**

Fund name	Balance b/f	Income	Expense	Gain/(loss) /transfer	Balance c/f
	£	£	£	£	£
General reserve	<b>40,185</b>	<b>314,940</b>	<b>(319,545)</b>	<b>5,304</b>	<b>40,884</b>
Capital reserve	<b>700,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>700,000</b>
Designated fund	<b>124,990</b>	<b>0</b>	<b>143</b>	<b>(4,000)</b>	<b>121,133</b>
Earmarked	<b>9,641</b>	<b>7,923</b>	<b>(7,257)</b>	<b>0</b>	<b>10,306</b>
Partnership	<b>2,504</b>	<b>25</b>	<b>0</b>	<b>0</b>	<b>2,530</b>
<b>TOTAL FUNDS</b>	<b>877,320</b>	<b>322,888</b>	<b>(326,659)</b>	<b>1,304</b>	<b>874,853</b>



**PAROCHIAL CHURCH COUNCIL OF ST LUKE'S, WATFORD**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
For the year ended 31 December 2023

**12 STATEMENT OF FUNDS (continued)**  
**COMPARATIVE NUMBERS FOR 2022**

Fund name	Balance b/f	Income	Expense	Gain/(loss) /transfer	Balance c/f
	£	£	£	£	£
General reserve	48,621	317,346	(301,499)	(24,283)	40,185
Capital reserve	600,000	0	0	100,000	700,000
Designated fund	104,190	0	0	20,800	124,990
Earmarked	5,348	11,189	(6,896)	0	9,641
Partnership	2,504	0	0	0	2,504
<b>TOTAL FUNDS</b>	<b>760,663</b>	<b>328,535</b>	<b>(308,395)</b>	<b>96,517</b>	<b>877,320</b>

**13 TRUSTEES' REMUNERATION, BENEFITS AND EXPENSES**

	<b>2023</b>	2022
	£	£
Expenses paid to Trustees (Vicar's working expenses)	<b>2,406</b>	1,203
Expenses paid to Trustees (Warden)	<b>36</b>	0
No of Trustees receiving expenses	<b>2</b>	1

**14 GOVERNANCE COSTS**

Fees for Independent Examiner	<b>750</b>	750
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**15 RELATED PARTY TRANSACTIONS**

**Income**

Rent received from trustee in respect 23 Orchard Close	<b>16,549</b>	15,920
PCC consider the rent to be at an appropriate level		

**Expenses**

Fees paid to Music Director	<b>21,651</b>	20,667
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**Grants**

*As in many churches, some members of St Luke's or their family are involved with other Christian charities and organisations. We encourage such people to serve on PCC and its sub-committees because they help keep our prayer and discussion well-informed and relevant - in particular with regards spending priorities and the financial grants or gifts we may wish to make.*

*No individual can make spending or giving decisions alone - and where an individual is part of a group which makes such decisions, they are not allowed to vote on any proposal involving a party to which they have a close connection. During the year, St Luke's made donations to the following organisations in which a PCC or PIM sub-committee member has a close connection.*

Rafiki Thabo Foundation	<b>1,750</b>	1,750
Watford New Hope Trust	<b>2,000</b>	2,000
Friends International	<b>2,050</b>	2,125
Noble Charity (Kenya)	<b>300</b>	0

## STATEMENT OF PCC RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND FINANCIAL STATEMENTS

The Charities Act 2011 requires the PCC to prepare financial statements for each financial year, which give a true and fair view of the PCC's financial activities during the year, and its financial position at the end of the year. In preparing financial statements, the PCC seeks to:

- Follow best practice and guidance provided by the charity commissioners, Church of England, St Albans diocese and other sources
- Use suitable accounting policies consistently
- Make judgements and estimates that are reasonable
- State and apply applicable accounting standards and statements of recommended practice, and explain any areas of concern or deviation
- Prepare financial statements on the going concern basis unless it is appropriate to assume that the PCC will not continue its operations.

PCC members have overall responsibility for ensuring the PCC has appropriate systems of controls, financial and otherwise. They are also responsible for keeping proper records which disclose and explain with reasonable accuracy at any time the financial position of the PCC and enable them to ensure that the financial statements comply with the 2011 Act. They are also responsible for safeguarding the assets of the PCC and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to ensure that:

- The PCC is operating effectively and efficiently
- Its assets are safeguarded against unauthorised use or disposition
- Proper records are maintained
- Financial information used within the PCC or for publication complies with relevant laws and regulations

As far as the PCC is aware, there are no relevant examination information (information needed by the PCC's independent examiner ("Examiner") in connection with preparing this report) of which the Examiner is unaware. Each member of the PCC has taken all the steps that they ought to have taken as members of the PCC in order to make themselves of any relevant examination information and to establish that the Examiner is aware of that information.

## **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ST LUKE'S PAROCHIAL CHURCH COUNCIL**

I report to the trustees on my examination of the accounts of Parochial Church Council ("PCC") for the year ended 31 December 2023.

### **Responsibilities and basis of report**

As members of the PCC you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the PCC's accounts carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

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

Your attention is drawn to the fact that the PCC has prepared accounts in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for accounts to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

Since the PCC's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the PCC as required by section 130 of the 2011 Act; or
- 2 the accounts do not accord with those records; or
- 3 the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

**Gary Howard FCA**  
**Howard Wilson Chartered Accountants**  
**36 Crown Rise**  
**Watford Hertfordshire WD25 0NE**

**Date: 17th April 2024**

## ADMINISTRATIVE INFORMATION

St Luke's church is situated in Langley Way, Watford. It is part of the Diocese of St Albans within the Church of England. The correspondence address is Church Office, St Luke's Church, Langley Way, Watford, WD17 3EG.

PCC members who have served at any time from 1 January 2023 until the date of this report are listed below. Where a member has served only part of that period, the relevant month of appointment or resignation is shown.

		<u>Appointed</u>	<u>Resigned</u>
<b>Ex-officio</b>			
Revd Michael Norman	Vicar		
Dave Clarke	Reader		
Susan Miller	Churchwarden		
John Williamson	Churchwarden		
<b>Elected</b>			
Helen Booth			April 2023
Mary Bowen	Deanery Synod		
Mave Clarke	Deanery Synod		
Adrienne Cooke			April 2023
Fiona Craigie		May 2023	
Cynthy Davies	Deanery Synod		June 2023
Colin Davies		May 2023	
Helen Donnelly			April 2023
Nikki Elsmore-Cary			May 2023
Mo Fasanya			April 2024
James Harvey			
Wera Irvine		May 2023	
Martin Kirk		May 2023	
Katie Llewellyn			
Ann MacLeod	Deanery Synod		
Sunny Mathai			April 2023
Phil Matthews	Deanery Synod	July 2023	
Erin Page			April 2023
Pam Reynolds			
John Sills			April 2023
Melanie Sills		May 2023	
Wendy Somerville	Deanery Synod		June 2023
Dean Tearle			
Simon Trundle		May 2023	
Emily Waddington			May 2023
Richard Waddington			

**Incumbent:** Revd Michael Norman

**Independent Examiner:** Gary Howard FCA  
Howard Wilson Chartered Accountants  
36 Crown Rise  
Watford, WD25 0NE

**Bank:** Barclays Bank plc  
High Street  
Watford